

**BEFORE THE PUBLIC SERVICE COMMISSION**  
**OF THE STATE OF MISSOURI**

In the Matter of Missouri Gas  
Energy Co. PGA/ACA Filing

)  
)

**Case No. GR-2008-0367**  
Tariff No. YG-2009-0276

**ORDER APPROVING INTERIM RATES**

Issue Date: October 23, 2008

Effective Date: November 1, 2008

On October 17, 2008, Missouri Gas Energy, a division of Southern Union Company (MGE) filed a proposed tariff sheet making changes in MGE's Purchased Gas Adjustment (PGA) factors as a result of estimated changes in the cost of natural gas for the upcoming 2008 winter season.

This filing will decrease the firm PGA factor for the upcoming 2008 - 2009 winter season, to \$0.94501 per one-hundred cubic feet (Ccf), from the current PGA factor of \$1.04107 per Ccf. This represents a decrease of \$0.09606 per Ccf. Compared to the Company's last year's winter PGA rate, which was \$0.82121, this filing represents an increase of \$77 or 12% for an average residential customer's bill.

The Commission's Staff filed its Memorandum and Recommendation on October 21, 2008. In its Memorandum and Recommendation, Staff supports the decrease of MGE's firm PGA factor. Furthermore, Staff supports Commission approval and incorporation of the rates as expeditiously as possible, in that any rate change at this time is subject to true-up in the ACA process. Staff noted MGE has filed its annual report; however, it is delinquent on its second quarter payment on its 2008 assessment.

Staff notes that, because MGE's PGA clause allows for PGA change filings to take effect on ten days' notice, good cause has been shown pursuant to Section 393.140(11), RSMo 2000, to permit the tariff to become effective on less than 30 days' notice. Staff recommends that the rates be approved on an interim basis, subject to refund status, pending final Commission decisions in ACA Case Nos. GR-2008-0367 and GR-2007-0256.

Staff also recommends the Commission grant all other relief requested by the Procurement Analysis Department in Staff's Recommendation Memorandum of the October 21, 2008 Staff Recommendation, to wit: permit Staff to submit its results and recommendation regarding the information included in this ACA filing to the Commission on or before December 31, 2009.

The Commission has reviewed the proposed tariff sheet and Staff's Memorandum and Recommendation. The Commission finds that the proposed tariff sheet conforms to the Company's Commission-approved PGA Clause. After considering Staff's recommendation, and for good cause shown pursuant to Section 393.140(11), RSMo 2000, the Commission concludes that the proposed tariff sheet should be approved to become effective on November 1, 2008, on an interim basis, subject to refund, pending final Commission decisions in ACA Case Nos. GR-2008-0367 and GR-2007-0256.

**THE COMMISSION ORDERS THAT:**

1. The proposed tariff sheet filed on October 17, 2008, by Missouri Gas Energy, a division of Southern Union Company is approved on an interim basis, subject to refund, pending final Commission decisions in ACA Case Nos. GR-2008-0367 and

GR-2007-0256. The specific tariff sheet approved is:

**P.S.C. MO. No. 1**

---

**17th Revised Sheet No. 24.3, Canceling 16th Revised Sheet No. 24.3**

2. The Staff of the Commission shall file its results and recommendation regarding information included in the ACA filing on or before December 31, 2009.

3. That this order shall become effective on November 1, 2008.

**BY THE COMMISSION**

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', is written over a horizontal line.

Colleen M. Dale  
Secretary

(SEAL)

Colleen M. Dale, Chief Regulatory Law Judge,  
by delegation of authority pursuant to  
Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,  
on this 23d day of October, 2008.