OF THE STATE OF MISSOURI

In the Matter of the Application of Southern

Missouri Gas Company, L.P., for a Variance from 4 CSR 240-14.020(1)(D)

(Case No. GE-2006-0156)

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ORDER DIRECTING FILING

Issue Date: October 12, 2005 Effective Date: October 12, 2005

On October 11, 2005, Southern Missouri Gas Company, L.P., asked the Commission for a rule variance. SMGC would like to offer its eligible customers rebates and credits to induce them to purchase natural gas-fired water heaters. Commission Rule 4 CSR 240-14.020(1)(D) currently prevents SMGC from doing so. SMGC would like a variance from the rule so that it can better compete against unregulated electric cooperatives and propane dealers in SMGC's service area.

The Commission will order its Staff to reply to SMGC's application.

IT IS THEREFORE ORDERED:

1. That the Staff of the Missouri Public Service Commission shall file a Staff Recommendation or a Status Report regarding when it will file its Recommendation no later than November 14, 2005.

2. That this order shall become effective on October 12, 2005.

BY THE COMMISSION

Colleen M. Dale Secretary

(SEAL)

Ronald D. Pridgin, Regulatory Law Judge, by delegation of authority pursuant to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri, on this 12th day of October, 2005.