BEFORE THE PUBLIC SERVICE COMISSION OF THE STATE OF MISSOURI

In the Matter of Missouri Gas Utility's) Purchased Gas Adjustment Filing for the) 2009-2010 Actual Cost Adjustment Period) File No. GR-2011-0117 Tariff No. YG-2011-0218

ORDER APPROVING INTERIM RATES

Issue Date: November 10, 2010 On October 28, 2010, Missouri Gas Utilty, Inc. (MGU), filed tariff sheets proposed to become effective November 11, 2010. MGU filed substitute tariff sheets on November 2. The tariff sheets reflects a change in MGU's Purchased Gas Adjustment (PGA) factor as a result of estimated changes in the cost of natural gas, as well as changes in the Actual Cost Adjustment (ACA) factor for the 2009-2010 winter season. MGU operates two divisions in Missouri. For the Northern system, MGU's filing will decrease the firm PGA factor for the winter season to \$0.5414 per hundred cubic feet (Ccf), from the current firm PGA factor of \$0.6340 per Ccf. This represents a decrease of \$0.0926 per Ccf. For the Southern system, MGU's filing will increase the firm PGA factor for the winter season to \$0.6059 per hundred cubic feet (Ccf) from the current firm PGA factor of \$0.5666 per Ccf. This represents an increase of \$0.0393 per Ccf.

The Commission's Staff filed its recommendation on November 5. Staff recommends the rates be approved on an interim basis, subject to refund pending final Commission decision in this case. Staff also asks to be allowed until December 31, 2011 to submit its results and recommendations regarding the information included in MGU's ACA filing. The Commission has reviewed the proposed tariff sheets and Staff's recommendation. The Commission finds that the proposed tariff sheets conform to MGU's Commissionapproved PGA Clause. In addition, because MGU's PGA clause allows for PGA change filings to take effect on 10-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. The Commission concludes that the proposed tariff sheets should be approved to become effective on November 11, 2010, on an interim basis, subject to refund, pending final Commission decision in this case.

THE COMMISSION ORDERS THAT:

1. The proposed tariff sheets filed on October 28, 2010, by Missouri Gas Utilty, Inc., assigned Tracking Number YG-2011-0218, as substituted on November 2, 2010, and bearing an effective date of November 11, 2010, is approved on an interim basis, subject to refund, pending final Commission decision in this case. The tariff sheets approved are:

P.S.C. MO No. 1 Tenth Revised Sheet No. 51, Cancels Ninth Revised Sheet No. 51 Fourth Revised Sheet No. 52, Cancels Third Revised Sheet No. 52

2. Staff's Procurement Analysis Department shall submit its results and recommendations regarding the information included in MGU's ACA filing on or before December 31, 2011.

3. This order shall become effective on November 11, 2010.

BY THE COMMISSION

Steven C. Reed Secretary

Morris L. Woodruff, Chief Regulatory Law Judge, by delegation of authority Pursuant to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri, On this 10th day of November, 2010.

(SEAL)