STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 26th day of October, 2011.

In the Matter of Missouri Gas Utility's) File No. GR-2012-0115 Purchased Gas Adjustment Tariff Filing) Tracking No. YG-2012-0158

ORDER APPROVING INTERIM RATES

Issue Date: October 26, 2011 Effective Date: November 1, 2011

On October 14, 2011, Missouri Gas Utility filed tariff sheets proposed to become effective November 1, 2011, with a substitute tariff sheet filed on October 20, 2011. The tariff sheets reflect a change in Missouri Gas Utility's Purchased Gas Adjustment (PGA) factor as a result of estimated changes in the cost of natural gas for the 2011-2012 winter season.

Missouri Gas Utility operates two service areas in Missouri. For the northern system (serving Hamilton, Gallatin, Coffey, and adjacent areas), Missouri Gas Utility's filing will decrease the PGA factor to \$0.4989 per hundred cubic feet (Ccf), from the current PGA factor of \$0.5414 per Ccf. For its southern service area (serving Warsaw and Cole Camp), Missouri Gas Utility's filing will decrease the PGA factor to \$0.5364 per hundred cubic feet (Ccf) from the current PGA factor of \$0.6059 per Ccf.

The Commission's Staff filed its recommendation on October 21, 2011. Staff recommends the rates be approved on an interim basis, subject to refund pending final Commission decision in this case.

The Commission has reviewed the proposed tariff sheets and Staff's recommendation.

The Commission finds that the proposed tariff sheets conform to Missouri Gas Utility's Commission-approved PGA Clause. In addition, because Missouri Gas Utility'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 1, 2011, 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 14, 2011, by Missouri Gas Utility, assigned Tracking Number YG-2012-0158, and bearing an effective date of November 1, 2011, are 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

11th Revised Sheet No. 51, Canceling 10th Revised Sheet No. 51

5th Revised Sheet No. 52, Canceling 4th Revised Sheet No. 52

2. This order shall become effective on November 1, 2011.

BY THE COMMISSION

Steven C. Reed Secretary

(SEAL)

Gunn, Chm., Davis, Jarrett, and Kenney, CC., concur.

Jordan, Senior Regulatory Law Judge