

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

In the Matter of Missouri Gas Utility	)	
Purchased Gas Adjustment (PGA) Factors	)	<b><u>Case No. GR-2007-0178</u></b>
to be Audited in its 2006-2007 Actual	)	Tariff No. YG-2007-0318
Cost Adjustment	)	

**ORDER APPROVING INTERIM RATES**

Issue Date: November 9, 2006

Effective Date: November 20, 2006

On November 3, 2006, Missouri Gas Utility, Inc. (MGU or Company) filed a proposed tariff sheet setting interim rates. This PGA filing reflects changes in the Company's PGA factors as the result of an estimated change in the cost of natural gas for the upcoming winter season and changes in the Actual Cost Adjustment (ACA) factor.

The proposed PGA rate of \$0.7291 per Ccf reflects a decrease of \$0.1983 per Ccf over the PGA Rate currently in effect of \$0.9274. The ACA factor, a component of the PGA factor, decreased to <\$0.0553> from <\$0.0076>.

The Commission's Staff filed its Memorandum and Recommendation on November 7, 2006. In its Memorandum and Recommendation, Staff supports the proposed rate decrease, and supports Commission approval and incorporation of the reduction in rates as expeditiously as possible, in that any rate change at this time is subject to true-up in the ACA process. Staff notes that, because MGU's PGA clause allows for PGA change filings to take affect 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 only.

Staff also recommends the Commission grant all other relief requested by the Procurement Analysis Department in Staff's Recommendation Memorandum of the November 7, 2006 Staff Recommendation. Relief requested includes permission for Staff to submit its results and recommendation regarding the information included in this ACA filing to the Commission on or before December 31, 2007.

The Commission has reviewed the proposed tariff sheet and Staff's Memorandum and Recommendation. 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 20, 2006, on an interim basis, subject to refund only.

**IT IS ORDERED THAT:**

1. The proposed tariff sheet filed on November 3, 2006, by Missouri Gas Utility is approved on an interim basis, subject to refund only. The specific tariff sheet approved is:

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

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**Second Revised Sheet No. 51, Canceling First Revised Sheet No. 51**

2. The Staff of the Commission shall file its results and recommendation regarding information included in the ACA filing on or before December 31, 2007.

3. This order shall become effective on November 20, 2006.

**BY THE COMMISSION**

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', written in a cursive style.

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 9<sup>th</sup> day of November 2006.