

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of Missouri Gas Utility, Inc.'s Purchased)
Gas Adjustment (PGA) Factors to be Audited in its) **Case No. GR-2008-0136**
2006-2007 Actual Cost Adjustment)

ORDER SETTING PREHEARING CONFERENCE

Issue Date: September 11, 2008

Effective Date: September 11, 2008

On November 3, 2007, Missouri Gas Utility, Inc. (hereafter "MGU") filed tariff sheets to change its Purchased Gas Adjustment factors. On November 16, 2007, the Commission approved the new rates, on an interim basis subject to refund, for service on and after November 20.

The Staff of the Commission filed its Recommendation and accompanying Memorandum on July 14, 2008. As ordered, MGU responded on August 14. MGU agrees with most, but not all, of Staff's recommendations.

Staff responded to MGU on September 9, affirming that Staff and MGU disagreed on Staff's recommendation to reduce MGU's gas costs by \$17,185 related to the cost of interest charges on funds used for gas placed in storage. Staff, therefore, requests the Commission to set a prehearing conference.

The Commission finds that a prehearing conference is now appropriate. The parties or their representatives shall appear in person, or by telephone, at the conference. They should be prepared to discuss the nature of any discovery each will conduct, the time necessary to complete discovery, and to prepare for hearing. The parties should also be prepared to name the witnesses each expects to call at hearing; the number and nature of

any exhibits each expects to offer at hearing; and the anticipated length of the hearing. Also, the parties should be prepared to discuss the stipulation of facts not at issue. The parties will also be encouraged to discuss settlement.

If the parties do not resolve their dispute, they shall jointly prepare and file a proposed procedural schedule.

IT IS ORDERED THAT:


1. A prehearing conference shall be held on October 8, 2008, beginning at 10:00 a.m., in Room 305 of the Governor Office Building, 200 Madison Street, Jefferson City, Missouri. This meeting will be held in a building that meets accessibility standards required by the Americans with Disabilities Act. If you need additional accommodations to participate, please call the Public Service Commission's Hotline at 1-800-392-4211 (voice) or Relay Missouri at 711 before the hearing.

2. The parties shall jointly prepare and file a proposed procedural schedule no later than October 15, 2008.

3. This order shall become effective immediately upon issuance.

(S E A L)

BY THE COMMISSION



Colleen M. Dale
Secretary

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

Dated at Jefferson City, Missouri,
on this 11th day of September, 2008.