

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

In the Matter of Missouri Gas Energy's) **File No. GR-2009-0268**
2008-2009 Actual Cost Adjustment) Tariff No. YG-2010-0282

ORDER APPROVING INTERIM RATES

Issue Date: October 28, 2009

Effective Date: November 1, 2009

On October 15, 2009, Missouri Gas Energy, a division of Southern Union Company, filed a tariff sheet proposed to become effective November 1, 2009. The tariff sheet was filed to reflect a change in MGE's Purchased Gas Adjustment (PGA) factor as a result of estimated changes in the cost of natural gas for the 2009-2010 winter season. This filing will increase the firm PGA factor for the 2009-2010 winter season to \$0.69754 per one hundred cubic feet (Ccf) from the current PGA factor of \$0.54190 per Ccf. The change represents an increase of \$0.15564 per Ccf for all customer classes except transportation.

The Commission's Staff filed its recommendation on October 22, 2009. Staff recommends that the rates be approved on an interim basis, subject to refund pending final Commission decisions in Case Nos. GR-2007-0256, GR-2008-0367 and GR-2009-0268. Staff recommends that the tariff become effective on November 1, 2009.

The Commission has reviewed the proposed tariff sheet and Staff's recommendation. The Commission finds that the proposed tariff sheet conforms to MGE's Commission-approved PGA Clause. In addition, because MGE's PGA clause in its tariff allows for PGA change filings to take effect on ten days' notice, good cause has been shown pursuant to Section 393.140(11), RSMo 2000, to permit the tariffs to become effective on less than 30 days' notice. The Commission concludes that the proposed tariff sheet should be

approved to become effective on November 1, 2009, on an interim basis, subject to refund, pending final Commission decisions in Case Nos. GR-2007-0256, GR-2008-0367 and GR-2009-0268.

MGE also filed information regarding its Actual Cost Adjustment (ACA) factor. Staff has requested that it be allowed until December 31, 2010, to review and file its recommendation for the ACA factor. The Commission finds this request to be reasonable and will direct Staff to file its recommendation as set out below.

THE COMMISSION ORDERS THAT:

1. The proposed tariff sheet filed on October 15, 2009, by Missouri Gas Energy, a division of Southern Union Company, is approved on an interim basis, subject to refund, pending final Commission decisions in Case Nos. GR-2007-0256, GR-2008-0367 and GR-2009-0268, for service rendered on and after November 1, 2009. The specific tariff sheet approved is:

P.S.C. MO. No. 1

Twentieth Revised Sheet No. 24.3, Canceling Nineteenth Revised Sheet No. 24.3

2. The Staff of the Missouri Public Service Commission shall file its recommendation regarding the 2008-2009 Actual Cost Adjustment factor no later than December 31, 2010.

3. This order shall become effective on November 1, 2009.

BY THE COMMISSION



Steven C. Reed
Secretary

(S E A L)

Nancy Dippell, Deputy Chief Regulatory
Law Judge, by delegation of authority
pursuant to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 28th day of October, 2009.