

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 5th day of
January, 2011.

In the Matter of Missouri Gas Energy's)
Purchased Gas Adjustment Change)

Case No. GR-2008-0367

**ORDER ESTABLISHING ACA BALANCE
AND CLOSING CASE**

Issue Date: January 5, 2011

Effective Date: January 15, 2011

Procedural History:

This file was opened on May 16, 2008, to receive the 2007-2008 Actual Cost Adjustment (ACA) filing of Missouri Gas Energy (hereafter "MGE"). On December 30, 2009, Staff filed a recommendation.

Staff proposed no adjustments, but had several recommendations concerning MGE's billing error from a prior ACA case, MGE's off-system sales transactions, MGE's reliability analysis and gas supply planning improvement, and MGE's hedging. Staff asked for this case to be left open pending resolution of MGE's prior ACA case, which is GR-2007-0256. MGE responded on February 17, 2010, noting that because Staff proposes no adjustment, there is nothing for the Commission to resolve. MGE further stated it did not object to this case being left open pending resolution of GR-2007-0256.

Actual Cost Adjustment Balances:

On December 9, 2010, the Staff of the Commission filed a further Recommendation. Staff reported that File No. GR-2007-0256 is closed via Commission

Order Approving Stipulation and Agreement and Establishing ACA Balance. Because File No. GR-2007-0256 has been resolved, Staff asks the Commission to issue an order establishing the ACA ending balance for this file as set forth below, and to close this case.

Account	6-30-08 Ending Balances Per MGE Filing	Current ACA Staff Adjustments	6-30-08 Staff Recommended Ending Balances
ACA Balance	\$(5,707,049)	\$0	\$ (5,707,049)
Large Volume Refund	\$(530,046)	\$0	\$(530,046)

Commission Rule 4 CSR 240-2.080(15) allows parties ten days to respond to pleadings. No party responded to Staff's December 9 pleading. Thus, the Commission will take it up unopposed.

Decision

The Commission has reviewed Staff's Recommendation. The Commission determines that the ending balances shown in the Staff recommendation are reasonable and should be approved.

THE COMMISSION ORDERS THAT:

1. Missouri Gas Energy shall establish the Actual Cost Adjustment account balances in its next Actual Cost Adjustment filing as discussed herein.

2. This order shall become effective on January 15, 2011.
3. This case may be closed on January 16, 2011.

BY THE COMMISSION

A handwritten signature in black ink, appearing to read 'S. Reed', is positioned above the printed name.

Steven C. Reed
Secretary

(S E A L)

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

Pridgin, Regulatory Law Judge