

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

In the Matter of Missouri Gas Energy's)
2008-2009 Actual Cost Adjustment)

Case No. GR-2009-0268
Tariff No. JG-2009-0519

ORDER APPROVING INTERIM RATES

Issue Date: January 21, 2009

Effective Date: January 22, 2009

On January 16, 2009, Missouri Gas Energy, a division of Southern Union Company (MGE or Company) filed a tariff sheet proposed to become effective February 1, 2009. The tariff sheet was filed to reflect an adjustment in MGE's Purchased Gas Adjustment (PGA) factor as a result of estimated changes in the cost of natural gas for the remaining 2008-2009 winter season.

This filing will decrease the firm PGA rate factor to \$0.77358 per hundred cubic feet (Ccf), from \$0.94501 per Ccf. The change reflects a decrease of \$0.17143 per Ccf.

The Commission's Staff filed its Memorandum and Recommendation on January 20, 2009. In its Memorandum and Recommendation, Staff supports the change in the costs, in that any rate change at this time is subject to true-up in the ACA process. Staff notes that, because MGE's PGA clause 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. 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 also recommended the tariff become effective on an expedited basis, to become effective on January 22, 2009.

The Commission has reviewed the proposed tariff sheets and Staff's Memorandum and Recommendation. The Commission finds that the proposed tariff sheets conform to the Company's Commission-approved PGA Clause. 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 sheets should be approved to become effective on January 22, 2009, on an interim basis, subject to refund, subject to refund pending final Commission decisions in Case Nos. GR-2007-0256, GR-2008-0367 and GR-2009-0268.

THE COMMISSION ORDERS THAT:

1. The proposed tariff sheets filed on January 16, 2009, by Missouri Gas Energy are approved on an interim basis, subject to refund, 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 January 22, 2009. The specific tariff sheets approved are:

P.S.C. MO. No. 1

18th Revised Sheet No. 24.3, Canceling 17th Revised Sheet No. 24.3

2. This order shall become effective on January 22, 2009.

BY THE COMMISSION



Colleen M. Dale
Secretary

(S E A L)

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 21st day of January, 2009