

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of Southern Missouri Gas Company, L.P.)
d/b/a Southern Missouri Natural Gas Purchased Gas) **Case No. GR-2007-0484**
Adjustment Factors to be reviewed in its 2006-2007)
Actual Cost Adjustment)

ORDER DIRECTING RESPONSE

Issue Date: August 20, 2008

Effective Date: August 20, 2008

On August 14, 2008, the Commission's Staff filed a recommendation and memorandum indicating that Staff has reviewed Southern Missouri Gas Company, L.P.'s d/b/a Southern Missouri Natural Gas' ("SMGC") 2006-2007 Actual Cost Adjustment (ACA) filing. Staff recommends that SMGC: (1) on a going forward basis, beginning with the 2008/2009, re-evaluate its planning for normal, warm and cold weather and maintain sufficient documentation to support its estimates, and (2) continue to maintain a current hedging plan, to evaluate the possibility of further diversifying its gas supply portfolios, including a gas supply planning horizon of multiple years, and keep abreast of market developments in order to make prudent gas procurement decisions.

The Commission has reviewed the memorandum filed by Staff and has determined that SMGC should respond to Staff's recommendations by September 15, 2008.

IT IS ORDERED THAT:

1. Southern Missouri Gas Company, L.P.'s d/b/a Southern Missouri Natural Gas shall file a response to the recommendations of the Commission's Staff no later than September 15, 2008.

2. This order shall become effective immediately upon issue.

BY THE COMMISSION

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', with a stylized, cursive script.

Colleen M. Dale
Secretary

(S E A L)

Harold Stearley, Senior Regulatory Law Judge,
by delegation of authority pursuant to
Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 20th day of August, 2008.