

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 27th day of
October, 2010.

In the Matter of Missouri Gas Energy's)	<u>File No. GR-2010-0372</u>
Purchased Gas Adjustment Filing for the)	Tariff No. YG-2011-0198
2009-2010 Actual Cost Adjustment Period)	

ORDER APPROVING INTERIM RATES

Issue Date: October 27, 2010

Effective Date: November 1, 2010

On October 13, 2010, Missouri Gas Energy, a division of Southern Union Company, filed a tariff sheet proposed to become effective November 1. The tariff sheet reflects a change in MGE's Purchased Gas Adjustment (PGA) factor as a result of estimated changes in the cost of natural gas, as well as changes in the Actual Cost Adjustment (ACA) factor for the 2010-2011 winter season. MGE's filing will decrease the firm PGA factor for the winter season to \$0.79329 per hundred cubic feet (Ccf), from the current firm PGA factor of \$0.82433 per Ccf. This represents a decrease of \$0.03104 per Ccf.

The Commission's Staff filed its recommendation on October 20. Staff recommends the rates be approved on an interim basis, subject to refund pending final Commission decision in File Nos. GR-2008-0367, GR-2009-0268, and GR-2010-0372. Staff also asks to be allowed until December 31, 2011 to submit its results and recommendations regarding the information included in MGE's ACA filing.

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 allows for PGA change filings to take effect on 10-days' notice, good cause has been shown pursuant to Section 393.140(11), RSMo 2000, to permit the tariff 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, on an interim basis, subject to refund, pending final Commission decision in File Nos. GR-2008-0367, GR-2009-0268, and GR-2010-0372.

THE COMMISSION ORDERS THAT:

1. The proposed tariff sheet filed on October 13, 2010, by Missouri Gas Energy, a division of Southern Union Company, assigned Tracking Number YG-2011-0198 and bearing an effective date of November 1, 2010, is approved on an interim basis, subject to refund, pending final Commission decision in File Nos. GR-2008-0367, GR-2009-0268, and GR-2010-0372. The tariff sheet approved is:

P.S.C. MO No. 1
Twenty-Third Revised Sheet No. 24.3, Canceling Twenty-Second Revised Sheet No. 24.3

2. Staff's Procurement Analysis Department shall submit its results and recommendations regarding the information included in MGE's ACA filing on or before December 31, 2011.

3. This order shall become effective on November 1, 2010.

BY THE COMMISSION

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

Steven C. Reed
Secretary

(S E A L)

Morris L. Woodruff, Chief Regulatory
Law Judge, by delegation of authority
pursuant to Section 386.240, RSMo 2000.
Dated at Jefferson City, Missouri,
on this 27th day of October, 2010.