

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 26th day of
May, 2011.

In the Matter of Missouri Gas Utility's)
Purchased Gas Adjustment Filing for the)
2009-2010 Actual Cost Adjustment Period)

File No. GR-2011-0117

ORDER ESTABLISHING ENDING ACA BALANCES

Issue Date: May 26, 2011

Effective Date: June 4, 2011

The Commission opened this case to receive the 2009-2010 Actual Cost Adjustment (ACA) filing of Missouri Gas Utility, Inc. (MGU). On April 6, 2011, the Staff of the Public Service Commission filed a recommendation and memorandum indicating that Staff has completed an audit of billed revenues and actual gas costs for the period September 1, 2009 through August 31, 2010, included in MGU's computation of its ACA balances.

Staff's recommendation set out the ending balances contained in MGU's ACA filing, but did not recommend any adjustments to those ending balances. Staff did however offer some non-financial recommendations regarding MGU's gas purchasing and hedging practices. MGU filed a response to Staff's recommendations on May 10, 2011 and amended that response on May 12. On May 17, Staff indicated that it is satisfied with MGU's amended response to its recommendations.

After reviewing Staff's recommendations and MGU's response, the Commission concludes that Staff's recommendations should be accepted as a resolution of MGU's 2009-2010 ACA audit.

THE COMMISSION ORDERS THAT:

1. The ending (over)/under recovery balances for Missouri Gas Utility, Inc.'s 2009-2010 Actual Cost Adjustment are established as provided in the following table:

Description	Company's ACA Balance	Staff Adjustments	Staff Recommended ACA Balance
Northern System			
Beginning ACA Balance @ 9/1/09 – (Over-recovered) / Under-recovered	\$72,006	\$0	\$72,006
Total Cost MGU Gas Delivered to City Gate	\$1,001,852	\$0	\$1,001,852
Total Revenue Recovery	(\$1,097,701)	\$0	(\$1,097,701)
Ending ACA Balance @ 8/31/10 – (Over-recovered) / Under-recovered	(\$23,843)	\$0	(\$23,843)
Southern System			
Beginning ACA Balance @ 9/1/09 – (Over-recovered) / Under-recovered	\$0	\$0	\$0
Total Cost MGU Gas Delivered to City Gate	\$339,700	\$0	\$339,700
Total Revenue Recovery	(\$275,828)	\$0	(\$275,828)
Ending ACA Balance @ 8/31/10 – (Over-recovered) / Under-recovered	\$63,872	\$0	\$63,872

2. This order shall become effective on June 4, 2011.
3. This case shall be closed on June 5, 2011.

BY THE COMMISSION



Steven C. Reed
Secretary

(S E A L)

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

Woodruff, Chief Regulatory Law Judge