

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

In the Matter of Missouri Gas Utility's)	
Purchased Gas Adjustment Filing for the)	<u>File No. GR-2011-0117</u>
2009-2010 Actual Cost Adjustment Period.)	Tariff No. YG-2011-0218

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission ("Staff"), by and through its attorney, and submits to the Missouri Public Service Commission ("Commission") its Staff Recommendation in the PGA filing of Missouri Gas Utility, Inc. ("MGU" or "Company"), recommending the tariffs be approved interim, subject to refund, and further states:

1. On October 28, 2010, MGU filed tariff sheets proposed to become effective November 11, 2010, for each of its two systems.
2. The tariff sheets were filed to reflect a change in MGU's Purchased Gas Adjustment (PGA) factors as the result of an estimated change in the cost of natural gas for the upcoming winter season. The winter season includes the months of November through March.
3. Case No. GR-2011-0117, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2009-2010 ACA filing.
4. For the reasons explained in the attached memorandum, Staff recommends the PGA factor rate changes may be approved on an interim subject to refund basis pending final Commission decisions in ACA Case No. GR-2011-0117.
5. Staff is of the opinion that good cause for approval of these tariff sheets on less than thirty (30) days notice is demonstrated by MGU's Commission approved PGA clause allowing for ten (10) business days notice for PGA change filings. Therefore, Staff recommends

that the PGA tariff sheets, filed on October 28, 2010, be approved, on an interim basis subject to refund.

WHEREFORE the Staff recommends that the Commission approve the Company's tariff sheets on an expedited, interim basis, subject to refund.

Respectfully submitted,

/s/ Meghan E. McClowry

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, emailed, sent by facsimile or hand-delivered to all counsel of record this 5th day of November 2010.

/s/ Meghan E. McClowry
