STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 19th day of February, 2014.

In the Matter of Missouri Gas)	
Energy's Optional Purchased Gas)	File No. GR-2012-0262
Adjustment Filing)	

ORDER ESTABLISHING ENDING ACA BALANCES

Issue Date: February 19, 2014 Effective Date: March 1, 2014

On October 17, 2012, Missouri Gas Energy ("MGE") filed its Actual Cost Adjustment ("ACA") in this case for the 2011-2012 period. On December 6, 2013, 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 July 1, 2011 through June 30, 2012. Staff examined MGE's gas purchasing practices to determine the prudence of the company's purchasing and operating decisions.

Staff's recommendation set out the ending under-recovery balance contained in MGE's ACA filing and recommended no adjustments to that ending balance. Staff also offered some recommendations regarding MGE's policies and practices. MGE filed a response to Staff's recommendations on January 23, 2014. Both MGE and Staff agree that no issues raised by Staff's recommendations require further Commission resolution. The Commission concludes that Staff's recommended ending under-recovery balance should be established as MGE's ACA account balance as of June 30, 2012.

THE COMMISSION ORDERS THAT:

- 1. The ending under-recovery balance for Missouri Gas Energy's 2011-2012 Actual Cost Adjustment is established in the amount of \$25,586,145.26.
 - 2. This order shall become effective on March 1, 2014.
 - 3. This case shall be closed on March 2, 2014.

SINIE OF THE OWNER OWNER

BY THE COMMISSION

Corris I Woodry

Morris L. Woodruff Secretary

R. Kenney, Chm., Stoll, W. Kenney, and Hall, CC., concur.

Bushmann, Regulatory Law Judge