

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on January 19,
2011.

In the Matter of)
Southern Missouri Gas Company, L.P.)
Small Company Rate Increase)

File No. GR-2010-0347

Tracking No. JG-2011-0253

**ORDER APPROVING SMALL COMPANY RATE INCREASE
AND APPROVING TARIFF**

Issue Date: January 19, 2011

Effective Date: February 1, 2011

The Missouri Public Service Commission is approving the *Company/Staff Agreement Regarding Disposition of Small Natural Gas Company Revenue Increase Request* (“original agreement”) as modified by the *Unanimous Disposition Agreement Modifying Company/Staff Agreement* (“modification”). The Commission is also approving the accompanying revised and substitute tariff sheets (“tariff”). The original agreement and modification (“modified agreement”), with the tariff, provide a revenue increase of \$1,300,000—the first that this utility has had in ten years.

A. Procedure

This action began on May 21, 2010, when Southern Missouri Gas Company, L.P. (“the company”) filed a letter asking the Commission for a revenue increase of \$1,000,000 per year. Such action is subject to 4 CSR 240-3.050. That regulation allows for the resolution of this action by the filing of a disposition agreement and an accompanying tariff.¹ On November 17, 2010, Staff filed the original agreement between Staff and the

¹ 4 CSR 240-3.050(14).

company. The company filed tariff sheets on November 17, 2010. The Company filed substitute tariff sheets on December 9, 2010, and January 14, 2011.

On December 14, 2010, OPC filed *[OPC]’s Response in Opposition to Agreement and Request for Evidentiary Hearing* (“motion”). The motion required the Commission to suspend the tariff,² which the Commission did by order dated December 17, 2010. Suspending the tariff began a contested case.³ But on January 14, 2011, Staff filed the (“modification”), which all parties executed. Because OPC’s execution of the modification is mutually exclusive with OPC’s motion,⁴ OPC’s execution of the modification constitutes a withdrawal of the motion. Therefore, the Commission will lift the suspension, decide this action as a non-contested case, and determine all issues without separately stating its findings of fact.

On January 18, 2011, Staff filed *Staff’s Response to Order Directing Filing* (“report”), with a supporting affidavit. The report sets forth the effects of the modified agreement and pending tariff sheets on the rates of an average member of each customer class. It also listed the specific tariff sheets that the parties are asking the Commission to approve.

B. Merits

The company provides gas service to 8,000 customers. Rates of average customers per class will increase per year as follows. Optional service has a flat customer charge only; others have both the flat customer charge and a volumetric charge.

<i>Per Class Yearly Differences between Current Rates and . . .</i>	<i>Original Agreement (%)</i>	<i>Modified Agreement (%)</i>	<i>Original Agreement (\$)</i>	<i>Modified Agreement (\$)</i>
Residential	9.28%	8.72%	\$58.00	\$54.50

² 4 CSR 240-3.050(20).

³ Section 393.150.1, RSMo 2000.

⁴ 4 CSR 240-3.050(13), (14), and (15).

Optional Residential	15.66%	15.07%	\$92.50	\$89.00
General	7.74%	7.26%	\$45.20	\$42.40
Optional General	15.66%	14.82%	\$74.00	\$70.00

C. Ruling

Based on the affidavits, the Commission independently finds and concludes that the modified agreement and the tariff describe service that is safe and adequate at rates that are just and reasonable, so the Commission will approve the modified agreement and the tariff.

THE COMMISSION ORDERS THAT:

1. The Commission approves the *Company/Staff Agreement* (“original agreement”) as modified by the *Unanimous Disposition Agreement Modifying Company/Staff Agreement* (“modification”).
2. The Commission incorporates the terms of the original agreement and the modification (together, the “modified agreement”) into this order, as if fully set forth, and orders the parties to comply with the modified agreement’s terms.
3. Effective on February 1, 2011, the Commission lifts the suspension of the tariff to which the Commission assigned Tracking No. JG-2011-0253. The Commission approves that tariff to become effective on February 1, 2011. The specific tariff sheets approved are:

P.S.C. MO. No. 1

- 1st revised Sheet No. iv, cancelling original Sheet No. iv;**
- 2nd revised Sheet No. 1, cancelling 1st revised Sheet No. 1**
(as substituted Jan. 14, 2011);
- 3rd revised Sheet No. 1.1, cancelling 2nd revised Sheet No. 1.1**
(as substituted Jan. 14, 2011);
- 2nd revised Sheet No. 1.2, cancelling 1st revised Sheet No. 1.2**
(as substituted Jan. 14, 2011);
- 2nd revised Sheet No. 2, cancelling 1st revised Sheet No. 2**
(as substituted Jan. 14, 2011);
- 2nd revised Sheet No. 4, cancelling 1st revised Sheet No. 4;**
- 3rd revised Sheet No. 6, cancelling 2nd revised Sheet No. 6**
(as substituted Jan. 14, 2011);
- 1st revised Sheet No. 15.1, cancelling original Sheet No. 15.1;**

1st revised Sheet No. 18.1, cancelling original Sheet No. 18.1;
 1st revised Sheet No. 18.2, cancelling original Sheet No. 18.2;
 1st revised Sheet No. 18.3, cancelling original Sheet No. 18.3;
 1st revised Sheet No. 18.4, cancelling original Sheet No. 18.4;
 1st revised Sheet No. 18.5, cancelling original Sheet No. 18.5
 (as substituted Dec. 9, 2010);
 1st revised Sheet No. 18.6, cancelling original Sheet No. 18.6
 (as substituted Dec. 9, 2010);
 1st revised Sheet No. 18.7, cancelling original Sheet No. 18.7;
 2nd revised Sheet No. 28, cancelling 1st revised Sheet No. 28;
 2nd revised Sheet No. 29, cancelling 1st revised Sheet No. 29;
 1st revised Sheet No. 30, cancelling original Sheet No. 30;
 1st revised Sheet No. 45, cancelling original Sheet No. 45;
 1st revised Sheet No. 48, cancelling original Sheet No. 48
 (as substituted Dec. 9, 2010);
 1st revised Sheet No. 54, cancelling original Sheet No. 54;
 2nd revised Sheet No. 60, cancelling 1st revised Sheet No. 60;
 3rd revised Sheet No. 65, cancelling 2nd revised Sheet No. 65;
 2nd revised Sheet No. 66, cancelling 1st revised Sheet No. 66
 (as substituted Dec. 9, 2010);
 4th revised Sheet No. 71, cancelling 3rd revised Sheet No. 71;
 2nd revised Sheet No. 72, cancelling 1st revised Sheet No. 72;
 2nd revised Sheet No. 73, cancelling 1st revised Sheet No. 73
 (as substituted Dec. 9, 2010);
 2nd revised Sheet No. 74, cancelling 1st revised Sheet No. 74; and
 1st revised Sheet No. 75, cancelling original Sheet No. 75.

4. This order shall become effective on February 1, 2011.

5. This file shall close on February 2, 2011.

BY THE COMMISSION

(S E A L)



Steven C. Reed
Secretary

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

Jordan, Senior Regulatory Law Judge