

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Southern Missouri Gas)
Company, L.P. d/b/a Southern Missouri)
Natural Gas' Purchased Gas Adjustment)
(PGA) Factors to be Reviewed in its 2008-)
2009 Actual Cost Adjustment)

File No. GR-2009-0287
Tariff File No. YG-2010-0196

ORDER APPROVING INTERIM RATES

Issue Date: September 30, 2009

Effective Date: October 1, 2009

On September 15, 2009, Southern Missouri Gas Company, L.P. d/b/a Southern Missouri Natural Gas filed a revised tariff sheet with a proposed effective date of October 1, 2009. The tariff sheet reflects changes to the purchased gas adjustment (PGA) factor resulting from estimated changes in the cost of natural gas.

The net effect of this change will decrease the total PGA factor from the current \$0.7500 to \$0.7200 per hundred cubic feet (Ccf). Additionally, the Actual Cost Adjustment will decrease from the current \$0.0411 to \$0.035. These changes are expected to result in a decrease of \$18.00 or 2.3% annually from current levels for the typical residential customer.

On September 28, the Staff of the Commission filed its recommendation. Staff states that Southern Missouri has calculated the rates in conformance with the company's PGA clause except for the approach used to calculate interest. In this regard, Staff has notified the company to continue calculating interest based on the ACA method and has requested that the company file a revised tariff sheet number 22 after the proposed sheet

goes into effect. Finally, Staff recommends that the Commission approve the proposed interim tariff sheet revision, subject to refund.

Having reviewed the proposed revised tariff sheet and Staff's recommendation, the Commission finds that the proposed tariff revisions were calculated in conformance with the company's Commission-approved PGA clause and will approve the sheet to go into effect on October 1.

THE COMMISSION ORDERS THAT:

1. The proposed tariff sheet filed on September 15, 2009, by Southern Missouri Gas Company, L.P. is approved on an interim basis, subject to refund, for service rendered on and after October 1, 2009. The tariff sheet approved is:

P.S.C. Mo. No. 1
26th Revised Sheet No. 27, cancelling 25th Revised Sheet No. 27

2. This order shall become effective on October 1, 2009.
3. This case shall be closed on October 2, 2009.

BY THE COMMISSION



Steven C. Reed
Secretary

(S E A L)

Kennard L. Jones, Senior Regulatory
Law Judge, by delegation of authority
pursuant to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 30th day of September, 2009.