

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter In the Matter of Missouri Gas)	
Energy Purchased Gas Adjustment)	<u>Case No. GR-2007-0256</u>
Rate Change)	Tariff No. YG-2008-0239

ORDER APPROVING INTERIM RATES

Issue Date: October 30, 2007

Effective Date: November 1, 2007

On October 16, 2007, Missouri Gas Energy (MGE) filed a proposed tariff sheet making changes in MGE's Purchased Gas Adjustment (PGA) factors as a result of estimated change in the cost of natural gas for the upcoming winter season.

The proposed PGA rate of \$0.82121 reflects an increase of \$0.03330 per Ccf over the PGA Rate currently in effect of \$0.78791.

The Commission's Staff filed its Memorandum and Recommendation on October 25, 2007. In its Memorandum and Recommendation, Staff supports the increase of MGE's firm PGA factor. Furthermore, Staff supports Commission approval and incorporation of the rates as expeditiously as possible, in that any rate change at this time is subject to true-up in the ACA process. Staff notes that, because MGE's PGA clause allows for PGA change filings to take affect on ten days' notice, good cause has been shown pursuant to Section 393.140(11), RSMo 2000, to permit the tariff to become effective on less than 30 days' notice. Staff recommends that the rates be approved on an interim basis, subject to refund basis only.

The Commission has reviewed the proposed tariff sheet and Staff's

Memorandum and Recommendation. The Commission finds that the proposed tariff sheet conforms to the Company's Commission-approved PGA Clause. After considering Staff's recommendation, and for good cause shown pursuant to Section 393.140(11), RSMo 2000, the Commission concludes that the proposed tariff sheet should be approved to become effective on November 1, 2007, on an interim basis, subject to refund.

IT IS THEREFORE ORDERED:

1. That the proposed tariff sheet filed on October 16, 2007, by Missouri Gas Energy is approved on an interim basis, subject to refund. The specific tariff sheet approved is:

P.S.C. MO. No. 1

14th Revised Sheet No. 24.3, Canceling 13th Revised Sheet No. 24.3

2. That this order shall become effective on November 1, 2007.

BY THE COMMISSION



Colleen M. Dale
Secretary

(SEAL)

Colleen M. Dale, Chief Regulatory Law Judge,
by delegation of authority pursuant to
Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 30th day of October, 2007.