

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 16th day of March, 2016.

In the Matter of Laclede Gas Company,)
Missouri Gas Energy's Purchased Gas)
Adjustment Tariff Filing)

File No. GR-2014-0324

ORDER ESTABLISHING ACA BALANCE

Issue Date: March 16, 2016

Effective Date: March 26, 2016

On December 8, 2015, the Commission's Staff filed a recommendation on the 2013-2014 Actual Cost Adjustment ("ACA") filing by Missouri Gas Energy ("MGE"), a division of Laclede Gas Company. MGE originally filed its ACA balance for the 2013-2014 period in October 17, 2014. Staff's Procurement Analysis Unit reviewed MGE's filing to evaluate the prudence of the company's purchasing decisions for the ACA period.

Staff submitted recommendations regarding MGE's Billed Revenue and Actual Gas period. Staff recommended no adjustments be made to MGE's ACA account balance, which shows an under-recovery for the 2013-2014 period. Staff did, however, suggest certain issues be addressed by MGE. Specifically, Staff commented or expressed concerns relating to the company's Reliability Analysis and Gas Supply Planning; School Transportation Program ("STP") Balancing and Cash Outs; and Hedging.

MGE filed a response to Staff's recommendation addressing Staff's concerns and supporting Staff's determination that no adjustments are needed to MGE's account balance. Staff filed a reply that requested the Commission issue an order establishing

the ACA account balance to reflect an under-recovery balance as of June 30, 2014, and directing the interested parties to meet and discuss Staff's concerns about MGE's STP procedures, as well as addressing documentation requirements. The Commission will issue a separate order concerning the issues that do not involve the ACA account balance.

After reviewing Staff's recommendation and reply and MGE's response, the Commission concludes that Staff's ending ACA balances should be accepted as a resolution of MGE's 2013-2014 ACA audit. Because the recommended balances are unopposed, the Commission will allow this order to go into effect in less than thirty days.

THE COMMISSION ORDERS THAT:

1. Missouri Gas Energy's ACA account balances shall reflect the following balances as identified in Staff's Recommended Ending Balance as of June 30, 2014:

Account	6-30-2014 Ending Balance per MGE Filing	Current ACA Period Staff Proposed Adjustment	6-30-2014 Staff Recommended Ending Balance
ACA Balance	\$18,354,407.66	\$0	\$18,354,407.66

2. This order shall become effective on March 26, 2016.

BY THE COMMISSION



Morris L. Woodruff

Morris L. Woodruff
Secretary

Hall, Chm., Stoll, Kenney, Rupp, and Coleman, CC., concur.

Burton, Senior Regulatory Law Judge.