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November 17, 2000

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> DANA K. JOYCE General Counsel

Mr. Dale Hardy Roberts Secretary/Chief Regulatory Law Judge Missouri Public Service Commission P. O. Box 360 Jefferson City, MO 65102

RE: Case No. GR-2000-520

FILED²

NOV 1 7 2000

Missouri Public Service Commission

Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and eight (8) conformed copies of a RECOMMENDATION REGARDING MOTION FOR VARIANCE CONCERNING RECOVERY.

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,

Lera L. Shemwell

Associate General Counsel

(573) 751-7431

(573) 751-9285 (Fax)

LLS:sw Enclosure

cc: Counsel of Record

BEFORE THE PUBLIC SERVICE COMMISSION

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OF THE ST	FATE OF MISSOURI	Sen Missouri p
In the Matter of Missouri Public Service's Purchased Gas Adjustment Factors to be reviewed in its 1999-2000 Actual Cost Adjustment.) Case No. GR	Service Commission -2000-520

RECOMMENDATION REGARDING

MOTION FOR VARIANCE CONCERNING RECOVERY

COMES NOW the Staff of the Missouri Public Service Commission and for its recommendation concerning the Motion for Variance Concerning Recovery Period states:

- 1. On November 6, 2000, UtiliCorp d/b/a Missouri Public Service (MPS) submitted tariff sheets to make scheduled changes to MPS's Purchased Gas Adjustment (PGA) factors because of changes in the estimated cost of natural gas for the upcoming winter season.
- 2. In its related Motion for Variance Concerning Recovery Period, also filed on November 6, 2000, MPS requested a one-time variance to allow recovery of the current ACA refund balance for the Eastern System over a three-year period rather than the one-year period provided for by MPS's tariff. MPS notes that it makes this request because a three-year recovery period will reduce the immediate impact on customers that would occur if this recovery were to be done over a one-year period.
- 3. The Staff of the Missouri Public Service Commission (Staff) has reviewed the requested variance and the tariff sheets and found that, except for this one-time variance, the tariff sheets are in conformance with the company's PGA clause. Staff recommends that MPS's Motion for Variance Concerning Recovery Period be granted because a three year recovery period, rather than the usual one year recovery period will lessen the impact of such recovery on



customers. Staff does suggest however, that for clarity, the variance be referred to as a "one-time variance."

WHEREFORE Staff recommends that the Commission grant MPS's Motion for Variance Concerning Recovery Period.

Respectfully submitted,

DANA K. JOYCE General Counsel

Leta L. Shemwell

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 17th day of November 2000.

Service List for Case No. GR-2000-520

Revised: November 17, 2000 (SW)

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