

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION  
JEFFERSON CITY  
November 27, 2001**

**CASE NO: GR-2001-388; GR-2001-39 (consolidated)**

**Office of the Public Counsel**  
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P.O. Box 360  
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**Enclosed find certified copy of an ORDER in the above-numbered case(s).**

Sincerely,

A handwritten signature in black ink that reads "Dale Hardy Roberts". The signature is written in a cursive, slightly slanted style.

**Dale Hardy Roberts**  
Secretary/Chief Regulatory Law Judge

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a Session of the Public Service  
Commission held at its office in  
Jefferson City on the 27th day of  
November, 2001.

|  |   |                                   |
|--|---|-----------------------------------|
| In the matter of Southern Missouri Gas   | ) |                                   |
| Company, L.P.'s Purchased Gas            | ) | <b><u>Case No. GR-2001-39</u></b> |
| Adjustment factors to be reviewed in its | ) |                                   |
| 1999-2000 Actual Cost Adjustment         | ) |                                   |

|  |   |                                    |
|--|---|------------------------------------|
| In the matter of Southern Missouri Gas   | ) |                                    |
| Company, L.P.'s Purchased Gas            | ) | <b><u>Case No. GR-2001-388</u></b> |
| Adjustment factors to be reviewed in its | ) | Tariff No. 200200362               |
| 2000-2001 Actual Cost Adjustment         | ) |                                    |

(Consolidated)

**ORDER GRANTING VARIANCE**

This order grants the motion filed on November 8, 2001, by Southern Missouri Gas Company, L.P., in case number GR-2001-388 under tariff number 200200362, with the Missouri Public Service Commission for variance from certain provisions of Southern Missouri's P.S.C. No. 1.

**Southern Missouri's Motion**

Southern Missouri's motion would permit it to file a scheduled winter purchased gas adjustment (PGA) change to be effective December 1, 2001, rather than November 1, 2001.

Southern Missouri's motion contained the following points:

Simultaneously with the filing of its request for variance, Southern Missouri filed its revised PGA tariff, which was designed to calculate the total PGA

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amount to be recovered in the upcoming period. Southern Missouri also filed its supporting work papers, which supported the calculations of the revised PGA factors to be recovered this period under the PGA/Actual Cost Adjustment (ACA) process. Its filing represents a scheduled winter PGA filing.

Because of recent reductions in natural gas prices, Southern Missouri filed an unscheduled summer PGA filing, reducing the cost of gas. This tariff was approved by the Commission and became effective on October 1, 2001. In its October filing, Southern Missouri stated that it anticipated that the revised total PGA level would remain unchanged for the period normally covered by a scheduled winter PGA filing. As a result of the filing in October, 2001, Southern Missouri did not believe it was necessary to file a scheduled winter PGA on November 1, 2001, as specified in its tariffs, since the revised total PGA level was expected to remain unchanged. However, based upon conversations with the Staff, Southern Missouri now believes it is appropriate to have a scheduled winter PGA on file, even though there is no change in the overall total PGA cost of gas.

Thus, in order to ensure that Southern Missouri's procedure is not in conflict with its tariffs, Southern Missouri requests the Commission to grant it a one-time variance from its tariffs to permit it to make a scheduled winter PGA filing, with an effective date of December 1, 2001.

### **Staff's Recommendation**

On November 16, 2001, the Staff filed its recommendation regarding Southern Missouri's motion for variance.

Staff's recommendation contained the following points:

The total PGA factor reflected in the filing will remain at the present rate of \$0.7160 per hundred cubic feet (Ccf).

Case number GR-2001-388, under which the change was filed, was established to track Southern Missouri's PGA factors to be reviewed in its 2000-2001 ACA filing. Additionally, case number GR-2001-39 was established to track Southern Missouri's PGA factors to be reviewed in its 1999-2000 ACA filing. Interim subject-to-refund status should be maintained pending final Commission decisions in consolidated case numbers GR-2001-39 and GR-2001-388.

The Commission's Energy Department – Tariffs/Rate Design Staff has reviewed the variance and agrees that the one-time variance request should be granted. Staff has also reviewed the PGA filing and has determined that, with the exception of the one-time variance request to file a scheduled winter PGA, changing the PGA and ACA factors, with an effective date of December 1, 2001, instead of November 1, 2001, the filing was calculated in accordance with Southern Missouri's PGA Clause. Staff is of the opinion that good cause for approval of this tariff sheet on less than thirty days' notice is

demonstrated by Southern Missouri's Commission-approved PGA clause allowing for ten business days notice for PGA change filings. Therefore, Staff recommends that the Commission grant the approval of the following tariff sheet and variance, interim subject to refund:

P.S.C. MO. No. 1

11th Revised Sheet No. 27, Canceling 10th Revised Sheet No. 27.

**Findings of Fact and Conclusions of Law**

Commission Rule 4 CSR 240-2.060(14) states, in part:

[A]pplications for variances...from...tariff provisions...shall contain information as follows: (A) Specific indication of the...tariff from which the variance...is sought; (B) The reasons for the proposed variance...and a complete justification setting out the good cause for granting the variance...; and (C) The name of any public utility affected by the variance....

The Commission finds that Southern Missouri has substantially complied with that part of Commission Rule 4 CSR 240-2.060(14) cited above and will grant the variance to that part of Southern Missouri's tariff cited above. The Commission further finds that the good cause for approval of this tariff sheet on less than thirty days' notice is demonstrated by Southern Missouri's Commission-approved PGA clause, allowing for ten business days' notice for PGA change filings.

**IT IS THEREFORE ORDERED:**

1. That the Missouri Public Service Commission grants Southern Missouri Gas Company, L.P. a variance from the following tariff, filed under tariff number 200200362:

P.S.C. MO. No. 1

11th Revised Sheet No. 27, Canceling 10th Revised Sheet No. 27

2. That the interim rates, subject to refund, should be maintained pending final Missouri Public Service Commission decisions in case numbers GR-2001-39 and GR-2001-388.

3. That this order will become effective on December 7, 2001.

**BY THE COMMISSION**



**Dale Hardy Roberts**  
**Secretary/Chief Regulatory Law Judge**

( S E A L )

Simmons, Ch., Murray, Lumpe and Gaw, CC., concur  
Forbis, C., not participating

Hopkins, Senior Regulatory Law Judge

ALJ/Secretary:

Hopkins/Bake

GR-2001-39

GR-2001-388

11-19

Date Circulated

CASE NO.

LS

Simmons, Chair

CM [signature] p3

Murray, Commissioner

[signature]

Lumpe, Commissioner

77/6 [signature]

Gaw, Commissioner

BF (NP)

Commissioner Forbis

11-27

Agenda Date

Action taken:

4-0-1 NP AA

Forbis

Must Vote Not Later Than

## STATE OF MISSOURI

### OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and

I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City,

Missouri, this 27<sup>th</sup> day of Nov. 2001.

Dale Hardy Roberts

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge