MEMORANDUM

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TO:

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Missouri Public Service Commission Official Case Fils Missouri Public Commission

FROM:

Kim J. Elvington, Gas Department - Tariffs/Rate Design

Wers dendeur 2.29.00 neral Counsel's Office/Date Utility Operations Division/Date

SUBJECT: Staff Recommendation For Missouri Public Service's Unscheduled

Winter Season PGA Filing Effective March 8, 2000.

DATE: February 29, 2000

On February 23, 2000, Missouri Public Service (MPS or Company) of Kansas City, Missouri, filed a tariff sheet proposed to become effective March 8, 2000. The tariff sheet was filed to reflect unscheduled changes in MPS's Eastern System Purchased Gas Adjustment (PGA) factors as the result of estimated changes in the cost of natural gas for the remaining winter season. The winter season includes the months of November through March.

For the Eastern System (serving communities such as Rolla and Owensville), the net effect of these changes will increase the PGA factor for the remainder of the 1999-2000 winter season to \$0.66062 per Ccf from a scheduled winter season PGA factor of \$0.61489 per Ccf.

Case No. GR-2000-520, under which this PGA change was filed, was established to track the Company's PGA factors to be reviewed in its 1999-2000 Actual Cost Adjustment (ACA) filing. Case No. GR-99-435 was established to address MPS's PGA factors to be reviewed in its 1998-1999 ACA filing. Case No. GR-98-421 was established to address MPS's PGA factors that will be reviewed in its 1997-1998 ACA filing. Interim subject to refund status should be maintained pending final Commission decisions in Case Nos. GR-98-421, GR-99-435, and GR-2000-520.

The Commission's Gas Department - Tariffs/Rate Design Staff (Staff) has reviewed this filing and has determined that it was calculated in conformance with MPS's Commission approved 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 MPS's Commission approved PGA clause allowing for ten (10) business days notice for PGA change filings. Therefore, Staff recommends that the following tariff sheet requested to become effective on March 8, 2000, be approved interim, subject to refund:

P.S.C. MO. No. 5

11th Revised SHEET NO. 44.1 Cancelling 10th Revised SHEET NO. 44.1

MO PSC Case No. GR-2000-520 OFFICIAL CASE FILE MEMORANDUM PAGE 2 OF 2

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Office of the Public Counsel