

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION
JEFFERSON CITY
November 3, 1999**

CASE NO: GR-2000-288

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Enclosed find certified copy of an ORDER in the above-numbered case(s).

Sincerely,



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

Uncertified Copy:

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the matter of Southern Missouri Gas Company)
L.P.'s Purchased Gas Adjustment factors to be) Case No. GR-2000-288
reviewed in its 1998-1999 Actual Cost Adjustment.)

ORDER APPROVING INTERIM RATES

Southern Missouri Gas Company, L.P. (SMGC or Company) of Mountain Grove, Missouri, submitted a tariff sheet to the Commission on October 15, 1999, carrying an effective date of November 1, 1999. The tariff sheet was filed to reflect scheduled changes in SMGC's Purchased Gas Adjustment (PGA) factors as the result of estimated changes in the cost of natural gas for the upcoming winter season. Additionally, this tariff filing reflects changes in the Actual Cost Adjustment (ACA) factor. The effect of these changes will increase the firm PGA factor for the 1999-2000 winter season to \$0.3625 per Ccf from the current firm PGA factor of \$0.3144 per Ccf. This represents an approximate increase of 15.3% in gas costs for consumers.

On October 27, 1999, SMGC filed a REQUEST FOR VARIANCE FROM TARIFF PROVISIONS (Request) requesting a variance from its PGA tariff provisions to allow the refund balance to be used as an offset to its ACA balance and permit the tariff sheet to become effective on November 4, 1999.

The Staff of the Commission (Staff) filed a memorandum stating that other than the requested variances, the changes in SMGC's PGA were calculated in conformance with the Company's approved PGA Clause. Staff recommends that the Commission grant the Request filed by SMGC and approve the tariff sheet to become effective on November 4, 1999. Staff also recommends that the tariff

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sheet be approved on an interim basis, subject to refund, until the Commission makes its final determinations in Case Nos. GR-99-178 and GR-2000-288. Staff also requested that the Commission's Procurement Analysis Department be given the time necessary to conduct its audit and submit its results and recommendations regarding this ACA filing on or before August 1, 2000.

The Commission has reviewed the tariff sheet, the Request filed by SMGC on October 27, 1999, and Staff's recommendation and request. The Commission finds that the filed tariff sheet and the one-time variance requests are reasonable. After considering SMGC's Request and Staff's recommendation and request, the Commission finds that the Request should be granted and the proposed tariff sheet should be approved to become effective on and after the requested effective date of November 4, 1999, interim subject to refund.

IT IS THEREFORE ORDERED:

1. That the one-time REQUEST FOR VARIANCE FROM TARIFF PROVISIONS filed by SMGC on October 27, 1999 be granted.

2. That the tariff sheet submitted on October 15, 1999, by Southern Missouri Gas Company, L.P. of Mountain Grove, Missouri, for the purpose of reflecting changes in rates for natural gas in its Missouri service territory, is approved on an interim basis, subject to refund, to become effective on November 4, 1999. The tariff sheet approved is:

P.S.C. MO. No. 1

6th Revised SHEET No. 27 Cancelling 5th Revised SHEET No. 27

3. That the Commission's Procurement Analysis Department be given the time necessary to conduct its audit and report its results and recommendations regarding this ACA filing on or before August 1, 2000.

4. That this order shall become effective November 4, 1999.

BY THE COMMISSION

Dale Hardy Roberts

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Kevin Thompson, Deputy Chief
Regulatory Law Judge by delegation
of authority pursuant to 4 CSR
240-2.120(1), (November 30, 1995)
and Section 386.240, RSMo 1994.

Dated at Jefferson City, Missouri,
on this 3rd day of November, 1999.

AL/Sec'y: Thompson

11/2/99 GE.2000-288
Date Circulated CASE NO.

JS
Lumpe, Chair

Albert
Crumpton, Commissioner

CA
Murray, Commissioner

JS
Schemenauer, Commissioner

md
Drainer, Vice-Chair

11/1
Agenda Date

Action taken: _____

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 03rd day of November 1999.

Dale Hardy Roberts

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

