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BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the matter of Missouri Gas Energy's Purchased)
Gas Adjustment factors to be reviewed in its) Case No. GR-2000-425
1999-2000 Actual Cost Adjustment.)

ORDER APPROVING INTERIM RATES

Missouri Gas Energy (MGE or Company), a division of Southern Union Company, of Kansas City, Missouri, submitted a tariff sheet to the Commission on March 17, 2000, carrying an effective date of April 1, 2000. The tariff sheet was filed to reflect scheduled changes in MGE's Purchased Gas Adjustment (PGA) factor as a result of changes in the cost of natural gas for the upcoming summer season. Additionally, this tariff filing reflects the continuation of the Experimental Price Stabilization Charge as requested by the Company in Case No. GT-2000-582, File No. 200000849.

The net effect of this change will increase the firm PGA factor for the 2000 summer season to \$0.39038 per Ccf from a winter season firm PGA factor of \$0.34911 per Ccf.

The Staff of the Commission (Staff) filed a memorandum stating that the changes in MGE's PGA were calculated in conformance with the Company's approved PGA Clause. Staff stated that MGE's PGA Clause allows for at least ten (10) business days notice for filings reflecting PGA changes. Staff recommends that the Commission approve the tariff sheet to become effective April 1, 2000 on an interim basis, subject to refund, pending final Commission decisions in Case Nos. GR-96-450, GR-98-167, GR-99-304, and GR-2000-425.

The Commission has reviewed the tariff sheet and Staff's recommendation, and finds that the tariff sheet conforms to the Company's Commission approved PGA Clause and is therefore reasonable. After considering Staff's recommendation, and for good cause shown pursuant to Section

393.140(11), RSMo 1994, the Commission is of the opinion that the proposed (tariff sheet should be approved to become effective on and after the requested effective date of April 1, 2000, interim subject to refund.

IT IS THEREFORE ORDERED:

1. That the tariff sheet submitted on March 17, 2000, by Missouri Gas Energy, a division of Southern Union Company, of Kansas City, Missouri, is approved on an interim basis, subject to refund, to become effective on April 1, 2000. The tariff sheet approved is:

P.S.C. MO. No.1

Fourteenth Revised SHEET No. 24.7, Canceling Thirteenth Revised SHEET No. 24.7

2. That this order shall become effective on April 1, 2000.

BY THE COMMISSION



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge (

(S E A L)

Vicky Ruth, 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 29th day of March, 2000.