STATE OF MISSOURI PUBLIC SERVICE COMMISSION JEFFERSON CITY July 31, 2000

CASE NO: GR-2000-392

Office of the Public Counsel P.O. Box 7800 Jefferson City, MO 65102

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Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102

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

Sincerely,

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge

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BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the matter of United Cities Gas)	
Company's Gas Adjustment factors)	Case No. GR-2000-392
to be reviewed in its 1999-2000 Actual)	
Cost Adjustment.)	

ORDER GRANTING ONE-TIME WAIVER REQUEST AND APPROVING INTERIM RATES

United Cities Gas Company (United or Company) of Franklin, Tennessee, filed a tariff sheet with the Commission on July 14, 2000, carrying an effective date of August 1, 2000. On July 19, 2000, United filed a substitute tariff sheet to correct an error. The tariff sheet was filed to reflect unscheduled changes in United's Purchased Gas Adjustment (PGA) factors as the result of changes in the estimated cost of natural gas for the remainder of the summer season. The summer season includes the months of April through October.

The net effect of these changes for the Palmyra District will increase the firm PGA factor from \$0.3914 per Ccf to \$0.5557 per Ccf for the remainder of the summer season.

The net effect of these changes for the Bowling Green District will increase the firm PGA factor from \$0.4206 per Ccf to \$0.5849 per Ccf for the remainder of the summer season.

The net effect of these changes for the Hannibal/Canton District will increase the firm PGA factor from \$0.3323 per Ccf to \$0.4966 per Ccf for the remainder of the summer season.

The net effect of these changes for the Neelyville District will increase the firm PGA factor from \$0.3091 per Ccf to \$0.5126 per Ccf for the remainder of the summer season.

In conjunction with this tariff sheet, United filed a <u>REQUEST FOR</u>

<u>VARIANCE FROM TARIFF PROVISIONS</u> (Request). The Request seeks a one-time waiver from the PGA Clause of United's tariff due to escalations in the market price of gas since its scheduled summer PGA filing.

The Missouri Public Service Commission Staff (Staff) filed a memorandum which recommended that United's Request filed on July 17, 2000, be granted and that the tariff sheet filed on July, 14, 2000, and as substituted on July 19, 2000, be approved, interim subject to refund, pending final Commission decisions in Case Nos. GR-99-280 and GR-2000-392.

The Commission has reviewed the Request, the tariff sheet and Staff's recommendation, and finds that the Request should be granted. 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, as substituted, should be approved to become effective on and after the requested effective date of August 1, 2000, interim subject to refund.

IT IS THEREFORE ORDERED:

1. That the Request submitted on July 17, 2000, by United Cities Gas Company of Franklin, Tennessee, for the purpose of requesting a one-time waiver from its current PGA clause to allow an unscheduled summer PGA filing be, and it is, hereby granted.

2. That the tariff sheet submitted on July 14, 2000, and as substituted on July, 19, 2000, by United Cities Gas Company of Franklin, Tennessee, for the purpose of reflecting changes in rates for natural gas be, and it is, hereby approved to become effective on and after August 1, 2000, interim subject to refund. The tariff sheet approved is:

 $\underline{P.S.C.}$ MO. No. 3 7^{th} Revised SHEET No. 58 Cancelling 6th Revised SHEET No. 58

3. That this order shall become effective on August 1, 2000.

BYATHE COMMISSION

Dale Hardy Roberts

- Hred Roberts

Secretary/Chief Regulatory Law Judge

(SEAL)

Lewis Mills, 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 31st day of July, 2000.

ALI/Sec'y: Wills

7/35/00
Date Circulated
Date Circulated

CASE NO.

CASE NO.

Murray, Commissioner

Schemenauer, Commissioner

Simmons, Commissioner

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 31st day of July 2000.

Dale Hardy Roberts

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Secretary/Chief Regulatory Law Judge