STATE OF MISSOURI PUBLIC SERVICE COMMISSION JEFFERSON CITY October 10, 2000

CASE NO: GR-99-435

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

Sincerely,

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

| In the Matter of Missouri Public Services' |) | |
|--|---|--------------------|
| Purchased Gas Adjustment Factors to be |) | Case No. GR-99-435 |
| Audited in its 1998-1999 Actual Cost |) | |
| Adiustment |) | |

ORDER DIRECTING RESPONSE BY STAFF

This case was opened for the purpose of receiving the 1998-1999 Purchased Gas Adjustment filings and Actual Cost Adjustment filing of Missouri Public Service, a division of UtiliCorp United Inc. (MPS). On September 1, 2000, the Staff of the Public Service Commission (Staff) filed a recommendation and memorandum. The Commission directed MPS to respond to Staff's recommendations by October 5. MPS filed its Response to Staff Recommendation on October 5.

MPS agreed with many of Staff's recommendations but indicated its disagreement with two of those recommendations. First, with regard to pipeline imbalance accounting, Staff recommended that MPS use a different methodology for pricing inventory. MPS' response indicates its belief that Staff has since decided to modify its proposed methodology. MPS agrees with Staff's recommendation if it has so modified its methodology. If Staff has not modified its methodology, then MPS disagrees with Staff's recommendation.

Second, Staff recommends that MPS provide certain studies regarding reliability issues for its three systems in the 1999/2000 ACA filing. MPS agrees to file the information requested except that it believes that the request contained in Recommendation 2c that MPS "estimate the reserve



margin for the 1999/2000 ACA period and for three to five years beyond that" is too long. MPS believes that providing such information for an additional two years would be more appropriate.

It appears that the positions of MPS and Staff are not far apart and that perhaps any remaining differences can be resolved without the need for a hearing. So that the Commission will be able to determine whether or not there is any remaining disagreement between Staff and MPS, Staff will be directed to file a response to MPS' Response.

IT IS THEREFORE ORDERED:

- 1. That no later than October 20, 2000, the Staff of the Commission shall file a response to the Response to Staff Recommendation filed by Missouri Public Service, a division of UtiliCorp United Inc.
 - 2. That this order shall become effective on October 20, 2000.

BY THE COMMISSION

Hak Haed Roberts

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge

(SEAL)

Morris L. Woodruff, Senior Regulatory Law Judge, by delegation of authority pursuant to Section 386.240, RSMo 1994.

Dated at Jefferson City, Missouri, on this 10th day of October, 2000.

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 10^{th} day of Oct. 2000.

Dale Hardy Roberts

Ask Hard Roberts

Secretary/Chief Regulatory Law Judge