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BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

| In the matter of Fidelity Natural Gas, |) | |
|---|---|----------------------|
| Inc.'s Purchased Gas Adjustment factors |) | Case No. GR-2000-285 |
| to be reviewed in its 1998-1999 Actual |) | |
| Cost Adjustment. |) | |

ORDER APPROVING INTERIM RATES

Fidelity Natural Gas, Inc. (Fidelity or Company) of Sullivan, Missouri, submitted a tariff sheet to the Commission on October 14, 1999, carrying an effective date of November 1, 1999. The tariff sheet was filed to reflect scheduled changes in Fidelity's Purchased Gas Adjustment (PGA) factors as the result of changes in the cost of natural gas for the upcoming winter season. Additionally, the Actual Cost Adjustment (ACA) factor changed.

The effect of these changes will increase the firm PGA factor for the 1999-2000 winter season to \$0.2901 per Ccf from a 1998-1999 winter season firm PGA factor of \$0.2724 per Ccf. Fidelity did not file a 1999 summer PGA factor change. This represents an approximate 7% increase in gas costs to consumers.

The Missouri Public Service Commission Staff (Staff) filed a memorandum stating that the changes in Fidelity's PGA factors were calculated in conformance with the Company's approved PGA Clause. The Staff stated that Fidelity's PGA Clause allows for ten (10) business days notice for filings reflecting PGA changes. Staff recommends that the Commission approve the tariff sheet to become effective November 1, 1999, on an interim basis, subject to refund, pending a final Commission decision in Fidelity's ACA Case No. GR-2000-285. The Staff also requested that the Commission's Procurement Analysis Department be given the time necessary to conduct its audit of the ACA period and submit its results and recommendations regarding this ACA filing on or before July 1, 2000.

The Commission has reviewed the tariff sheet, Staff's recommendation and request, 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 allowed to become effective on and after the requested effective date, November 1, 1999, interim subject to refund.

IT IS THEREFORE ORDERED:

1. That the tariff sheet submitted October 14, 1999, by Fidelity Natural Gas, Inc. of Sullivan, Missouri, be approved on an interim basis, subject to refund, to become effective on November 1, 1999. The tariff sheet approved is:

P.S.C. MO. No. 1
9th revised Sheet No. 29, Cancelling 8th revised Sheet No. 29

- 2. That the Commission's Procurement Analysis Department be given the time necessary to conduct its audit of this ACA period and submit its results and recommendations regarding this ACA filing on or before July 1, 2000.
 - 3. That this order shall become effective on November 1, 1999.

BY THE COMMISSION

Dale Hardy Koberts

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 26th day of October, 1999.

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COMMISSION COUNSEL PUBLIC SERVICE COMMISSION