BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the matter of United Cities Gas Company's)	
tariff revision designed to be reviewed in)	Case No. GR-99-280
its 1998-1999 Actual Cost Adjustment for the)	
Missouri service area of the Company.)	

ORDER APPROVING INTERIM HANNIBAL-CANTON DISTRICT RATES

United Cities Gas Company (United) of Franklin, Tennessee, submitted a tariff sheet to the Commission on June 29, 1999, carrying an effective date of August 1, 1999. The tariff sheet is designed to change the Purchased Gas Adjustment (PGA) factors for its Hannibal-Canton District as a result of a decrease in the spot market cost of gas. This change will decrease United's annualized revenues by approximately \$191,500. The impact on a typical residential space-heating customer using 27 Ccf of natural gas in the month of August will be a decrease of \$0.30, or 1.4%.

The Missouri Public Service Commission Staff (Staff) filed a memorandum stating that the change in United's PGA was calculated in conformance with its approved PGA Clause and recommends that the Commission approve the tariff sheet to become effective on August 1, 1999. Staff recommends that the tariff sheet be approved on an interim basis, subject to refund, until the Commission makes its final determinations in Case Nos. GR-98-274 and GR-99-280.

The Commission has reviewed the tariff sheet and Staff's recommendation, and finds that the proposed tariff sheet conforms to United's Commission-approved PGA Clause and is therefore reasonable. After considering Staff's recommendation, the Commission finds that the proposed tariff sheet should be approved to become effective on and after the requested effective date of August 1, 1999, interim subject to refund.

IT IS THEREFORE ORDERED:

1. That the tariff sheet submitted on June 29, 1999, by United Cities Gas Company of Franklin, Tennessee, for the purpose of reflecting changes in rates for natural gas in its Hannibal-Canton District, is approved on an interim basis, subject to refund, to become effective on August 1, 1999. The tariff sheet approved is:

P.S.C. MO. No. 3 80th Revised SHEET No. 46, Cancelling 79th Revised SHEET No. 46

2. That this order shall become effective August 1, 1999.

BY THE GOMNI PS PONTS

Dale Hardy 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 $16^{\rm th}$ day of July, 1999.



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