STATE OF MISSOURI PUBLIC SERVICE COMMISSION JEFFERSON CITY November 8, 1999

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

Uncertified Copy:

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Missouri Public Service's)
Purchased Gas Adjustment factors to be review	ewed) Case No. GR-99-435
in its 1998-1999 Actual Cost Adjustment.)

ORDER APPROVING INTERIM RATES

Missouri Public Service (MPS or Company) of Kansas City, Missouri, submitted tariff sheets to the Missouri Public Service Commission (Commission) on October 26, 1999, carrying an effective date of November 9, 1999. The tariff sheets were filed to reflect scheduled changes in MPS's Purchased Gas Adjustment (PGA) factors as the result of changes in the cost of natural gas for the upcoming winter season. The winter season includes the months of November through March. Additionally, the Actual Cost Adjustment (ACA) factor changed in each of the three systems. This filing also reflects a change in the Refund factor in two systems, and a Transition Cost (TC) change in one system.

The net effect of the changes for the Company's Southern System will increase the firm PGA factor for the 1999-2000 winter season to \$0.36523 per Ccf from a summer season firm PGA factor of \$0.21539 per Ccf. This represents an approximate 69.6% increase in gas costs to consumers.

The net effect of the changes for the Company's Northern System will increase the firm PGA factor for the 1999-2000 winter season to \$0.41366 per Ccf from a summer season firm PGA factor of \$0.25882 per Ccf. This represents an approximate 59.8% increase in gas costs to consumers.

The net effect of the changes for the Company's Eastern System will increase the firm PGA factor for the 1999-2000 winter season to \$0.61489

per Ccf from a summer season firm PGA factor of \$0.43761 per Ccf. This represents an approximate 40.5% increase in gas costs to consumers.

The Staff of the Commission (Staff) filed a memorandum stating that the changes in MPS's PGA factors were calculated in conformance with the Company's approved PGA Clause and recommends that the Commission approve the tariff sheet to become effective on November 9, 1999. The Staff stated that MPS'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 9, 1999, on an interim basis, subject to refund, pending final Commission decisions in MPS's ACA Case Nos. GR-98-421 and GR-99-435. 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 September 1, 2000.

The Commission has reviewed the tariff sheets, Staff's recommendation and request, and finds that the tariff sheets conform to its Commission-approved PGA Clause and are 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 sheets should be approved to become effective on and after the requested effective date of November 9, 1999, interim subject to refund.

IT IS THEREFORE ORDERED:

1. That the tariff sheets submitted on October 26, 1999 by Missouri Public Service of Kansas City, Missouri, be approved on an interim basis, subject to refund, to become effective on November 9, 1999. The tariff sheets approved are:

P.S.C. MO. No. 5

¹⁷th Revised SHEET NO. 43 Cancelling 16th Revised SHEET NO. 43

²⁰th Revised SHEET NO. 44 Cancelling 19th Revised SHEET NO. 44

¹⁰th Revised SHEET NO. 44.1 Cancelling 9th Revised SHEET NO. 44.1

- 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 September 1, 2000.
- 3. That this order shall become effective on November 9, 1999.

BY THE COMMISSION

Dale Hardy Roberts

L HARD Roberts

Secretary/Chief Regulatory Law Judge

(SEAL)

Morris Woodruff, 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 8th day of November, 1999

ALJ/Sec'y: WOOdfuff

ALJ/Sec'y: WOOdfuff

Date Girculated GASE NO.

Crumpton, Commissioner

Murray, Commissioner

Schemenauer, Commissioner

Drainer, Vice-Chair

Action taken:

Must Vote Not Later Than

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 <u>08th</u> day of November 1999.

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge

Hole Hold Roberts