

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)
 its 1998-1999 Actual Cost Adjustment for the)
 Missouri service area of the Company.)

Case No. GR-99-280

ORDER APPROVING INTERIM HANNIBAL-CANTON DISTRICT RATES

United Cities Gas Company (United) of Franklin, Tennessee, submitted a tariff sheet to the Commission on August 30, 1999, carrying an effective date of October 1, 1999. The tariff sheet is designed to change the Purchased Gas Adjustment (PGA) factors for its Hannibal-Canton District as a result of an increase in the spot market cost of gas and a change in the refund factor. These changes will increase United's annualized revenues by approximately \$565,800. The impact on a typical residential space-heating customer using 42 Ccf of natural gas in the month of October will be an increase of \$1.37, or 4.8%.

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 October 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 October 1, 1999, interim subject to refund.

IT IS THEREFORE ORDERED:

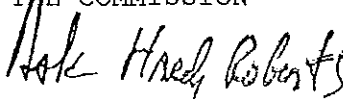
1. That the tariff sheet submitted on August 30, 1999, by United Cities Gas Company of Franklin, Tennessee, for the purpose of reflecting changes in rates for natural gas in its Hannibal-Canton District, is approved on an interim basis, subject to refund, to become effective on October 1, 1999. The tariff sheet approved is:

P.S.C. MO. No. 3

81st Revised SHEET No. 46, Cancelling 80th Revised SHEET No. 46

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

BY THE COMMISSION



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

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 23rd day of September, 1999.

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SEP 23 1999
COMMISSION COUNSEL
PUBLIC SERVICE COMMISSION