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**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 Missouri Public Service Commission (Commission) on November 30, 1999, carrying an effective date of January 1, 2000. 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, an increase in the Actual Cost Adjustment (ACA) factor, and a revision in the refund factor. These changes will increase United's annualized revenues by approximately \$1,451,500. The impact on a typical residential space-heating customer using 236 Ccf of natural gas in the month of January will be an increase of \$22.13, or 16.3%.

The 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 January 1, 2000. Staff recommends that the tariff sheet be approved on an interim basis, subject to refund, until the Commission makes its final determination in Case No. GR-99-280.

The Commission Staff (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 October 1, 2000.

The Commission has reviewed the tariff sheet, Staff's recommendation and request, 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 January 1, 2000, interim subject to refund.

**IT IS THEREFORE ORDERED:**

1. That the tariff sheet submitted on November 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 January 1, 2000. The tariff sheet approved is:

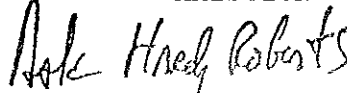
P.S.C. MO. No. 3

82nd Revised SHEET No. 46, Cancelling 81st Revised SHEET No. 46

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 October 1, 2000.

3. That this order shall become effective January 1, 2000.

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  
23<sup>rd</sup> day of December, 1999.