

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION
JEFFERSON CITY**

May 5, 2000

CASE NO: GR-2000-319

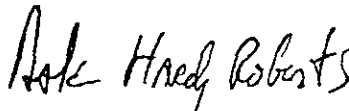
Office of the Public Counsel
P.O. Box 7800
Jefferson City, MO 65102

General Counsel
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102

Bob Cline, Manager
Greeley Gas Company
1301 Pennsylvania Street
Denver, CO 80203-5015

Enclosed find certified copy of an ORDER in the above-numbered case(s).

Sincerely,



**Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge**

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Greeley Gas Company's)
Purchased Gas Adjustment Factors to be) Case No. GR-2000-319
Reviewed in Its 1998-1999 Actual Cost)
Adjustment.)

ORDER DIRECTING RESPONSE

This case was opened for the purpose of receiving the 1998-1999 Purchased Gas Adjustment filings and Actual Cost Adjustment filing of Greeley Gas Company (Greeley) for its Southwest Missouri District. On May 1, 2000, the Staff of the Public Service Commission (Staff) filed a recommendation and memorandum indicating that Staff has reviewed the 1998-1999 Actual Cost Adjustment (ACA) filing of Greeley. Staff stated that it audited the billed revenues and actual gas costs for the period of June 1998 to May 1999, included in the Company's computation of the ACA rate.

Staff proposes the following:

1. That Greeley reduce gas costs by \$16,866 to eliminate state line fees that are not allowed in Missouri;
2. That Greeley apply the Staff adjusted Williams Natural Gas storage, transportation charges and gas commodity charges, which reduces the cost of gas by \$44,599 (\$18,765 + \$23,146 + \$2,688);

3. That Greeley adopt Staff's revised storage inventory schedule that results in less withdrawals and reduced gas costs of \$1,219;
4. That Greeley adopts the Staff adjusted Gas Supply Realignment (GSR) costs of \$3,636 for the months of June 1998 through May 1999. This reflect a \$2,019 decrease in the cost of gas;
5. That Greeley reduces the refund amount due to its customers by \$2,828. This would reflect a factor change from (\$.0293) to (\$.024. This change does not affect the ACA balance;
6. Greeley's billing system change during this ACA period made Staff's analysis of Company's peak day information more difficult. In future ACA periods, Staff recommends that Greeley explain how adjustments are reflected in the billing cycle and also explain the timing effects of the adjustments;
7. Staff conducted a reliability study that analyzes current capacity levels, capacity releases, and peak day forecasting methodology used by the Company. Staff's recommendations are included in the "Reliability Study" section of its ACA recommendation.

Staff recommends that the Commission issue an order requiring Greeley to adjust the ACA balance in its next ACA filing by \$64,703 $[(\$16,866) + (\$2,019) + (\$1,219) + (\$44,599)]$, from \$17,541 over-recovery balance to \$82,244 over-recovery balance to reflect the adjustments set out in the following table:

	Balance per Greeley Filing	Staff Adjustments	ACA Balance Per Staff
Prior ACA Balance	(\$25,249)	\$0	(\$25,249)
Revenue Recovery	(\$168,029)	\$0	(\$168,029)
State Line Fees	\$16,866	(\$16,866)	\$0
GSR Costs	\$5,655	(\$2,019)	\$3,636
Storage Injection/Withdrawals.	\$7,038	(\$1,219)	\$5,819
WNG Storage/Transport & Gas	\$146,178	(\$44,599)	\$101,579
Total (Over)/Under-Recovery	(\$17,541)	(\$64,703)	(\$82,244)

Staff further recommends that the Commission order Greeley to respond to Staff's recommendation within thirty days.

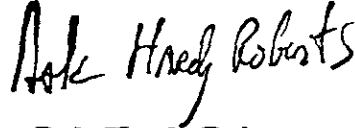
The Commission has reviewed the memorandum filed by Staff and has determined that Greeley should file a response to Staff's recommendation.

IT IS THEREFORE ORDERED:

1. That Greeley Gas Company shall file a response to the recommendation of the Staff of the Commission no later than June 5, 2000.

2. That this order shall become effective on May 15, 2000.

BY THE COMMISSION



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Morris L. 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 5th day of May, 2000.

**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 5th day of May 2000.**

Dale Hardy Roberts

**Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge**

