

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION
JEFFERSON CITY
January 26, 2001**

CASE NO: GR-2001-382

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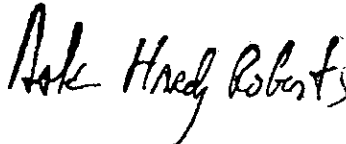
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Missouri Public Service Commission
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Missouri Gas Energy
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Kansas City, MO 64111

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

Sincerely,



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

**Uncertified Copies:
To every Missouri natural gas local distribution company**

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Missouri Gas Energy's Purchased)
Gas Adjustment Tariff Revisions to be Reviewed) Case No. GR-2001-382
in Its 2000-2001 Actual Cost Adjustment.)

ORDER DIRECTING FILING

On January 19, 2001, the Office of the Public Counsel (Public Counsel) filed its Request for an Emergency Actual Cost Adjustment (ACA) Review of Missouri Gas Energy's (MGE's) Purchasing Practices for the Winter 2000-2001 and Motion for Expedited Treatment. To date, no party has responded to this filing, although it is true that the interval set by rule for doing so has not yet elapsed. Because of the importance of the issues raised by this filing, the Commission will require that the Staff of the Commission (Staff) respond to Public Counsel's request.

The Public Counsel has limited its request to MGE, which is only one of several natural gas service providers that has raised its rates, or is in the process of raising its rates, via an unscheduled Purchased Gas Adjustment (PGA). These emergency unscheduled PGA increases will affect many Missourians, not just the residents of MGE's service area. Public Counsel has offered no explanation for the limited scope of its request. The Commission, being concerned about all of these unscheduled increases and the consumers affected by them, will turn to its own Staff for assistance.

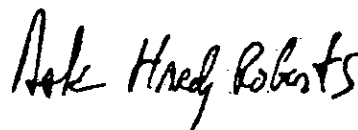
It appears to the Commission that, if an emergency audit is warranted prior to the time that the audit would be performed under the normal ACA process, such an emergency audit would be appropriate in every case, not just in the case of MGE. The Staff will, in its response to

Public Counsel's limited request, address whether or not such an audit should be undertaken with respect to each natural gas distributor with a tariffed PGA clause. Staff shall further advise the Commission as to the timeline of such a statewide audit, the necessary personnel and other resources, and whether a consultant or consultants from outside the Commission should be retained. Given the broader issues with which the Commission is concerned, the Commission will require that Staff file its response on or before Friday, February 2, 2001.

IT IS THEREFORE ORDERED:

1. That the Staff of the Missouri Public Service Commission shall file its response as described herein on or before Friday, February 2, 2001, at 3:00 p.m.
2. That the Records Department of the Commission shall send a copy of this order to every Missouri natural gas local distribution company. Each such company may file its response, if any, in its own current PGA case.
3. That this Order shall become effective on January 26, 2001.

BY THE COMMISSION



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Kevin A. Thompson, Deputy Chief
Regulatory Law Judge, by delegation
of authority pursuant to
Section 386.240, RSMo 1994.

Dated at Jefferson City, Missouri,
on this 26th day of January, 2001.

STATE OF MISSOURI

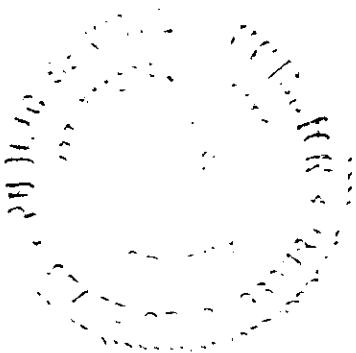
OFFICE OF THE PUBLIC SERVICE COMMISSION

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 26th day of Jan. 2001.



Dale Hardy Roberts

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge