

STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION

At a Session of the Public Service  
Commission held at its office  
in Jefferson City on the 22nd  
day of August, 1995.

In the matter of Missouri Public Service's )  
tariff revisions to be reviewed in its ) CASE NO. GR-94-331  
1993-1994 actual cost adjustment. )

ORDER APPROVING UNANIMOUS STIPULATION AND AGREEMENT

This docket was established to track PGA changes to be reviewed in the company's 1993-94 annual Actual Cost Adjustment (ACA) filing. On October 26, 1994, Missouri Public Service (MPS) filed tariff sheets with the Missouri Public Service Commission reflecting changes in its Northern and Southern System's Purchased Gas Adjustment (PGA) rates resulting from the recalculation of the annual ACA factors, Transition Costs, changes affecting the refund factors, and recalculation of Take-or-Pay (TOP) factors for the period September 1, 1993 through August 31, 1994.

The Commission Staff conducted an audit and evaluation of MPS's billed revenues and gas costs for the period from September 1, 1993, through August 31, 1994 and filed its memorandum on August 1, 1995, recommending adjustments to the figures proposed by MPS. In accordance with an agreement of the parties, the Commission issued a notice requiring MPS to respond to the Staff's memorandum on or before August 16, 1995; MPS filed its response in the form of a Unanimous Stipulation and Agreement on August 15, 1995.

The Unanimous Stipulation and Agreement provided for the following ACA recovery balances to be used as the ending balances in this case, and the beginning balances in Case No. GR-95-273:

Southern System:

Firm ACA:	\$1,387,217.67	overrecovery
Interruptible ACA:	\$ 709.73	underrecovery
TOP:	\$ 52,831.57	overrecovery
Refund:	\$ 24,609.73	overrecovery

Northern System:

Firm ACA:	\$ 126,627.72	underrecovery
Interruptible ACA:	\$ 104,100.46	underrecovery
Transition Cost:	\$ 133,429.45	underrecovery
TOP:	\$ 743,351.40	underrecovery
Refund:	\$ 421.16	underrecovery

The parties waived their rights to cross-examine witnesses, present oral argument and file briefs, to the reading of the transcript by the Commission, and to judicial review, should the Commission approve the Agreement. The parties agreed that, on Commission request, the Staff may present a memorandum or presentation to the Commission explaining its rationale for entering into the stipulation.

Having reviewed the Unanimous Stipulation and Agreement the Commission finds that the agreement of the parties is reasonable and an appropriate resolution of the issues and should be approved. The Commission is of the opinion that the figures for MPS's Southern and Northern systems' firm ACA, interruptible ACA, Transition Costs, and TOP recovery balances, and the refund balances set out in the parties' agreement are accurate. The beginning balances for the period beginning September 1, 1994, set out in the Unanimous Stipulation and Agreement will be adopted.

IT IS THEREFORE ORDERED:

1. That the Unanimous Stipulation and Agreement (Attachment 1 to this Order), filed on August 15, 1995, be adopted by the Commission for resolution of all issues.

2. That the beginning balances for Missouri Public Service's Actual Cost Adjustment for the period beginning September 1, 1994 shall be as follows:

Southern System:

Firm ACA:	\$1,387,217.67 overrecovery
Interruptible ACA:	\$ 709.73 underrecovery
TOP:	\$ 52,831.57 overrecovery
Refund:	\$ 24,609.73 overrecovery

Northern System:

Firm ACA:	\$ 126,627.72 underrecovery
Interruptible ACA:	\$ 104,100.46 underrecovery
Transition Cost:	\$ 133,429.45 underrecovery
TOP:	\$ 743,351.40 underrecovery
Refund:	\$ 421.16 underrecovery

3. That the tariff sheets and rates in effect during the 1993-1994 ACA period, and the interim ACA factors filed by Missouri Public Service on October 25, 1994, be made final and permanent.

4. That is docket is hereby closed.

5. That this order shall become effective on September 1,  
1995.

BY THE COMMISSION

A handwritten signature in cursive script, reading "David L. Rauch".

David L. Rauch  
Executive Secretary

(S E A L)

Mueller, Chm., McClure, Kincheloe,  
Crompton, and Drainer, CC., Concur.

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

In the matter of Missouri Public	)	
Service's tariff revisions to be	)	
reviewed in its 1993-1994	)	Case No. GR-94-331
Actual Cost Adjustment.	)	

UNANIMOUS STIPULATION AND AGREEMENT

This docket was established to track Purchased Gas Adjustment ("PGA") changes to be reviewed in Missouri Public Service's ("MPS") 1993-1994 annual Actual Cost Adjustment (ACA) filing. On October 26, 1994, MPS filed tariff sheets with the Missouri Public Service Commission ("Commission") reflecting changes in its Northern and Southern System's PGA rates resulting from the recalculation of the annual ACA factors, Transition Costs, changes affecting the refund factors, and recalculation of Take-or-Pay ("TOP") factors.

The Commission Staff conducted an audit and evaluation of the billed gas revenues and gas costs for the period September 1, 1993 through August 31, 1994. The Staff filed its memorandum on August 1, 1995, recommending adjustments to the figures proposed by MPS for reconciling the ACA, TOP, Transition Cost, and Refund recovery balances affecting approximately 40,000 natural gas customers.

MPS has reviewed the recommendation and discussed the matters with Staff and other interested parties. As a result of those

discussions, the parties have reached the following agreements with regard to this proceeding and recommend the following actions to the Commission:

1. That the following ACA recovery balances as contained in the Staff recommendation shall be used as the ending balances in Case No. GR-94-331 and consequently as the beginning balances in Case No. GR-95-273:

Southern System:

Firm ACA:	\$1,387,217.67	overrecovery
Interruptible ACA:	\$ 709.73	underrecovery
TOP:	\$ 52,831.57	overrecovery
Refund:	\$ 24,609.73	overrecovery

Northern System:

Firm ACA:	\$ 126,627.72	underrecovery
Interruptible ACA:	\$ 104,100.46	underrecovery
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TOP:	\$ 743,351.40	underrecovery
Refund:	\$ 421.16	underrecovery

2. This Stipulation and Agreement has resulted from negotiations among the parties and the terms hereof are interdependent. In the event the Commission does not approve and adopt this Stipulation and Agreement in total, this Stipulation and Agreement shall be void and no party shall be bound by any of the agreements or provisions hereof.

3. In the event the Commission accepts the specific terms of this Stipulation and Agreement, the parties waive their respective rights to cross-examine witnesses and to present oral argument and written briefs pursuant to Section 536.080.1 RSMo 1994; their respective rights to the reading of the transcript by the Commission pursuant to Section 536.080.2 RSMo 1994; and their respective rights to judicial review pursuant to Section 386.510 RSMo 1994.

4. This Stipulation and Agreement represents a negotiated dollar settlement for the sole purpose of disposing of this case, and none of the signatories to this Stipulation and Agreement shall be prejudiced or bound in any manner by the terms of the Stipulation and Agreement in any other proceeding and none of the signatories hereof shall be deemed to have approved or acquiesced in any ratemaking principle or any method of cost determination or cost allocation underlying or allegedly underlying this Stipulation and Agreement.

5. If requested by the Commission, the Staff shall have the right to submit to the Commission a memorandum explaining its rationale for entering into this Stipulation and Agreement. Each party of record shall be served with a copy of any memorandum and shall be entitled to submit to the Commission, within five (5) days of receipt of Staff's memorandum, a responsive memorandum which shall also be served on all parties. All memoranda submitted by the parties shall be considered privileged in the same manner as

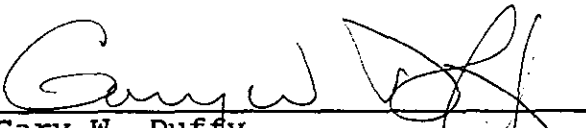
are settlement discussions under the Commission's rules, shall be maintained on a confidential basis by all parties, and shall not become a part of the record of this proceeding or bind or prejudice the party submitting such memorandum in any future proceeding or in this proceeding whether or not the Commission approves this Stipulation and Agreement. The contents of any memorandum provided by any party are its own and are not acquiesced in or otherwise adopted by the other signatories to the Stipulation and Agreement, whether or not the Commission approves and adopts this Stipulation and Agreement.

The Staff shall also have the right to provide, at any agenda meeting at which this Stipulation and Agreement is noticed to be considered by the Commission, whatever oral explanation the Commission requests, provided that the Staff shall, to the extent reasonably practicable, provide the other parties with advance notice of when the Staff shall respond to the Commission's request for such explanation once such explanation is requested from Staff. Staff's oral explanation shall be subject to public disclosure, except to the extent it refers to matters that are privileged or otherwise protected from disclosure.


WHEREFORE, for the foregoing reasons, the undersigned parties respectfully request that the Commission issue its Order approving this unanimous stipulation and agreement as a resolution of all issues in this proceeding.

Respectfully submitted,




  
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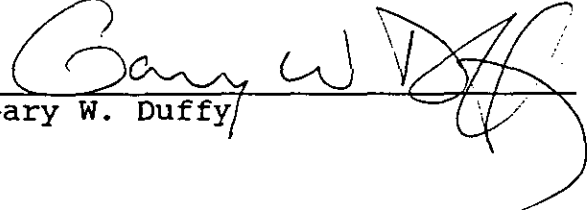
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Attorney for the Staff of the  
Missouri Public Service Commission

#### CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown above this 15th day of August, 1995.

  
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Gary W. Duffy