

BEFORE THE  
STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION

In the matter of Union Electric's filing of a Purchased )  
Gas Adjustment factor to be audited in its 1989-1990 actual ) Case No. GR-90-71  
cost adjustment filing. )

In the matter of Union Electric Company's tariff filing to )  
change rates to reflect gas cost changes pursuant to the ) Case No. GR-90-24  
Company's Purchased Gas Adjustment Clause. )

ORDER APPROVING RATES EFFECTIVE MARCH 1, 1990

On August 22, 1989, Company submitted tariffs sheets for Commission approval that included gas costs changes in all three of the Company's Missouri service areas. These tariffs reflected recalculated ACA factors resulting from over and under collections of gas costs during the twelve-month period ending with Company's July, 1989, revenue month. The tariffs were approved interim subject to refund in order to allow Staff additional time to complete its review of the ACA filing. Case No. GR-90-24 was established to address that filing.

On February 16, 1990, Company filed tariffs reflecting changes in all three Districts as the result of wholesale price changes. In the area served by Panhandle Eastern Pipe Line Company, a wholesale gas cost decrease will result in the Company's annualized gas costs decreasing by approximately \$1.6 million in this area. The Firm customers' PGA factor will decrease from 40.19 cents per Ccf to 38.61 cents per Ccf. The Interruptible customers' PGA factor will decrease from 27.31 cents per Ccf to 25.72 cents per Ccf.

The area served by Texas Eastern Transmission Corporation (TETC) has a proposed decrease resulting from a wholesale price decrease. Annualized gas costs in this area will decrease by approximately \$30,000. The Firm customers' PGA factor will decrease from 35.79 cents per Ccf to 35.64 cents per Ccf and the Interruptible customers' PGA factor will remain at 29.94 cents per Ccf.

The area served by Natural Gas Pipeline Company of America (NGPC) will experience an increase in wholesale gas costs. Annualized gas costs will increase by approximately \$71,300 in this service area. The Firm customers' PGA factor will increase from 37.40 cents per Ccf to 41.12 cents per Ccf. The Interruptible customers' PGA factor will increase from 39.10 cents per Ccf to 42.82 cents per Ccf.

The Commission, on January 31, 1990, issued an order in which it denied a motion by Public Counsel to suspend the take-or-pay (TOP) portion of Union Electric Company's PGA tariff. The Commission denied the motion because there was no final and appealable order in Associated Gas Distributors vs. FERC, Case No. 88-1385 (Dec. 28, 1989) which was the basis of Public Counsel's motion.

The Commission gave interested persons until February 20, 1990, to file any additional pleadings on this issue. Union Electric Company filed a timely pleading opposing the suspension.

The Commission has reviewed its decision on this issue and has determined that the TOP portion of Union Electric Company's tariffs should continue to be collected. When there is a definitive decision on this issue at the Federal level, interested parties may request the Commission to again address this issue.

Staff recommends the three tariffs submitted in this filing reflecting the Purchased Gas Cost factors in the three service areas be approved and Case No. GR-90-24 be closed.

After considering Staff's recommendation and for good cause shown pursuant to Section 393.140(11) RSMo 1986, the Commission is of the opinion that the proposed tariffs should be approved on the requested effective date, March 1, 1990, and Case No. GR-90-24 should be closed.

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It is, therefore,

ORDERED: 1. That the following tariff sheets submitted by Union Electric Company of St. Louis, Missouri, for the purpose of reflecting changes in natural gas rates for all three of its Missouri service areas be, and the same are, hereby authorized to become effective on and after March 1, 1990.

P.S.C. Mo. No. 2

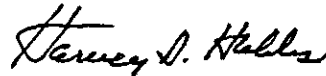
12th Revised Sheet No. 30 Cancelling 11th Revised Sheet No. 30  
12th Revised Sheet No. 31 Cancelling 11th Revised Sheet No. 31  
11th Revised Sheet No. 32 Cancelling 10th Revised Sheet No. 32

ORDERED: 2. That the tariffs approved in Case No. GR-90-24 tracking the September 1, 1989, ACA rate no longer be interim subject to refund.

ORDERED: 3. That Case No. GR-90-24 be closed effective March 13, 1990.

ORDERED: 4. That this order shall become effective on the date hereof.

BY THE COMMISSION



Harvey G. Hubbs  
Secretary

(S E A L)

Cecil I. Wright, Deputy Chief Hearing Examiner, by delegation of authority under Commission Directive of July 28, 1989, pursuant to Section 386.240, R.S.Mo. 1986.

Dated at Jefferson City, Missouri, on this 28th day of February, 1990.