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At a Session of the Public Service
Commission held at its office
in Jefferson City on the 26th
day of April, 1996.

In the matter of Missouri Gas Energy's Purchased Gas)
Adjustment tariff revisions to be reviewed in its 1995-) Case No. GR-96-78
1996 Actual Cost Adjustment)

ORDER APPROVING INTERIM RATES EFFECTIVE MAY 3, 1996

On April 12, 1996, Missouri Gas Energy (MGE or Company), a division of Southern Union Company, of Kansas City, Missouri filed with this Commission for approval, a tariff sheet which reflects changes in its Purchased Gas Adjustment (PGA) factors due to changes in the spot market cost of gas. This change will have the effect of increasing MGE's annualized revenues by approximately \$14.9 million.

The Missouri Public Service Commission Staff (Staff) has recommended that this filing be approved, interim subject to refund, pending final Commission decisions in Western Resources, Inc.'s (WRI), the local distribution company formerly serving the MGE area, Actual Cost Adjustment (ACA) Case Nos. GR-92-80 and GR-94-101, and MGE's Case Nos. GR-94-228, GR-95-82, and GR-96-78.

After reviewing Staff's recommendation and for good cause shown pursuant to Section 393.140(11) RSMo 1994, the Commission is of the opinion that the proposed tariff sheet should be allowed to become effective on and after the requested effective date of May 3, 1996, interim subject to refund.

IT IS THEREFORE ORDERED:

1. That the following tariff sheet filed on April 12, 1996 by Missouri Gas Energy, a division of Southern Union Company, of Kansas City, Missouri for the purpose of reflecting changes in its PGA factors due to changes in its cost of gas be, and it is, hereby authorized to become effective on and after May 3, 1996, interim subject to refund.

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2. That this order shall become effective on May 3, 1996.

BY THE COMMISSION

A handwritten signature in cursive script that reads "David L. Rauch".

David L. Rauch
Executive Secretary

(S E A L)

Zobrist, Chm., McClure, Kincheloe,
Crumpton, and Drainer, CC., Concur.