

MEMORANDUM

FILED²

MAR 27 2000

Missouri Public
Service Commission

TO: Missouri Public Service Commission Official Case File,
Case No. GR-2000-573, File No. 200000831,
Associated Natural Gas Company

FROM: *by mmm*
Tom Imhoff, Gas Department - Tariffs/Rate Design *tm*

Baldan Motzinger 3/24/00
Utility Operations Division/Date

[Signature] 3/27/00
General Counsel's Office/Date

SUBJECT: Staff Recommendation For Associated Natural Gas Company's Scheduled
Summer Season PGA Filing.

DATE: March 24, 2000

On March 15, 2000, Associated Natural Gas Company (ANG or Company), a division of Arkansas Western Gas Company of Fayetteville, Arkansas, filed a tariff sheet proposed to become effective April 1, 2000. The tariff sheet was filed to reflect scheduled changes in ANG's Purchased Gas Adjustment (PGA) factors as the result of estimated changes in the cost of natural gas for the upcoming summer season.

For ANG's Butler District, the effect of these changes will decrease the firm PGA factor for the 2000 summer season to \$0.36248 per Ccf from a winter season firm PGA factor of \$0.37454 per Ccf.

For ANG's Kirksville District, the effect of these changes will decrease the firm PGA factor for the 2000 summer season to \$0.41375 per Ccf from a winter season firm PGA factor of \$0.44061 per Ccf.

For ANG's Southeast Missouri (SEMO) District, the effect of these changes will decrease the firm PGA factor for the 2000 summer season to \$0.43721 per Ccf from a winter season firm PGA factor of \$0.44647 per Ccf.

Case No. GR-2000-573, under which this change was filed, was established to track the Company's PGA factors to be reviewed in its 1999-2000 ACA filing. Case No. GR-99-392 was established to address ANG's PGA factors that will be reviewed in its 1998-1999 ACA filing. Case No. GR-98-399 was established to address ANG's PGA factors that will be reviewed in its 1997-1998 ACA filing. Interim subject to refund status should be maintained pending final Commission decisions in Case Nos. GR-98-399, GR-99-392 and GR-2000-573.

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The Commission's Gas Department - Tariffs/Rate Design Staff (Staff) has reviewed this filing and has determined that it was calculated in conformance with ANG's PGA Clause. Staff is of the opinion that good cause for approval of this tariff sheet on less than thirty days notice is demonstrated by ANG's Commission-approved PGA clause allowing for ten (10) business days notice for PGA change filings. Therefore, Staff recommends that the following tariff sheet be approved, interim subject to refund:

P.S.C. MO. No. 6

19th Revised Sheet No. 16T, Cancelling 18th Revised Sheet No. 16T.

Copies: Director - Utility Operations Division
Director - Research and Public Affairs Division
Director - Utility Services Division
General Counsel
Manager - Financial Analysis Department
Manager - Procurement Analysis Department
Manager - Gas Department
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