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STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a Session of the Public Service Commission held at its office in Jefferson City on the 25th day of June, 1998.

In the Matter of Missouri Gas Energy's)
Application for Variance from Sheet Nos.)
22 and 23 Pertaining to Processing of)
Certain Kansas Ad Valorem Tax Refunds for)
the Large Volume Customer Class.)

ORDER GRANTING RECONSIDERATION

On May 5, 1998, Missouri Gas Energy, a division of Southern Union Company (MGE or Company), filed its application for a variance from its Sheet Nos. 22 and 23 with the Commission requesting permission to use the Wyoming Tight Sands (WTS) data to accomplish all Williams Natural Gas (WNG) Kansas ad valorem tax refunds, and for an extension of time for processing such refunds for Large Volume, Intrastate Transportation Services and Whiteman Air Force Base Customers, until thirty (30) days following the effective date of the Commission's order. MGE is requesting this variance because of the lack of actual customer data. The Company believes it needs additional time to calculate the appropriate refunds using substitute data.

On June 4, 1998, the Commission issued its order directing MGE to provide notice of its filing to entities specified in 4 CSR 240-13.065(2). On June 10 MGE filed its application for rehearing and for reconsideration stating for its support that 4 CSR 240-13.065(2) does not

apply to MGE in this case because MGE was requesting a variance from its tariff sheets and not from Chapter 13 of the Commission's regulations.

After reviewing MGE's application, the Commission finds that technically MGE is correct in its assertion that 4 CSR 240-13.065 only applies to variances from Chapter 13 of 4 CSR 240. Therefore, it is appropriate to grant MGE's motion for reconsideration. In reconsidering the variance request, the Commission finds that it is reasonable to require that MGE notify the newspaper with the largest circulation in each county within the utility's service area affected by the variance. The Commission further finds that the Office of the Public Counsel has already been notified and there is no reason to notify other representatives of residential customers because residential customers directly affected will not be by this variance.

IT IS THEREFORE ORDERED:

- 1. That Missouri Gas Energy shall mail copies of the application for variance by first class mail to the newspaper with the largest circulation in each county within the utility's service area affected by the variance.
- 2. That Missouri Gas Energy shall notify the Commission of its compliance with this order by July 10, 1998.

That this order shall become effective on July 7, 1998. 3.

BY THE COMMISSION

HAR HARD Roberts

Dale Hardy Roberts Secretary/Chief Regulatory Law Judge

(SEAL)

Lumpe, Ch., Crumpton, Schemenauer and Drainer, CC., concur. Murray, C., absent.

S. Register, Regulatory Law Judge