At a Session of the Public Service Commission held at its office in Jefferson City on the 27th day of October, 1998.

In the Matter of Fidelity Natural Gas, Inc.'s ) tariff revision to be reviewed in its ) Case No. GR-99-160 1997-1998 Actual Cost Adjustment.

## ORDER APPROVING INTERIM RATES

Fidelity Natural Gas, Inc. (Fidelity or Company) of Sullivan, Missouri, submitted a tariff sheet to the Commission on October 15, 1998, carrying an effective date of November 1, 1998. The tariff sheet was filed to reflect scheduled changes in Fidelity's Purchased Gas Adjustment (PGA) factors as the result of changes in the cost of natural gas for the upcoming winter season. Additionally, the Actual Cost Adjustment (ACA) factor changed.

The effect of these changes will decrease the firm PGA factor for the 1998-1999 winter season to \$0.2724 per Ccf from a 1997-1998 winter season firm PGA factor of \$0.2809 per Ccf. Fidelity did not file a 1998 summer PGA factor change. This represents an approximate 3% decrease in gas costs to consumers.

The Missouri Public Service Commission Staff (Staff) filed a memorandum stating that the changes in Fidelity's PGA factors were calculated in conformance with the Company's approved PGA Clause. The Staff stated that Fidelity's PGA Clause allows for ten (10) business days notice for filings reflecting PGA changes. Staff recommends that the Commission approve the tariff sheet to become effective November 1, 1998, on an interim basis, subject to refund, pending a final Commission decision in Fidelity's ACA Case No. GR-99-160. The Staff also requested that the Commission's Procurement Analysis Department be given the time necessary to conduct its audit of the ACA period and submit its results and recommendations regarding this ACA filing on or before July 1, 1999.

The Commission has reviewed the tariff sheet, Staff's recommendation and request, and finds that the tariff sheet conforms to the Company's Commission approved PGA Clause and is therefore reasonable. considering 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, November 1, 1998, interim subject to refund.

## IT IS THEREFORE ORDERED:

1. That the tariff sheet submitted October 15, 1998, by Fidelity Natural Gas, Inc. of Sullivan, Missouri, be approved on an interim basis, subject to refund, to become effective on November 1, 1998. The tariff sheet approved is:

P.S.C. MO. No. 1 8th revised Sheet No. 29, Cancelling 7th revised Sheet No. 29

- 2. That the Commission's Procurement Analysis Department be given the time necessary to conduct its audit of this ACA period and submit its results and recommendations regarding this ACA filing on or before July 1, 1999.
  - 3. That this order shall become effective on November 1, 1998.

BY THE COMMISSION

Dale Hardy Roberts

Hole HARD Roberts

(S E A L)

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

Dippell, Regulatory Law Judge

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

OCT 28 1998 COMMISSION COUNSELL COMMISSION