

B✓  
TS  
R<sub>s</sub>

In the matter of United Cities Gas Company's  
tariff revisions designed to be reviewed in  
its 1996-1997 actual cost adjustment for the  
Missouri service area of the company.

United Cities Gas Company (United) of Brentwood, Tennessee, submitted a tariff sheet to the Commission on June 30, 1997, carrying an effective date of August 1, 1997. The tariff sheet is designed to change Purchased Gas Adjustment (PGA) factors for its Hannibal-Canton District as a result of an increase in the spot market gas cost and changes in rates for tariffed transportation services provided by Panhandle Eastern Pipe Line Company, United's pipeline supplier for this district. The net effect of these changes will increase United's annualized revenues by approximately \$288,600. The impact on a typical residential space heating customer using 27 Ccfs of natural gas in the month of August will be an increase of \$0.38, or 1.7%.

The Staff of the Commission (Staff) filed a memorandum stating that these changes in United's PGA was calculated in conformance with its approved PGA Clause and recommends that the Commission approve the tariff sheet to become effective on August 1, 1997. Staff recommended that the tariff sheet be approved on an interim basis, subject to refund, until the Commission makes its final determinations in Case Nos. GR-96-197 and GR-97-259.

The Commission has reviewed the tariff sheet and Staff's recommendation, and finds that the proposed tariff conforms to United's Commission-approved PGA Clause and is therefore reasonable. After considering Staff's recommendation, the Commission is of the opinion that the proposed tariff sheet should be approved to become effective on and after the requested effective date of August 1, 1997, interim subject to refund.

**IT IS THEREFORE ORDERED:**

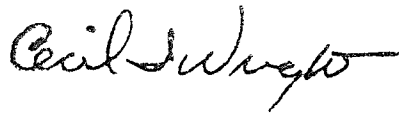
1. That the tariff sheet submitted June 30, 1997, by United Cities Gas Company of Brentwood, Tennessee, for the purpose of reflecting changes in rates for natural gas in its Hannibal-Canton District, is approved on an interim basis, subject to refund, to become effective on August 1, 1997. The tariff sheet approved is:

P.S.C. MO. No. 3

58th Revised SHEET No. 46, Cancelling 57th Revised SHEET No. 46

2. That this order shall become effective on August 1, 1997.

BY THE COMMISSION



Cecil I. Wright  
Executive Secretary

(S E A L)

Zobrist, Chm., Drainer, Murray, and Lumpe, CC., Concur.  
Crumpton, C., Dissent.  
ALJ: Luckenbill