STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held attits office in Jefferson City on the 10th day of November, 1994.

In the matter of United Cities Gas Company's tariff) sheets reflecting PGA changes to be reviewed in the) Case No. GR-94-63 Company's 1993-1994 Actual Cost Adjustment for its) three Missouri Districts.

ORDER APPROVING HANNIBAL-CANTON DISTRICT RATES EFFECTIVE DECEMBER 1, 1994

On October 28, 1994, United Cities Gas Company (United) of Brentwood, Tennessee, submitted to this Commission for approval, a tariff sheet which reflects a decrease in the Purchased Gas Adjustment (PGA) factors for its Hannibal-Canton District resulting from the net of changes in the spot market cost of gas, changes in transportation rates of Panhandle Eastern Pipe Line Company and the termination of a refund adjustment factor initiated on October 1, 1993. Additionally, the Avoided Commodity Cost for Transportation Customers will decrease.

Case No. GR-94-63, under which this Hannibal-Canton District change was filed, was established to address United's PGA factors contained in its 1993-1994 ACA filing.

The Missouri Public Service Commission Staff (Staff) has reviewed the filing and is of the opinion that the proposed changes comply with the current PGA Clause and recommends the proposed tariff sheet be approved.

The Commission has reviewed Staff's recommendation and is of the opinion that the proposed tariff sheet should be allowed to become effective on and after the requested effective date of December 1, 1994.

IT IS THEREFORE ORDERED:

1. That the following tariff sheet submitted October 28, 1994, by United Cities Gas Company of Brentwood, Tennessee, for the purpose of reflecting changes in rates for its natural gas and transportation service, be and it is, hereby authorized to become effective on and after December 1, 1994.

P.S.C. MO. No. 3

35th Revised SHEET No. 46, Cancelling 34th Revised SHEET No. 46

2. That this order shall become effective on December 1, 1994.

BY THE COMMISSION

David L. Rauch Executive Secretary

(SEAL)

Mueller, Chm., McClure, Perkins, Kincheloe, and Crumpton, CC., Concur.