BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the matter of Associated Natural)	
Gas Company's tariff sheets to be)	Case No. GR-94-189
reviewed in its 1993-1994 Actual)	
Cost Adjustment.)	

ORDER APPROVING TARIFF

On October 21, 1994, Associated Natural Gas Company (ANG) filed tariffs reflecting its revised actual cost adjustment (ACA) component of its purchase gas adjustment factor for the annual period through October 31, 1995. On October 28, 1994, and again on November 23, 1994, the Commission granted motions by ANG to extend the effective date of the ACA tariff filing to, first, the December billing period, and then, to the January 1995 billing period, and withdraw the proposed tariff pending negotiations with the Staff of the Commission. Finally, on December 16, 1994, the Commission granted ANG a waiver from the requirements of Tariff Sheet No. 16h in that it was permitted to amortize gas costs for the Butler district over a three year period, as opposed to the one year period as set out in the tariff. In addition, the Commission ordered ANG to file the appropriate tariff no later than December 20, 1994, effective January 1, 1995, reflecting the annual ACA factor for the period through October 31, 1995.

On December 19, 1994, ANG filed its tariff sheet with the proposed changes to the PGA factors, as modified by the Commission's order of December 16, 1994, reflecting the annual ACA factor changes from the 1993-94 period and implementing those changes for the 1995 period.

The Staff filed its recommendation on December 29, 1994, in which it specified the detailed changes reflected in the ANG filing as follows:

BUTLER DISTRICT:

In the Butler District, the change will increase annualized revenues by approximately \$292,200. The impact of this change on a typical residential space heating customer in the Butler District using 236 Ccfs of natural gas in the month of January will be an increase of \$15.97. This represents an increase of approximately 12.7% in this customer's bill.

KIRKSVILLE DISTRICT:

In the Kirksville District, the change will decrease annualized revenues by approximately \$127,600. The impact of this change on a typical residential space heating customer in the Kirksville District using 236 Ccfs of natural gas in the month of January will be a decrease of \$2.91. This represents a decrease of approximately 2.3% in this customer's bill.

SEMO DISTRICT:

In the SEMO District, the change will increase annualized revenues by approximately \$3,574,500. The impact of this change on a typical residential space heating customer in the SEMO District using 236 Ccfs of natural gas in the month of January will be an increase of \$17.08. This represents an increase of approximately 16.4% in this customer's bill.

After review, the Staff stated that the tariff filing by ANG of December 19, 1994 is in compliance with the Commission's order of December 16, 1994, and recommended approval "interim subject to refund," pending final Commission determinations in Case Nos. GR-90-38, GR-90-106, GR-91-208, GR-92-104, GR-93-169, and ANG's ACA filings for the periods 88-89, 89-90, 90-91, 91-92 and 92-93.

The Commission has reviewed the tariff filing of ANG and finds it to be reasonable and in compliance with the Commission's order of December 16, 1994. The Commission will approve the tariff filing, effective January 1, 1995, interim subject to refund pending final determination of the above-stated pending cases and filings.

IT IS THEREFORE ORDERED:

1. That the following tariff, filed December 19, 1994 by Associated Natural Gas Company, is hereby approved for service on or after January 1, 1995, on an interim basis, subject to refund pending final Commission determinations in the above stated cases and filings:

P.S.C. MO. No. 6 87th Revised Sheet No. 16K cancelling 86th Revised Sheet No. 16K

2. That this order shall become effective on January 1, 1995.

BY THE COMMISSION

David L. Rauch

Executive Secretary

(SEAL)

Joseph A. Derque, III, Hearing Examiner, by delegation of authority under Commission directive of August 16, 1994, pursuant to Section 386.240, RSMo 1986.

Dated at Jefferson City, Missouri, on this 30th day of December, 1994.