STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 9th day of September, 1994.

In the matter of United Cities Gas Company's tariff)
sheets reflecting PGA changes to be reviewed in the)
Company's 1993-1994 Actual Cost Adjustment for its)
three Missouri Districts.

ORDER APPROVING NEELYVILLE DISTRICT RATES EFFECTIVE OCTOBER 1, 1994

On August 29, 1994, United Cities Gas Company (Company) 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 Neelyville District resulting from a decrease in spot market gas costs and the termination of a refund. Additionally, the Avoided Commodity Cost for Transportation Customers will decrease.

Case No. GR-94-63, under which this tariff sheet was filed, was established to address Company's PGA factors that will be reviewed 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 that the proposed tariff sheet be approved.

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

IT IS THEREFORE ORDERED:

1. That the following tariff sheet submitted August 29, 1994 by United Cities Gas Company of Brentwood, Tennessee, for the purpose of reflecting a decrease in the PGA factors for its Neelyville District as a result of decreased spot market gas costs and the termination of a refund be, and the same is, hereby authorized to become effective on and after October 1, 1994.

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

BY THE COMMISSION

David L. Rauch

Executive Secretary

(SEAL)

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