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STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 22nd day of December, 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 JANUARY 1, 1995

On November 30, 1994, United Cities Gas Company (United) of Brentwood, Tennessee, filed with this Commission for approval, a tariff sheet which reflects an increase in the Purchased Gas Adjustment (PGA) factors for its Hannibal-Canton District resulting from the net of changes in the transportation rates of Panhandle Eastern Pipe Line, an increase in the spot market gas costs, the recalculation of the Actual Cost Adjustment (ACA) factor and the initiation of a new refund factor. Additionally, the Avoided Commodity Cost for Transportation Customers will increase.

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. Additionally, Staff requested permission for the Commission's Procurement Analysis Department to submit to the Commission, its evaluation of and recommendation on the data contained in this filing, on or before October 1, 1995.

The Commission has reviewed Staff's recommendation and request and is of the opinion that the proposed tariff sheet should be allowed to become effective on and after the requested effective date of January 1, 1995.

IT IS THEREFORE ORDERED:

1. That the following tariff sheet filed November 30, 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 January 1, 1995.

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- 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 on or before October 1, 1995.
 - 3. That this order shall become effective on January 1, 1995.

BY THE COMMISSION

David L. Rauch Executive Secretary

(SEAL)

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