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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 31st
day of December, 1997.

In the Matter of Associated Natural)	
Gas Company's Tariff Revision)	
Designed to Increase Rates for Gas)	<u>Case No. GR-97-272</u>
Service to Customers in the Missouri)	
Service Area of the Company.)	

**ORDER DENYING APPLICATIONS FOR REHEARING AND
RECONSIDERATION, GRANTING MOTION FOR STAY, AND
GRANTING MOTION FOR EXPEDITED TREATMENT**

On December 3, 1997, the Commission issued its Report and Order. On December 12 Associated Natural Gas Company, a division of Arkansas Western Gas Company (ANG), filed an Application for Rehearing and Motion for Stay. On December 12 Noranda Aluminum, Inc. (Noranda) filed a Motion for Rehearing and/or Reconsideration.

ANG requested that the Commission stay the implementation of the unauthorized use charges and tariffs regarding the elimination of sales and back-up sales service to transportation customers until August 1, 1998, when all current contracts containing balancing provisions and penalties will expire. ANG further requested that the Commission stay the requirement for installation of Electronic Gas Measurement (EGM) equipment until August 1, 1998, to allow ANG sufficient time to order, install and test the equipment and to arrange for installation of telecommunications equipment at approximately 15 sites.

On December 16, 1997, ANG filed compliance tariffs in this proceeding along with a Motion for Expedited Treatment. The tariff sheets bear an effective date of January 15, 1998. ANG stated in its motion that because of the magnitude of changes ordered by the Commission, the short

period of time between the issuance of the order and the operation of law date, unavoidable scheduling conflicts by ANG and by personnel from the Staff of the Commission (Staff), and significant questions about compliance tariff language, it was not possible for ANG to file the tariff sheets by the effective date of the order. There was no requirement that ANG file the tariff sheets by the effective date of the order. ANG requested that the Commission and its Staff expedite the consideration of the tariff sheets. ANG stated that it stands ready, upon receipt of such an order, to submit a set of tariff sheets with a different effective date on them.

The Commission has reviewed ANG's Application for Rehearing and finds that cause to grant rehearing does not appear. The Commission has also reviewed Noranda's Motion for Rehearing and/or Reconsideration and finds that cause to grant a rehearing or reconsideration does not appear. The Commission will deny ANG's Application for Rehearing, and the Commission will deny Noranda's Motion for Rehearing and/or Reconsideration.

The Commission has reviewed ANG's Motion for Stay and determines that the Motion for Stay is reasonable and should be granted. The Commission will stay the implementation of the unauthorized use charges and tariffs regarding the elimination of sales and back-up sales service to transportation customers until August 1, 1998, when all current contracts containing balancing provisions and penalties will expire. The Commission will also stay the requirement for installation of EGM equipment until August 1, 1998, to allow ANG sufficient time to order, install and test the equipment and to arrange for installation of telecommunications equipment for customers receiving transportation service.

The Commission has reviewed ANG's Motion for Expedited Treatment. The Commission finds that the Motion for Expedited Treatment is reasonable and should be granted. Therefore, the Commission will order

its Staff to file a recommendation regarding the compliance tariffs no later than January 5, 1997. The recommendation shall contain a proposal regarding the effective date of the compliance tariffs. The Commission will review the compliance tariffs and issue an order as expeditiously as its docket will allow.

IT IS THEREFORE ORDERED:

1. That the Application for Rehearing filed by Associated Natural Gas Company, a division of Arkansas Western Gas Company, on December 12, 1997, is denied.

2. That the Motion for Rehearing and/or Reconsideration filed by Noranda Aluminum, Inc. on December 12, 1997, is denied.

3. That the Motion for Stay filed by Associated Natural Gas Company, a division of Arkansas Western Gas Company, on December 12, 1997, is granted.

4. That the requirement for Associated Natural Gas Company, a division of Arkansas Western Gas Company, to implement the unauthorized use charges and tariffs regarding the elimination of sales and back-up sales service to transportation customers, as set forth in the Commission's Report and Order issued on December 3, 1997, is stayed until August 1, 1998.

5. That the requirement for Associated Natural Gas Company, a division of Arkansas Western Gas Company, to install Electronic Gas Measurement equipment, as set forth in the Commission's Report and Order issued on December 3, 1997, is stayed until August 1, 1998.

6. That the Motion for Expedited Treatment filed on December 16, 1997, by Associated Natural Gas Company, a division of Arkansas Western Gas Company, is granted.

7. That the Staff of the Commission shall file its recommendation in this case no later than January 5, 1998, regarding the tariff sheets filed on December 16, 1997, by Associated Natural Gas Company, a division of Arkansas Western Gas Company.

8. That this order shall become effective on December 31, 1997.

BY THE COMMISSION

A handwritten signature in black ink, reading "Dale Hardy Roberts". The signature is written in a cursive, slightly slanted style.

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Lumpe, Ch., Crumpton, Murray,
and Drainer, CC., concur.

G. George, Regulatory Law Judge