

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of Missouri Gas Utility,)	
Inc.'s Purchased Gas Adjustment)	
(PGA) Factors to be audited in its)	Case No. GR-2009-0161
2007-2008 Actual Cost Adjustment.)	
)	

STAFF RECOMMENDATION THE CASE MAY BE CLOSED

COMES NOW the Staff of the Commission and submits its Response to Missouri Gas Utility's *Response to Staff Recommendation and Memorandum* and Recommends this case may be closed.

1. On October 29, 2008, Missouri Gas Utility (MGU or Company) filed a tariff sheet to change in MGU's Purchased Gas Adjustment (PGA) rates. MGU sought an effective date of November 12, 2008.

2. Missouri Gas Utility, Inc. (MGU) is a Colorado Corporation, and a subsidiary of Summit Utilities, Inc., located in Littleton, Colorado. It serves communities in and around Gallatin, Hamilton, Jamesport, Ridgeway, and Pattonsburg, Missouri.

3. On May 5, 2009, the Commission Staff (Staff) filed its Recommendation and Memorandum in this matter. This document set out the results of Staff's audit of the billed revenues and actual gas costs for the period September 1, 2007 through August 31, 2008, included in MGU's 2007-2008 Actual Cost Adjustment (ACA) filing.

4. On May 11, 2009, the Commission issued its Order Directing Response wherein it ordered MGU to respond to the Staff Recommendation and Memorandum no later than June 10, 2009.

5. On June 10, MGU filed its *Response* and agreed with and accepted Staff's recommendations.

6. Staff is satisfied with MGU's response and recommends the Commission order MGU to establish the following ACA account balance in its next ACA filing to reflect the August 31, 2008 (over)/under-recovered ACA balance shown in the "Staff Recommended" column of the table below:

	Company's ACA Balance	Staff Adjustments	<u>Staff Recommended ACA Balance</u>
Beginning ACA Balance @ 9/1/2007 – (Over-recovered)/Under-recovered	\$ (83,170)	\$ 0	\$ (83,170)
Total Cost MGU Gas Delivered to City Gate	\$ 1,296,472	\$ 0	\$ 1,296,472
Total Cost Recovery	\$ (1,067,379)	\$ 0	\$ (1,067,379)
Ending ACA Balance @ 8/31/2008- (Over-recovered)/Under-recovered	\$ 145,923	\$ 0	\$ 145,923

7. The case may then be closed.

WEREFORE Staff recommends the Commission issue its order MGU adjust its ACA balances to the Staff Recommended ACA Balance as noted above and close this case.

Respectfully submitted,

/s/ Lera L. Shemwell

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to all counsel of record this 11th day of June 2009.

/s/ Lera L. Shemwell