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October 11, 2002

FILED³

OCT 11 2002

Mr. Dale Hardy Roberts
Executive Secretary
Missouri Public Service Commission
200 Madison Street, PO Box 360
Jefferson City, MO 65102-0360

Missouri Public
Service Commission

Re: In the Matter of the Tariff Filing Of Missouri Gas
Energy, a Division of Southern Union Company
Case No. GT-2003-0033 - Tariff No. JG-2003-0049

Dear Mr. Roberts:

Enclosed please find for filing the original plus
eight (8) copies of the Missouri School Boards' Association's
Position Statement Regarding Preliminary Order to be filed on
behalf of Missouri School Boards' Association in the above-
captioned matter.

If you should have any questions concerning the enclosed
filing, please do not hesitate to contact me. Thank you.

Very truly yours,

HENDREN AND ANDRAE, L.L.C.


Richard S. Brownlee, III

RSB\ls
Enclosures
All Counsel of Record
Melissa Randol

FILED³

OCT 11 2002

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

Missouri Public
Service Commission

In the Matter of the Tariff)
Filing Of Missouri Gas) **Case No. GT-2003-0033**
Energy) Tariff No. JG-2003-0049

MISSOURI SCHOOL BOARDS' ASSOCIATION'S
POSITION STATEMENT REGARDING PRELIMINARY ORDER

COMES NOW, Missouri School Boards' Association (hereafter "MSBA") by and through its Counsel, Hendren and Andrae, L.L.C., Richard S. Brownlee, III, and for its Position Statement Regarding Preliminary Order respectfully submits as follows:

A. MSBA believes the Preliminary Order Approving Stipulation and Agreement meets the statutory requirements of Section 393.310 RSMo.

B. MSBA believes the Preliminary Order Approving Stipulation and Agreement is supported by competent and substantial evidence contained in the record.

C. MSBA further believes the Preliminary Order Approving Stipulation and Agreement is issued pursuant to Section 393.310 RSMo. which creates a unique, three-year aggregation program for the schools in the state of Missouri to purchase and transport natural gas. MSBA further believes the aggregation program contemplates a yearly adjustment to assess the aggregation and

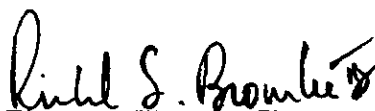
balancing fee as set forth in the statute which is all contained within the overall three-year program.

D. Section 393.310 RSMo. further states, inter alia: "6. The commission may adopt by order such other procedures not inconsistent with this section which the commission determines are reasonable or necessary to administer the experimental program." MSBA believes this specific statutory directive allows the commission to implement accounting and supervisory principals that are unique to the program and which may be separate and distinct from accounting treatment in other utility cases.

Wherefore, MSBA prays an order approving the Preliminary Order Approving Stipulation and Agreement.

Respectfully submitted,

HENDREN AND ANDRAE, L.L.C.



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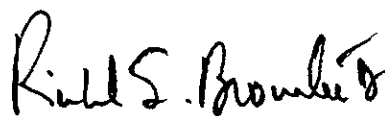
CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing has been mailed or and-delivered to the following on this 11th day of October, 2002:

Gary Duffy
Brydon Swearengen & England PC
312 E. Capitol Avenue
Jefferson City, MO 65101

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MO Public Service Commission
P.O. Box 360
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Richard S. Brownlee, III