

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

In the Matter of Staff’s Recommendation)
In Missouri Gas Energy’s 2003-2004) Case No. GR-2005-0169
Actual Cost Adjustment.)

STAFF’S RECOMMENDATION
IN THIS PGA FILING

COMES NOW the Staff of the Missouri Public Service Commission (“Staff”) and files its Recommendation in this case.

1. On October 18, 2005, Missouri Gas Energy (MGE or Company) filed proposed tariff sheets to make scheduled changes in its Purchased Gas Adjustment (PGA) factors as the result of an estimated change in the cost of natural gas for the upcoming winter season. The winter season includes the months of November 2005, through March 2006.

2. The tariff sheets are proposed to become effective on November 1, 2005.

3. Staff has reviewed this filing and has determined that it was calculated in conformance with the PGA clause in MGE’s Commission-approved tariff. Please see the attached Staff Memorandum for Staff’s comments.

4. Staff is of the opinion that good cause exists for approval of this tariff sheet on less than thirty (30) days notice because the language of MGE’s approved PGA clause allows for ten (10) business days notice for PGA filings.

5. Staff recommends that the tariff may be approved as calculated in compliance with MGE’s PGA tariff but that the rates be approved as interim, subject to refund only.

WHEREFORE, the Staff recommends that the Commission approve the tariff filing to be effective on November 1, 2005, with rates approved on an interim basis only, subject to refund.

Respectfully submitted,

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General Counsel

/s/ Lera L. Shemwell

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, emailed, sent by facsimile or hand-delivered to all counsel of record this 25th day of October 2005.

/s/ Lera L. Shemwell
