

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

In the matter of Missouri Gas Energy's)
Increasing Rates for Gas Service Provided)
To Customers in the Company's Missouri)
Service Area)

Case No. GR-2006-0422

STAFF'S RECOMMENDATION

COMES NOW the Staff of the Public Service Commission of Missouri, and respectfully submits as follows:

1. On March 28, 2007, 2004, Missouri Gas Energy, a division of Southern Union Company (MGE) filed tariffs to comply with the Commission's Report and Order (R&O) dated March 22, 2007. MGE has requested expedited approval of these tariffs, to become effective for service on and after April 1, 2007.

2. Staff has reviewed the tariffs, and in its Memorandum attached hereto, recommends that the Commission approve the substitute tariffs as in compliance with the Commission's R&O.

3. Staff also recommends that the tariffs become effective for service on and after April 1, 2007, for good cause shown, pursuant to Section 393.140(11) RSMo 2000.

WHEREFORE Staff recommends that the Commission approve MGE's substitute tariff sheets become effective for service on and after April 1, 2007.

Respectfully submitted,

/s/ Robert V. Franson

Robert V. Franson

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile, or electronically mailed to all counsel of record this 30th day of March 2007.

/s/ Robert V. Franson