STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 26th day of October, 2011.

In the Matter of Missouri Gas Energy's PGA/ACA

File No. GR-2011-0290

ORDER APPROVING INTERIM RATES

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Issue Date: October 26, 2011

Effective Date: November 1, 2011

On October 18, 2011, Missouri Gas Energy, a division of Southern Union Company, filed a proposed tariff sheet with an effective date of November 1, 2011. The tariff sheet reflects a change in MGE's Purchased Gas factor as a result of estimated changes in the cost of natural gas for the upcoming winter season. The change will result in a decrease from the current PGA factor of \$.71809 per one-hundred cubic feet (Ccf) to \$.61559.

The Staff of the Commission filed its recommendation on October 21. Staff recommends that the Commission approve the proposed tariff sheet on an interim basis, subject to refund. Staff also opines that because MGE's PGA clause allows for 10 business days notice for proposed changes to the PGA, there is good cause to approve the tariff sheet on less than 30 days notice.

The Commission has reviewed the proposed tariff sheet and Staff's recommendation and finds that the proposed tariff sheet conforms to MGE's PGA clause. Additionally, because MGE's PGA clause allows for changes to take effect on 10 days notice, there is good cause to permit the tariff to take effect on less than 30 days notice as required by Section 393.140(11), RSMo. The Commission concludes that the proposed tariff sheet will be approved to take effect on November 1, 2011, on an interim basis, subject to refund.

THE COMMISSION ORDERS THAT:

1. The following proposed tariff sheet, filed on October 18, 2011, by Missouri

Gas Energy and assigned Tracking Number YG-2012-0170, is approved on an interim

basis, subject to refund:

P.S.C. MO. No. 1 Twenty-Fifth Revised SHEET No. 24.3, Canceling Twenty-Fourth Revised SHEET No. 24.3

2. This order shall become effective on November 1, 2011.

BY THE COMMISSION

Steven C. Reed Secretary

(SEAL)

Gunn, Chm., Davis, Jarrett, and Kenney, CC., concur.

Jones, Senior Regulatory Law Judge