

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 30th day
of January, 2007.

In the Matter of Missouri Gas Energy's Tariffs)
Increasing Rates for Gas Service Provided)
to Customers in the Company's Missouri)
Service Area)

Case No. GR-2006-0422

ORDER APPROVING STIPULATION AND AGREEMENT

Issue Date: January 30, 2007

Effective Date: January 30, 2007

On May 2, 2006, Missouri Gas Energy, a division of Southern Union Company, filed tariffs sheets with the Missouri Public Service Commission to implement a general rate increase for natural gas service in the annual amount of \$41,651,345. The case is now progressing as ordered in the Procedural Schedule and the evidentiary hearing began on January 8, 2007. On January 3, 2007, Missouri Gas Energy and the Staff of the Commission submitted a Partial Nonunanimous Stipulation and Agreement for Commission approval. Although no other party joined in the agreement, none oppose it.

The signatories have agreed on the depreciation rate, average service life, net salvage, life only rate and net salvage rate on the following accounts included in Appendix A, attached to the agreement.

Discussion

Although the partial stipulation and agreement represents that it is nonunanimous and was not signed by all the parties, Commission rule 4 CSR 240-2.115(2) provides that other parties have seven days in which to object. If no party files a timely objection, then

the Commission may treat it as a unanimous stipulation and agreement. No party has so objected. Further, the signatories indicate in the stipulation and agreement that the nonsignatories have stated that they do not oppose the agreement.

Staff filed suggestions in support of the partial stipulation and agreement on January 5, 2007. The signatories agree that Staff may answer any Commission question during any agenda meeting at which this agreement is noticed.

Conclusion

After reviewing the partial stipulation and agreement and Staff's suggestions in support thereof, the Commission finds that the partial stipulation and agreement should be approved as a resolution of the issues therein addressed.

IT IS ORDERED THAT:

1. The Partial Stipulation and Agreement filed on January 3, 2007, between Missouri Gas Energy and the Staff of the Commission is approved as a resolution of the issues therein addressed.
2. This order shall become effective on January 30, 2007.

BY THE COMMISSION



Colleen M. Dale
Secretary

(S E A L)

Davis, Chm., Murray, Gaw, Clayton,
and Appling, CC., concur.

Jones, Senior Regulatory Law Judge