

**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 SUPPLEMENTAL PLEADING REGARDING MGE'S MOTION FOR
ACCOUNTING AUTHORITY ORDER CONCERNING THE EMERGENCY
COLD WEATHER RULE**

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

1. On August 14, 2006, Staff filed its Pleading Regarding MGE's Motion for Accounting Authority Order Concerning the Emergency Cold Weather Rule. Staff has considered this matter further in light of the Commission's Final Order of Rulemaking in Case No. GX-2006-0434. Staff believes that this Amendment to 4 CSR 240-13.055, effective November 1, 2006, further supports Staff's approach to this Accounting Authority Order (AAO) and is also in line with MGE's request. The new rule (4 CSR 240-13.055(F)(1-4), specifies what can be recovered through the AAO mechanism.

2. Staff will audit the cost of MGE's compliance with the Emergency Cold Weather Rule in this case. The parameters of such recovery are found in 4 CSR 240-13.055(F). Staff will make its Recommendation regarding such costs, including the amount of costs to include in rates and the length of any amortization of these costs into the cost of service, in its Direct Testimony.

WHEREFORE, Staff respectfully submits Staff's Supplemental Pleading Regarding MGE's Motion for Accounting Authority Order Concerning the Emergency Cold Weather Rule.

Respectfully submitted,

/s/ 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 emailed to all counsel of record this 22nd day of August 2006.

/s/ Robert V. Franson