

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service  
Commission held at Harris-Stowe  
State University in St. Louis,  
Missouri, on the 8<sup>th</sup> day of July,  
2009.

In the Matter of Missouri Gas Energy and       )  
Its Tariff Filing to Implement a General Rate       )  
Increase for Natural Gas Service                        )

**File No. GR-2009-0355**

**ORDER DIRECTING CUSTOMER NOTICE  
AND SETTING LOCAL PUBLIC HEARINGS**

Issue Date: July 8, 2009

Effective Date: July 8, 2009

On April 2, 2009,<sup>1</sup> Missouri Gas Energy, a division of Southern Union Company (hereafter “MGE”), submitted to the Commission proposed tariff sheets intended to implement a general rate increase for natural gas service. The Commission ordered the Office of the Public Counsel (hereafter “OPC”) to send the Commission a proposed customer notice of MGE’s rate increase request.

OPC sent the Commission such a notice on June 4. MGE objected to OPC’s proposed notice on June 11, and offered up a proposed alternative notice, to which OPC objected on June 22. MGE proposed a second alternative notice on June 26, stating it needs direction from the Commission no later than July 9 so that it can give a printer time to prepare over half a million customer notices and for MGE to get those notices mailed to customers in time to notify them of local public hearings beginning in late August. OPC objected to MGE’s second proposed notice on June 30.

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<sup>1</sup> Unless otherwise noted, calendar references are to 2009.

The gist of the dispute appears to be a function of MGE's Straight Fixed Variable (hereafter SFV) rate design, and how to accurately communicate the impact of MGE's rate increase request to customers. MGE's proposed notice would notify customers of the average rate increase each customer would receive, depending on the rate class the customer is in. OPC claims that giving only an average is misleading because average usage customers would receive the smallest changes to their bills under a SFV rate design. OPC instead prefers a notice that emphasizes the increase on the fixed charge to be assessed per class under the rate increase request, and does not mention the average increase at all.

Tellingly, neither MGE nor OPC claims that its opponent's proposed notice is wrong; rather, each one appears to believe that the other has the wrong perspective of how to inform the customers. The Commission therefore finds that the customer notice should contain both parties' suggestions. The notice shall be in the format as listed by OPC in its June 30 pleading, including the table of how MGE proposes to redefine its Small General Service and Large General Service customers. In addition, it shall include the monthly average increase by class as listed by MGE in its June 26 pleading.

The local public hearing schedule is as follows:

	Date	City	Location
1.	Monday, August 31, 6:00 p.m.	Joplin	Webster Hall Auditorium Missouri Southern State University 3950 Newman Road Joplin, MO 64801
2.	Tuesday, Sept. 1, 6:00 p.m.	Warrensburg	University of Central Missouri James C. Kirkpatrick Library Room 1424 Corner of Clark and McGuire Sts. Warrensburg, MO 64093

	Date	City	Location
3.	Tuesday, Sept. 8, 6:00 p.m.	St. Joseph	Room 201, Leah Spratt Hall Missouri Western University 4525 Downs Drive St. Joseph, MO 64507
4.	Weds., Sept. 9, noon	Kansas City	Cohen Conference Center Kansas City Public Library – Plaza Branch, Lower Level 4801 Main Street Kansas City, MO 64112
5.	Weds., Sept. 9, 6:00 p.m.	Lee's Summit	University of Central Missouri – Summit Campus Central Summit Center, Room 145 850 NW Chipman Road, Suite 5170 Lee's Summit, MO 64063

**THE COMMISSION ORDERS THAT:**

1. Missouri Gas Energy, a division of Southern Union Company, shall issue customer notice as ordered above.

2. The local public hearings shall be held in facilities that meet the accessibility requirements of the Americans with Disabilities Act, and shall conclude when every person who wishes to testify has done so. Any person who needs additional accommodation to participate in the hearing should call the Public Service Commission's Hotline at 1-800-392-4211 (voice) or Relay Missouri at 711 prior to the hearing.


3. A question-and-answer session will be held before each hearing, beginning at 5:30 p.m. for the hearings beginning at 6:00 p.m. and beginning at 11:30 a.m. for the hearing beginning at noon.

4. The Data Center of the Missouri Public Service Commission shall serve a copy of this order upon the county commission of each county affected by the tariff filing as pled by Missouri Gas Energy, a division of Southern Union Company.

5. The Public Information Office of the Missouri Public Service Commission shall make notice of this order available to members of the General Assembly representing the residents in the service area of Missouri Gas Energy, a division of Southern Union Company, and to the news media serving the residents of that service area.

6. This order shall become effective immediately upon issuance.

**BY THE COMMISSION**

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', written over a horizontal line.

Colleen M. Dale  
Secretary

( S E A L )

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

Pridgin, Senior Regulatory Law Judge