

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

<b>In the matter of Missouri Gas Ener-</b>	)	
<b>gy of Kansas City, Missouri re-</b>	)	
<b>quested authority to file a tariff</b>	)	<b>Case No. GR-2006-0422</b>
<b>reflecting a change in rates for</b>	)	
<b>its Missouri customers</b>	)	

**MIDWEST GAS USERS' ASSOCIATION'S  
POST-HEARING STATEMENT OF POSITION IN LIEU OF BRIEF**

COMES NOW MIDWEST GAS USERS' ASSOCIATION ("Midwest")  
and provides its Statement of Position as follows:

1. Midwest did not submit technical testimony in this matter, but reserved its right to do so. Instead, Midwest spent substantial efforts in working toward a mutually acceptable settlement on class cost-of-service issues. Those efforts culminated in the Partial Nonunanimous Stipulation and Agreement that was filed with the Commission on December 8, 2006 and was approved by the Commission on December 28, 2006.

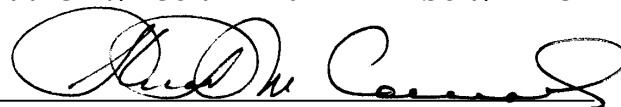
2. Regarding the design of Large Volume Service rates, it is Midwest's belief and understanding that the LVS rate design has been addressed and resolved by the Commission's December 28, 2006 approval of the December 8, 2006 Partial Nonunanimous Stipulation and Agreement.

3. Though not typically taking positions on the design of rates for classes other than Large Volume, the approach suggested by Staff regarding a delivery or capacity charge that recovers the non-variable component of rates from temperature-

sensitive classes on a consistent basis appears to follow cost of service principles to which Midwest has long subscribed and further has merit as a means of stabilizing the utility's revenue stream and reducing the volumetric-related risk in its operations. Concomitantly, if this approach is adopted, the reduced risk of utility operations, and the resultant stabilization of its revenues, as noted by Public Counsel, should be recognized by an appropriate adjustment to the utility's allowed rate of return.

Respectfully submitted,

FINNEGAN, CONRAD & PETERSON, L.C.



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ATTORNEYS FOR MIDWEST GAS USERS'  
ASSOCIATION

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing pleading by U.S. mail, postage prepaid addressed to all parties by their attorneys of record as disclosed by the pleadings and orders herein.



Stuart W. Conrad

Dated: February 15, 2007