

**STATE OF MISSOURI
MISSOURI PUBLIC SERVICE COMMISSION**

In the Matter of Missouri Gas Energy's)	
Increasing Rates for Gas Service Provided)	Case No. GR-2006-0422
to Customers in the Company's Missouri)	
Service Area.)	

**RESPONSE OF UNIVERSITY OF MISSOURI - KC
AND CENTRAL MISSOURI STATE UNIVERSITY TO CONCURRENCE OF
MISSOURI GAS ENERGY WITH STAFF REVENUE REQUIREMENT IMPACT
SCENARIO**

COME NOW, the **University of Missouri - Kansas City ("UMKC")** and **Central Missouri State University ("CMSU")**, hereinafter collectively known as "the parties", and for their Response to a clarification contained in Company's Concurrence with Staff's Revenue Requirement Impact Scenario, state as follows:

1. After concurring in the Summary of Staff Response to MoPSC Scenario Order, Company counsel added a clarification, which the parties believe is somewhat misleading in saying that all rate classes, other than the residential class, would "be impacted by the difference in the 30-year versus 10-year weather normalization adjustment because of the remaining dependence on volumetric billing determinants necessary to reflect the adjustment in rate design." This is only partially true with respect to the LVS Class due to the Stipulation and Agreement on Class Cost of Service approved by the Commission, since pursuant thereto any increase allocated to the LVS Class will be collected solely on the Customer Charge. Thus, since a greater percentage of the LVS revenues will come from

fixed charges and a lesser percentage will come from volumetric rates, there will be a significant reduction in the impact of the weather normalization adjustment on the LVS Class and on the volatility of MGE's revenues from the LVS Class. The result of which will be a corresponding reduction in MGE's risk.

Respectfully submitted,

FINNEGAN, CONRAD & PETERSON, L.C.

/s/ Jeremiah D. Finnegan

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ATTORNEYS FOR COUNTY OF JACKSON,
MISSOURI

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing pleading by e-mail to all parties of record.

Dated: March 13, 2007

/s/ Jeremiah D. Finnegan

Jeremiah D. Finnegan