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March 9, 2004

**FILED**

MAR 09 2004

**Missouri Public  
Service Commission**

Mr. Dale Hardy Roberts  
Secretary/Chief Regulatory Law Judge  
Missouri Public Service Commission  
P.O. Box 360  
Jefferson City, Missouri 65102

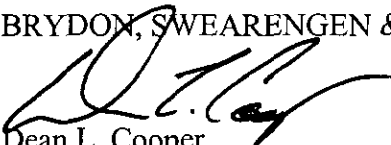
RE: *In the matter of the application of Missouri Gas Energy, a division of Southern Union Company, for approval to establish an infrastructure system replacement surcharge. Case No. GO-2004-0242*

Dear Mr. Roberts:

Enclosed for filing on behalf of Missouri Gas Energy in the above-referenced matter are the original and eight (8) copies of Missouri Gas Energy's Submission of Contact Center Talking Points. A copy of the foregoing documents has been hand-delivered or mailed this date to each party of record.

Thank you for your attention to this matter.

Sincerely,

By:   
Dean L. Cooper

DLC/jar  
Enclosures  
cc: Dan Joyce, General Counsel  
Office of the Public Counsel

FILED

MAR 09 2004

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

Missouri Public  
Service Commission

In the matter of the application of Missouri Gas )  
Energy, a division of Southern Union Company, ) Case No. GO-2004-0242  
for approval to establish an infrastructure system )  
replacement surcharge. )

**MISSOURI GAS ENERGY'S SUBMISSION OF CONTACT CENTER TALKING  
POINTS**

COMES NOW Missouri Gas Energy ("MGE"), a division of Southern Union  
Company, by and through counsel, and respectfully states the following:

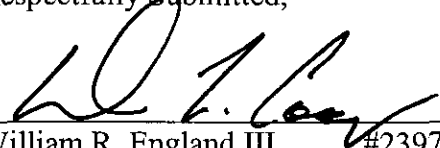
1. MGE hereby advises the Commission that it has developed talking points  
on the ISRS for its contact center personnel; those talking points are attached hereto as  
Appendix 1.

**WHEREFORE**, MGE offers these contact center talking points.

Respectfully Submitted,

/s/ Robert J. Hack

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ATTORNEYS FOR MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN  
UNION COMPANY

Certificate of Service

I hereby certify that a true and correct copy of the above and foregoing document was sent by U.S. Mail, postage prepaid, or hand delivered on this 9<sup>th</sup> day of March, 2004, to:

General Counsel  
Missouri Public Service Commission  
Governor Office Building  
P.O. Box 360  
Jefferson City, MO 65102

The Office of the Public Counsel  
Governor Office Building, 6<sup>th</sup> Floor  
P.O. Box 7800  
Jefferson City, MO 65102-7800

A handwritten signature in black ink, appearing to read "D. L. Cuy", is written over a horizontal line.

## **Contact Center Q&A for ISRS**

### **What is this charge for the I-S-R-S?**

That stands for the Infrastructure System Replacement Surcharge and it started appearing on customer bills for service on or after April 1. Different government entities, like cities or the state or the Public Service Commission, periodically require us to move or replace our pipe. This charge begins to recover the cost of those relocations or replacements.

### **Why would MGE be required to move its pipes?**

When cities want to build a new road, or widen a road, they often have to dig where our pipes and other utilities are. In order for the city to do these types of projects, they require that we move our lines. We also have to comply with Missouri Public Service Commission safety rules regarding replacement of our pipes. This charge will pay for government-mandated, non-revenue producing pipeline replacements or relocations.

### **What do you mean by non-revenue producing?**

If we have to move a pipe 20 feet to make way for a new road, the new pipe won't serve any more customers, so it won't produce new revenues. It is different than when we put in a pipe to serve a new subdivision.

### **Why do I have to pay it?**

You have always paid for these types of costs through our general rate structure. However, a new law passed in 2003 allows companies like MGE to begin recovering these types of costs more quickly through a surcharge. The charge is still subject to Missouri Public Service Commission review, plus MGE will initiate a full rate review proceeding no later than three years after implementation of an I-S-R-S.

### **Why do I have to pay taxes on the surcharge?**

In most cities, local taxes, or franchise fees, apply to your bill. Taxes applicable to the I-S-R-S are broken out separately so customers know what they are paying.

### **How long will it be on my bill?**

This charge started appearing on customer bills for service on or after April 1 and will be prorated based on the number of days during your billing period. This charge will be on your bill monthly until we complete our current rate review process, which will be no later than October 2, 2004. At that time, the I-S-R-S charge will drop to zero, then be adjusted periodically as needed until we go through a rate review process again.

### **Could it go higher than \$0.47?**

The charge will always depend on how much government-mandated work we do. The current I-S-R-S represents almost three years worth of work. Usually, the I-S-R-S will be adjusted in smaller increments reflecting a shorter period of time.

### **Does this help me at all?**

Yes. By collecting the I-S-R-S related costs over time, we should reduce the frequency of expensive general rate cases in the future.

APPENDIX 1