

## MEMORANDUM

TO: Missouri Public Service Commission Official Case File,  
Case No. GO-2005-0273, File No. YG-2005-0958, Missouri Gas Energy

FROM: Michael Ensrud, Energy – Tariffs/Rate Design

/s/Warren Wood 05-05-05                      /s/ Lera L. Shemwell 05-06-05  
Energy Department/Date                      General Counsel's Office/Date

SUBJECT: Staff Recommendation on Tariff Sheet Filed in Compliance with Commission Order  
and Motion for Expedited Treatment

DATE: May 6, 2005

On May 3, 2005, Missouri Gas Energy, a division of Southern Union Company (MGE or Company) of Kansas City, Missouri, filed a tariff sheet with the Missouri Public Service Commission (Commission) with a proposed effective date of June 2, 2005. On May 4, 2005, the Company filed a Motion For Expedited Treatment (Motion) requesting the tariff go into effect on May 13, 2005.

This tariff was filed to comply with the Commission's Order (Order) dated May 3, 2005, authorizing MGE to establish an infrastructure system replacement surcharge (ISRS) sufficient to recover an annual pre-tax revenue of \$1,164,726 as computed by the Commission's Staff.

On May 4, 2005, the Commission issued an Order Directing Filing. This Order directed the Staff to file its recommendation no later than May 10, 2005 and to address "*whether the replacement tariff is in compliance with the Commission's order and recommending whether the tariff should be approved*". Staff has reviewed the Company's tariff filing and determined that it is in compliance with the Commission's Order in this case. Staff further recommends that MGE's Motion filed on May 4, 2005 may be granted. The Commission's Energy-Tariff/Rate Design Staff (Staff) has verified that this company has filed its annual report and is not delinquent on any assessment. Staff is not aware of any other matter before the Commission that affects or is affected by this filing; however, the following Cases involving this Company are pending before this Commission:

GR-2001-382	GO-2004-0195	GR-2003-0330
GR-2005-0104	GR-2005-0169	GU-2005-0095

Therefore, Staff recommends that the following tariff sheet, as filed on May 3, 2005, is in compliance with the Commission's May 3, 2005 Order and may be permitted to go into effect on and after May 13, 2005, the requested effective date:.

P.S.C. MO. No. 1

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Third Revised SHEET No. 10, Canceling Second Revised SHEET No. 10

Copies: Director - Utility Operations Division  
Director - Utility Services Division

Attachment A

MO PSC Case No. GO-2005-0273

OFFICIAL CASE FILE MEMORANDUM

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General Counsel

Procurement Analysis Department

Robert J. Hack – Vice President of Pricing & Regulatory Affairs (MGE)

Dean Cooper – Attorney with Brydon, Swearengen & England P.C.

Office of the Public Counsel