

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 30th day
of December, 2008.

In the matter of the application of Missouri Gas)
Energy, a division of Southern Union Company,)
for variance from a Portion of MGE Tariff Sheet)
No. 100)

Case No. GE-2009-0194

ORDER GRANTING VARIANCE

Issue Date December 30, 2008

Effective Date: January 9, 2009

On November 14, 2008, Missouri Gas Energy, a division of Southern Union Company, filed with the Missouri Public Service Commission an application for approval to vary from its tariff. As a result of its last rate case,¹ MGE was required to administer residential natural gas conservation initiatives. To further this effort, an agreement was reached between MGE, the Staff of the Commission and the Office of the Public Counsel.²

The agreement established an Energy Efficiency Collaborative (EEC), which includes the Department of Natural Resources and those parties to the agreement. The Commission approved the agreement and required MGE to file tariff sheets in compliance with the agreement. MGE filed the tariff sheets which were approved on August 15, 2007.

Tariff Sheet No. 100 requires MGE to file, within 15 months from the start of the efficiency program, a report with the Commission setting out the program's effectiveness.

¹ Commission Case No. GR-2006-0422.

² Commission Case No. GT-2008-0005.

Fifteen months from the beginning of the program was November 15. MGE requests that it instead be allowed to file a report by February 15, 2009.

MGE informs the Commission that on October 10, 2008, the EEC agreed to a proposal from an outside consultant to evaluate the impact of the high-efficiency gas water heater replacement program. Because of the timing of the work conducted by the EEC and the resulting start date of the program analysis, the report could not be filed by November 15. The Staff supports MGE's request. Public Counsel did not file a pleading.

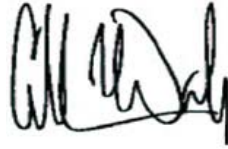
Commission rule 4 CSR 240-2.060 (4) requires that MGE set out the specific rule from which a variance is sought and justification and good cause for granting the variance. The Commission finds that MGE has shown good cause for its request and will grant the requested relief.

THE COMMISSION ORDERS THAT:

1. The request of Missouri Gas Energy, a division of Southern Union Company, for a variance from its tariff requiring the company to file, no later than November 15, 2008, a report of its conservation initiative is granted.
2. Missouri Gas Energy, a division of Southern Union Company, shall file no later than February 15, 2009, a report as required by its Tariff Sheet 100.
3. The report shall be filed in the Commission case that required the report to have been filed on November 15, 2008, Case No. GT-2008-0005.
4. A notice that the report has been filed shall be filed in this case, Case No. GE-2009-0194.

5. This order shall become effective on January 9, 2009.
6. This case shall be closed on January 10, 2009.

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)

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

Jones, Senior Regulatory Law Judge