

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

In the Matter of Missouri Gas Energy's)	
Proposed Tariff Sheets to Administer Natural)	Case No. GT-2007-0477
Gas Conservation Initiatives)	

STAFF'S RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and respectfully submits as follows:

1. On June 1, 2007, Missouri Gas Energy (MGE) filed natural gas conservation tariff sheets to comply with the Commission ordered filing in Case No. GR-2006-0422.

2. On June 11, 2007, the Office of the Public Counsel (OPC) filed its Motion to Suspend Tariff. In this Motion, OPC claimed that MGE's tariff filing violated the Commission's promotional practice rule, 4 CSR 240-3.255(2)(B).

3. Staff does not agree with OPC's Motion. First of all, MGE filed this tariff to comply with a Commission Report and Order. The application of Rule 4 CSR 240-3.255(2)(B) simply has no applicability in such a situation. Rule 4 CSR 240-3.255(2)(B) deals with the filing requirements for a gas utility desiring to offer or grant additional promotional practices or to terminate or change any existing promotional practice. That is not the situation herein because MGE is filing a tariff to comply with a Commission Report and Order

4. Furthermore, Rule 4 CSR 240-14.010 deals with Utility Promotional Practices. The program approved by the Commission is specifically excluded from being a promotional practice by 4 CSR 240-14.010(6)(L)(8).

5. Attached hereto is Staff's Recommendation in this case. Staff recommends that MGE's tariff filing be suspended and that MGE be ordered to file a tariff that is in compliance with the Commission's Report and Order in Case No. GR-2006-0422 as recommended by Staff in Staff's Recommendation.

WHEREFORE, the Staff recommends that the Commission suspend the tariff and order MGE to correct the filing as recommended by Staff.

Respectfully submitted,

/s/ Robert V. Franson

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to all counsel of record this 20th day of June 2007.

/s/ Robert V. Franson