

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

In the Matter of Missouri Gas Utility's)
Purchased Gas Adjustment.)

Case No. GR-2009-0306
YG-2009-0627

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and for its Recommendation, states as follows:

1. On March 2, 2009, Missouri Gas Utility, Inc., (MGU or Company) of Littleton, Colorado filed a tariff sheet bearing an effective date of March 16, 2009. This tariff sheet was filed to reflect a change in MGU's Purchased Gas Adjustment (PGA) factors as a result of estimated changes in the cost of natural gas. The above-captioned case was established to track the company's PGA factors to be reviewed in its 2008-2009 Actual Cost Adjustment (ACA) filing. Case No. GR-2009-0161 was established to track the Company's PGA factors to be reviewed in its 2007-2008 ACA filing.

2. For the MGU system (serving communities such as Hamilton and Gallatin), the effects of changes in these costs decrease the PGA rate factor, effective on March 16, 2009, from \$0.8816 per hundred cubic feet (Ccf) to \$0.6796 per Ccf. A Residential customer's bill is expected to be approximately \$24 lower over the remaining winter season than under the previously filed rate, or an approximate 14% decrease.

3. For reasons explained in Staff's Memorandum, attached hereto as Appendix A and incorporated herein by reference, the PGA factor rate change should be approved on an interim, subject to refund status, pending final Commission decisions in ACA Case Nos. GR-2009-0161 and GR-2009-0306.

WHEREFORE, for the reasons stated in Staff's Memorandum, the Staff respectfully requests that the Commission issue an order approving MGU's tariff in file no.YG-2009-0627, on an interim subject to refund basis.

Respectfully submitted,

/s/Robert S. Berlin

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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 9th day of March 2009.

/s/ Robert S. Berlin