

In the Matter of Missouri Gas Energy's)
Filing for Purchased Gas Adjustments in the) Case No. GR-2007-0256
2006-2007 Period.)

COME NOW Southern Union Company d/b/a Missouri Gas Energy (Company or MGE) Missouri Public Service Commission (“Staff”), (collectively “Signatory Parties”), and the Office of the Public Counsel (OPC) and submit this Stipulation And Agreement (“Agreement”) for approval by the Missouri Public Service Commission (“Commission”). This Agreement resolves all remaining issues in this 2006-2007 Actual Cost Adjustment (“ACA”) proceeding.

- NP version

7. On January 23, 2009, Staff filed its Recommendation that the Case Remain Open Pending Further Investigation of this matter.

8. On June 3, 2009, following review of data, meetings and conference calls, Staff filed its Amendment to its Recommendation in this case.

9. On July 30, 2009, The Commission adopted a procedural schedule in this case.

10. Staff and MGE filed Direct Testimony on October 15, 2009.

11. The ACA account balances agreed to by the parties are set forth in Appendix A-, attached hereto and made a part of this Agreement for all purposes.

12. The Company made an adjustment of ** _____ ** by crediting its ACA account 191.00011 balance on June 30, 2009 to reflect the billing issue identified in this case. This adjustment appears in the 2008/09 ACA period.

13. Staff is satisfied with the amount of the adjustment as reasonable.

14. The parties believe this settlement to be reasonable and beneficial to ratepayers, and therefore recommend that the Commission approve this Agreement as being in the public interest.

15. This Agreement has resulted from extensive negotiations among the parties, and the terms hereof are interdependent. In the event the Commission does not adopt this Agreement in total, then this Agreement shall be void and no Party shall be bound, prejudiced or in any way affected by any of the agreements or provisions hereof. The stipulations herein are specific to the resolution of this proceeding, and all stipulations are made without prejudice to the rights of the parties to take other positions in other proceedings.

16. This Agreement is being entered into for the purpose of disposing of all issues in this case. None of the parties to this Agreement shall be deemed to have approved, accepted,

agreed, consented or acquiesced to any accounting principle, ratemaking principle, cost of service determination or question of prudence underlying, or supposed to underlie, any of the issues provided for herein.

17. The parties further understand and agree that the provisions of this Agreement relate only to the specific matters referred to in the Agreement, and no party waives any claim or right which it otherwise may have with respect to any matters not expressly provided for in this Agreement. The parties further reserve the right to withdraw their support for the settlement in the event that the Commission modifies the Agreement in a manner which is adverse to the party withdrawing its support, and further, the parties reserve the right to contest any such Commission order modifying the settlement in a manner which is adverse to the party contesting such Commission order.

18. In the event the Commission accepts the specific terms of this Agreement, the parties waive, with respect to the issues resolved herein, their respective rights: a) to call, examine and cross-examine witnesses pursuant to Section 536.070(2) RSMo 2000; b) to present oral argument or written briefs pursuant to Section 536.080.1 RSMo 2000; c) to the reading of the transcript by the Commission pursuant to Section 536.080.2 RSMo 2000; d) to seek rehearing pursuant to Section 386.500 RSMo 2000; and e) to seek judicial review pursuant to Section 386.510 RSMo 2000.

19. The Staff shall have the right to provide, at any agenda meeting at which this Agreement is noticed to be considered by the Commission, whatever oral explanation the Commission requests, provided that the Staff shall, to the extent reasonably practicable, promptly provide other parties with advance notice of when the Staff shall respond to the Commission's request for such explanation once such explanation is requested from Staff.

Staff's oral explanation shall be subject to public disclosure, except to the extent it refers to matters that are privileged or protected from disclosure pursuant to any Protective Order issued in this case.

20. The Office of Public Counsel has represented that while it will not be a signatory, it will not oppose the Stipulation and Agreement and will not request a hearing.

WHEREFORE, the undersigned parties respectfully request that the Commission issue its Order:

- a) Approving all of the specific terms and conditions of this Stipulation And Agreement;
- b) Approving the ACA balances included in Appendix A - Table 1;
- c) Granting such further relief as the Commission should find reasonable and just; and,
- d) Closing this case.

Respectfully submitted,

/s/ Lera Shemwell
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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 7th day of April, 2010.

/s/ Lera Shemwell

Account	6-30-07 Balance per MGE Filing	Staff Adjustments	6-30-07 Staff Recommended Balance
ACA	\$ (8,991,999)	\$0	\$ (8,991,999)
Large Volume Refund	\$ (527,438)	\$0	\$ (527,438)

APPENDIX A--TABLE 1