

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

In the matter of the application of Missouri)
Gas Energy, a division of Southern Union)
Company, for approval to change its)
infrastructure system replacement surcharge.)

Case No. GO-2009-0009
YG-2009-0210

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission, in response to the Commission's September 22, 2008 Order Directing Filing, and states:

1. On September 16, 2008, the Staff and Missouri Gas Energy (MGE) filed a Stipulation and Agreement regarding the adjusted Infrastructure System Replacement Surcharge (ISRS) rates. The Commission issued its Order Approving Adjusted ISRS Rates on September 18, 2008.

2. On September 19, 2008, MGE filed a tariff sheet bearing an effective date of October 18, 2008 in an attempt to comply with the Commission's September 18th Order. That filing also included a Motion for Expedited Treatment asking the Commission to approve the tariff sheet on October 1.

3. In its September 22nd Order, the Commission directed the Staff to file either a Recommendation or Status Report, and any objections to MGE's Motion or its tariff sheet no later than September 24, 2008.

4. The Staff has reviewed MGE's tariff sheet file no. YG-2009-0210 and has determined it was filed in compliance with the Commission's September 18, 2008 Order. Staff is unopposed to MGE's Motion for Expedited Treatment. Please See Staff's Memorandum

attached as Appendix A and incorporated by reference herein.

WHEREFORE Staff recommends the tariff sheet as filed on September 19, 2008, be allowed to go into effect on October 1, 2008, as requested by MGE.

/s/ Robert S. Berlin

Robert S. Berlin
Senior Counsel
Missouri Bar No. 51709

Attorney for the Staff of the
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
(573) 526-7779
(573) 751-9285 (FAX)
Bob.berlin@psc.mo.gov

Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 23rd day of September 2008.

/s/ Robert S. Berlin

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
Case No. GO-2009-0009 / File No. YG-2009-0210 – Missouri Gas Energy

FROM: Michael Ensrud, Tariffs/Rate Design - Energy

/s/ Thomas M. Imhoff 09/23/08 /s/ Robert S. Berlin 09/23/08
Project Coordinator / Date General Counsel's Office / Date

SUBJECT: Staff's Recommendation on the Tariff Sheets Filed in Compliance with Commission Order and MGE's MOTION FOR EXPEDITED TREATMENT

DATE: September 22, 2008

On September 19, Missouri Gas Energy (MGE or Applicant), a division of Southern Union Company, filed a tariff sheet with the Missouri Public Service Commission (Commission) with a proposed effective date of October 19, 2008. In addition, MGE filed a MOTION FOR EXPEDITED TREATMENT (Motion) relating to this filing on the same day. The Motion requested an effective date of October 1, 2008.

On September 22, 2008, the Commission issued an ORDER DIRECTING FILING that directed the Staff to file its recommendation, or a Status Report no later than September 24, 2008. In its September 18, 2008 order, the Commission prescribed the ISRS rates to be implemented. MGE's newly submitted ISRS rates comply with those prescribed rates.

The Staff has reviewed MGE's tariff sheet and MGE's Motion. The Staff's analysis indicates that the tariff sheet was filed in compliance with the Commission's September 18, 2008 Order in this case. Staff raises no objection to the expedited effective date of October 1, 2008.

The Staff has verified that MGE has filed its annual report and is not delinquent on any assessment. The Staff has reviewed this filing and is not aware of any issue currently pending before the Commission that affects, or is affected by this filing.

Therefore, Staff recommends that the following tariff sheet, as filed on September 19, 2008, be allowed to go into effect on October 1, 2008, as requested by MGE.

P.S.C. MO. No. 5

Eighth Revised Sheet No. 10, CANCELLING Seventh Revised Sheet No. 10


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Missouri Gas Energy, a division of)	
Southern Union Company, for approval)	Case No. GO-2009-0009
to change its infrastructure system)	
replacement surcharge.)	

AFFIDAVIT OF MICHAEL J. ENSRUD

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Michael J. Ensrud, of lawful age, on oath states: that he has participated in the preparation of the foregoing written memorandum, to be presented in the above case; that the information in the attached written report was given by Missouri Gas Energy (MGE); that he has knowledge of the matters set forth in such memorandum; and that such matters are true to the best of his knowledge and belief.

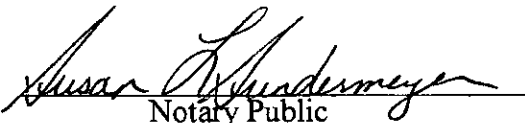


 Michael J. Ensrud

Subscribed and sworn to before me this 23rd day of September, 2008.



SUSAN L. SUNDERMEYER
My Commission Expires
September 21, 2010
Callaway County
Commission #06942086



 Notary Public