



**MISSOURI GAS ENERGY**

3420 Broadway • Kansas City, MO • 64111-2404 • (816) 756-5261

December 14, 2004

Mr. Dale Hardy Roberts  
Secretary and Chief Regulatory Law Judge  
Missouri Public Service Commission  
P.O. Box 360  
200 Madison Street  
Jefferson City, MO 65102-0360

**RE: Case No. GR-2005-0104, Missouri Gas Energy**

Dear Mr. Roberts:

Attached for filing on behalf of Missouri Gas Energy is an electronic version of P.S.C. MO. No. 1, Fifth Revised Sheet No. 24.3, canceling Fourth Revised Sheet No. 24.3. This tariff sheet bears an issue date of December 14, 2004, and a proposed effective date of January 1, 2005

By this filing, MGE proposes to make an adjustment to the Purchased Gas Adjustment (PGA) Rate as permitted under the provisions of Sheet No. 15 of MGE's tariff. MGE is proposing to adjust the Current Cost of Gas Factor (C.C.G.) and Refund Factor.

The proposed PGA rate reflects a decrease of \$0.04426 per Ccf over the PGA Rate currently in effect of \$0.87486. The change in the PGA Rate reflects a change in the C.C.G. of \$0.04822 per Ccf, from the current amount of \$0.87126 to the proposed amount of \$0.82304.

The proposed PGA Rate also reflects elimination of the refund factor.

The proposed adjustment has the net effect of decreasing revenues in MGE's service area by approximately \$25,613,797 annually. This represents an overall 5.06% decrease in revenues.

Workpapers supporting the calculations performed in developing the proposed changes have been provided this date under separate cover letter to the Commission's Staff and The Office of the Public Counsel.

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Please forward copies of any Commission order or notice associated with this filing to:

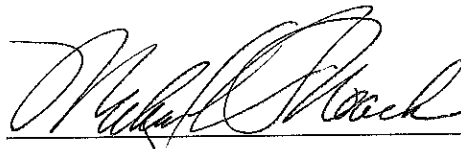
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Thank you for bringing this matter to the attention of the Commission and the appropriate Commission personnel.

Sincerely,

By:



Michael R. Noack

MRN/wpv  
Enclosure

CC: The Office of Public Counsel  
Jeff Keevil  
General Counsel's Office

Missouri Gas Energy,  
a Division of Southern Union Company  
Name of Issuing Corporation

For: All Missouri Service Areas  
Community, Town or City

PURCHASED GAS COST ADJUSTMENT  
PGA

X. SUMMARY STATEMENT

Customer Class	<u>C.C.G.</u>	<u>A.C.A</u>	<u>T.O.P.</u>	<u>T.C.</u>	P.G.A. Rate
Residential	\$0.82304	\$0.00756	\$0.00000	\$0.00000	\$0.83060
Small General Service	\$0.82304	\$0.00756	\$0.00000	\$0.00000	\$0.83060
Large General Service	\$0.82304	\$0.00756	\$0.00000	\$0.00000	\$0.83060
Unmetered Gas Light (1)	\$0.82304	\$0.00756	\$0.00000	\$0.00000	\$0.83060
Large Volume Sales (3)	\$0.82304	\$0.00756	\$0.00000	\$0.00000	\$0.83060
Large Volume Trans. (2)(4)				\$0.00000	\$0.00000

- 1 Each Unmetered Gaslight Unit is equal to 15 Ccf.
- 2 Demand related purchase gas costs of \$0.71594 per Ccf of contract demand and \$0.02354 per Ccf of daily demand for authorized sales in excess of the contract demand are directly chargeable to customers on this rate.
- 3 Applies to Sales Service only.
- 4 Applies to Transportation Service, Intrastate Transportation Service and Whiteman Air Force Base.

DATE OF ISSUE: December 14, 2004  
month day year

DATE EFFECTIVE: January 1, 2005  
month day year

ISSUED BY: Michael R. Noack Director, Pricing and Regulatory Affairs  
Missouri Gas Energy, Kansas City, Missouri 64111