



MISSOURI GAS ENERGY

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

January 3, 2007

Secretary of the Commission
Missouri Public Service Commission
P.O. Box 360
200 Madison Street
Jefferson City, MO 65102-0360

RE: Case No. GR-2006-0291, Missouri Gas Energy

Attached for filing on behalf of Missouri Gas Energy is an electronic version of P.S.C. MO. No. 1, Twelvth Revised Sheet No. 24.3, canceling Eleventh Revised Sheet No. 24.3. This tariff sheet bears an issue date of January 3, 2007, and a proposed effective date of January 18, 2007.

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.).

The proposed PGA rate of \$.78791 reflects a decrease of \$0.09554 per Ccf over the PGA Rate currently in effect of \$0.88345.

The proposed adjustment has the net effect of decreasing revenues in MGE's service area by approximately \$55,290,153 annually. This represents an overall 10.81% 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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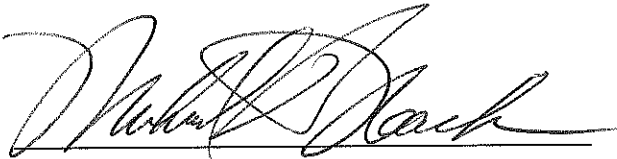
Please forward copies of any Commission order or notice associated with this filing to:

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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
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	C.C.G.	A.C.A	T.O.P.	T.C.	P.G.A. Rate
Residential	\$0.86889	(\$0.08098)	\$0.00000	\$0.00000	\$0.78791
Small General Service	\$0.86889	(\$0.08098)	\$0.00000	\$0.00000	\$0.78791
Large General Service	\$0.86889	(\$0.08098)	\$0.00000	\$0.00000	\$0.78791
Unmetered Gas Light (1)	\$0.86889	(\$0.08098)	\$0.00000	\$0.00000	\$0.78791
Large Volume Sales (3)	\$0.86889	(\$0.08098)	\$0.00000	\$0.00000	\$0.78791
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 \$0.60595 per Ccf of contract demand and \$0.01992 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: January 3, 2007
month day year

DATE EFFECTIVE: January 18, 2007
month day year

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