

MEMORANDUM

TO: Missouri Public Service Commission Official Case File,
Case No. GR-2006-0422, File No. YG-2007-0689 Missouri Gas Energy

FROM: Tom Imhoff, Energy Department - Tariffs/Rate Design

<u>/s/ Thomas M. Imhoff 03/30/07</u> Energy Department/Date	<u>/s/ Robert V. Franson 03/30/07</u> General Counsel's Office/Date
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SUBJECT: Staff Recommendation On Missouri Gas Energy's Tariff Sheets Filed to Comply with the
Commission's Report And Order And Motion For Expedited Treatment

DATE: March 30, 2007

On March 22, 2007, the Missouri Public Service Commission (Commission) issued its Report and Order (Order) in Case No. GR-2006-0422. This Order approved a natural gas general rate increase for certain customers of Missouri Gas Energy (MGE or Company).

MGE filed tariff sheets and a Motion For Expedited Treatment (Motion) on March 28, 2007 to comply with the Order. On March 29, 2007, MGE filed substitute tariff sheets that were related to a mathematical error.

In its letters of transmittal accompanying the March 28, 2007 and the substitute March 29, 2007 compliance filings, MGE is requesting an effective date of April 1, 2007, which would be less than the standard 30-day period, but which complies with the effective date of the Commission's Order.

The Commission's Energy Department - Tariffs/Rate Design Staff (Staff) has reviewed each of the tariff sheets, as filed by MGE on March 28, 2007, as substituted on March 29, 2007, and is of the opinion that these sheets are in compliance with the Commission's Order. Staff is also of the opinion that good cause for approval of these tariff sheets on less than thirty days notice is demonstrated by the Commission's Order. Therefore, Staff recommends that the set of tariff sheets designated P.S.C. MO. No. 1, filed on March 28, 2007, and as substituted on March 29, 2007, be approved and to become effective on and after April 1, 2007.

P.S.C. MO. No. 1

Sixth Revised SHEET No. 10, Canceling Fifth Revised SHEET No. 10
Thirteenth Revised SHEET No. 24.3, Canceling Twelfth Revised SHEET No. 24.3
Seventh Revised SHEET No. 25, Canceling Sixth Revised SHEET No. 25
Seventh Revised SHEET No. 28, Canceling Sixth Revised SHEET No. 28
Seventh Revised SHEET No. 31, Canceling Sixth Revised SHEET No. 31
Second Revised SHEET No. 39, Canceling First Revised SHEET No. 39
Fourth Revised SHEET No. 40, Canceling Third Revised SHEET No. 40
Seventh Revised SHEET No. 42, Canceling Sixth Revised SHEET No. 42
Second Revised SHEET No. 61.2, Canceling First Revised SHEET No. 61.2
Seventh Revised SHEET No. 76, Canceling Sixth Revised SHEET No. 76
Sixth Revised SHEET No. 77, Canceling Fifth Revised SHEET No. 77
Third Revised SHEET No. 83, Canceling Second Revised SHEET No. 83
Seventh Revised SHEET No. 94, Canceling Sixth Revised SHEET No. 94
Fifth Revised SHEET No. 96, Canceling Fourth Revised SHEET No. 96
Fourth Revised SHEET No. 97, Canceling Third Revised SHEET No. 97

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Third Revised SHEET No. 98, Canceling Second Revised SHEET No. 98

Fourth Revised SHEET No. R-34, Canceling Third Revised SHEET No. R-34

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

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

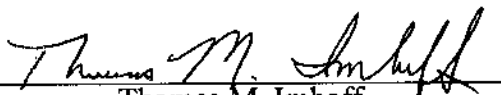
In the matter of Missouri Gas Energy's
Tariff Sheets Designed to Increase Rates
for Gas Service in the Company's
Missouri Service Area.

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Case No. GR-2006-0422

AFFIDAVIT OF THOMAS M. IMHOFF

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Thomas M. Imhoff, of lawful age, on oath states: that he has participated in the preparation of the foregoing Staff Recommendation in memorandum form, to be presented in the above case; that the information in the Staff Recommendation was given by Missouri Gas Energy; that he has knowledge of the matters set forth in such Staff Recommendation; and that such matters are true to the best of his knowledge and belief.



Thomas M. Imhoff

Subscribed and sworn to before me this 30th day of March, 2007.



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



Notary Public

My commission expires 9-21-10