BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of Missouri Gas Energy's Tariffs Increasing Rates for Gas Service Provided to Customers in the Company's Missouri Service Area.

Case No. GR-2006-0422

MOTION FOR EXPEDITED CONSIDERATION AND APPROVAL OF TARIFF SHEETS FILED IN COMPLIANCE WITH COMMISSION ORDER ON LESS THAN THIRTY DAYS' NOTICE

COMES NOW Missouri Gas Energy ("MGE"), a division of Southern Union Company, by and through counsel, and for its Motion for Expedited Consideration and Approval of Tariff Sheets Filed in Compliance with Commission Order on Less than Thirty Days' Notice, respectfully states as follows to the Missouri Public Service Commission (the "Commission"):

1. On March 22, 2007, the Commission issued its *Report and Order* herein, bearing an effective date of March 30, 2007, authorizing MGE to increase its annual revenues by approximately \$27,206,968. The Report and Order also authorizes MGE to file tariffs sufficient to recover these additional revenues.

2. On this date, MGE has caused to be filed with the Commission revised tariff sheets designed to effectuate the decisions made by the Commission in the *Report and Order*. Those revised tariff sheets bear an issue date of March 28, 2007, and an effective date at least thirty days later in order to comply with 4 CSR 240-3.260.¹ As reflected in the cover letter accompanying the revised tariff sheets, however, and as reiterated more specifically herein,

¹ MGE has complied with the Commission rule by filing compliance tariff sheets with a proposed thirty-one day effective date, despite MGE's belief that thirty days' notice is unnecessary under the circumstances.

MGE requests that, for good cause, the compliance tariff sheets be made effective for service rendered on and after April 1, 2007.²

3. To show good cause for waiver of the "thirty day" rule pursuant to 4 CSR 240-2.015 and approval of the revised tariff sheets to be effective for natural gas service rendered on and after April 1, 2007, MGE states that the tariff sheets have been filed in compliance with the Commission's *Report and Order* herein. Moreover, MGE has been working with the Commission's Staff – as well as other parties to this proceeding³ -- in developing the revised tariff sheets.

4. MGE requests approval of the revised tariff sheets to be effective on April 1, 2007, as this would be consistent with the requirements of the law and long-standing Commission custom, practice and precedent.

5. RSMo Section 393.150.1 authorizes the Commission to suspend the effectiveness of rate schedules for a period of one hundred and twenty days beyond the proposed effective date. In addition, the Commission "... may, in its discretion, extend the time of suspension for a further period not exceeding six months." Section 393.150.2. As a creature of statute, the Commission has only such powers as are expressly conferred by the statutes and those reasonably incidental thereto. *State ex rel. Kansas City Transit, Inc. v. Public Service Commission*, 406 S.W.2d 5 (1966). The Commission therefore has no authority to suspend the effectiveness of rate schedules for a period longer than one hundred and twenty days plus six months beyond the proposed effective date.

² Although MGE would typically seek to effectuate these compliance tariff sheets on the effective date of the Report and Order (March 30, 2007), because seasonal rate changes are scheduled to occur only two days thereafter (on April 1, 2007), MGE seeks to effectuate these compliance tariff sheets on April 1, 2007, in order to mitigate the number of rate changes that occur within a short period of time. The practical result of this request is to delay MGE's rate increase for two days and this delay will cause no harm to any customer.

³ MGE served draft copies of these compliance tariff sheets on counsel for all parties of record on March 28, 2007.

6. MGE initiated this rate proceeding on May 1, 2006, by the filing of tariff sheets that bore a proposed effective date of June 2, 2006. The Commission suspended the effectiveness of those tariff sheets until March 30, 2007, the full suspension period permitted under the law. Accordingly, unless the Commission approves the revised tariff sheets filed by MGE to be effective as requested on April 1, 2007, Section 393.150 will be violated. MGE recognizes that it could request that the revised tariff sheets be permitted to become effective on March 30, 2007. For the reasons explained in footnote 2, MGE is willing to forego the additional two days of increased revenue.

7. The Commission itself has an extended history of acting in accordance with this interpretation of Section 393.150. See In re Missouri Gas Energy, Report and Order, Case No. GR-96-285, p. 81, issued January 22, 1997; In re St. Louis County Water Company, 4 MPSC 3d 94, 119 (1995); In re Capital City Water Company, 3 MPSC 3d 333, 349 (1995); In re Missouri Public Service 2 MPSC 3d 206, 220 (1993; In re Kansas Power & Light Company, 1 MPSC 3d 235, 253 (1992); In re St. Louis County Water Company, 29 MPSC (N.S.) 425, 452 (1988); In re Missouri Gas Energy, Report and Order, Case No. GR-2004-0209, Report and Order issued September 21, 2004. MGE therefore requests nothing more than compliance with the law and past Commission precedent and practice.

8. Should the Commission deny this motion and delay the effectiveness of the revised tariff sheets MGE has filed in compliance with the *Report and Order* beyond April 1, 2007, MGE will be denied recovery of a certain portion of the rate relief to which the Commission has already found MGE to be entitled. This would be unlawful, unjust, unreasonable, confiscatory and, in MGE's opinion, a result not intended by the Commission.

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WHEREFORE, MGE respectfully requests that the Commission grant this Motion for Expedited Consideration and Approval of Tariff Sheets Filed in Compliance with Commission Order on Less than Thirty Days' Notice and approve the tariff sheets MGE has filed to be effective for service rendered on and after April 1, 2007.

Respectfully submitted, James C. Swearengen Mo. Bar #21510 Paul A. Boudreau Mo. Bar # 33155 BRYDON, SWEARENGEN & ENGLAND P.C. P.O. Box 456

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ATTORNEYS FOR MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was electronically transmitted, sent by U.S. Mail, postage prepaid, or hand-delivered, on this 287H day of March, 2007, to:

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