

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Missouri Gas Energy's Tariffs)
Increasing Rates for Gas Service Provided to) Case No. GR-2006-0422
Customers in the Company's Missouri)
Service Area.)

NOTICE REGARDING TRUE-UP HEARING

COMES NOW Missouri Gas Energy (hereinafter "MGE" or the "Company") and with respect to the reservation of a true-up hearing in this case to take place on January 31 through February 2, 2007, states the following:

1. By virtue of an Order Regarding Procedural Schedule, Test Year and True-Up Hearing dated July 13, 2006 (the "Scheduling Order"), the Commission adopted the Company's suggested test year of the 12 months ending December 2005, updated through June 30, 2006. The Commission also granted MGE's request for a true-up audit and hearing for specified cost components through October 31, 2006.¹ In doing so, the Commission stated as follows:

The Commission also realizes that if a true-up hearing were scheduled now, it can always be cancelled if the Commission later determines it to be unnecessary.

Accordingly, the Commission established a procedural schedule that reserved the dates January 31 through February 2 for a true-up hearing.²

2. On December 28, 2006, MGE and the Commission's Staff filed True-Up Testimony as contemplated by the procedural schedule in this case.

¹ See, Recommendation Concerning Test Year and Request for True-Up Audit and Hearing, filed May 24, 2006.

² Scheduling Order at pp. 2 and 5.

During the course of the evidentiary hearing, that testimony was admitted into the record. The relevant testimony is as follows:

<u>Exhibit</u>	<u>Document</u>
008	True-Up Testimony of Michael R. Noack
103A	True-Up Direct Testimony of David Murray
114A	True-Up Direct Testimony of David Winter
130	Staff Accounting Schedules

3. Although it will be necessary for the Commission's Report and Order in this case to be based on the 2005 test year information updated through June 30, 2006, and true-up through October 31, 2006, it does not appear that a true-up hearing will be required because all true-up evidence is already part of the record and there does not appear to be any material dispute as between MGE and Staff concerning the true-up numbers. Consequently, MGE suggests that the true-up hearing be cancelled.

WHEREFORE, MGE recommends that the true-up hearing scheduled for January 31 through February 2, 2007 in the referenced case, be cancelled for the reasons aforesaid.

Respectfully submitted,

BRYDON, SWEARENGEN & ENGLAND

By: /s/ Paul A. Boudreau
Paul A. Boudreau Mo. Bar # 33155
BRYDON, SWEARENGEN & ENGLAND P.C.
P.O. Box 456, 312 East Capitol Avenue
Jefferson City, MO 65102-0456
Telephone: (573) 635-7166
Facsimile: (573) 634-7431
paulb@brydonlaw.com
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 18th day of January, 2007, to:

Robert Franson
Missouri Public Service Commission
Governor's Office Building
200 Madison Street
P.O. Box 360
Jefferson City, MO 65102
Robert.franson@psc.mo.gov

Marc Poston
Office of the Public Counsel
Governor's Office Building
200 Madison Street
P.O. Box 2230
Jefferson City, MO 65102
marc.poston@ded.mo.gov

Stuart Conrad
Finnegan, Conrad & Peterson, LC
3100 Broadway, Suite 1209
Kansas City, MO 64111
stucon@fcplaw.com

Jeremiah Finnegan
Finnegan, Conrad & Peterson
3100 Broadway, Suite 1209
Kansas City, MO 64111
jfinnegan@fcplaw.com

Jeffrey Keevil
Stewart & Keevil, LLC
4603 John Garry Drive, Suite 11
Columbia, MO 65203
Per594@aol.com

Mark W. Comley
Newman, Comley & Ruth P.C.
P.O. Box 537
Jefferson City, MO 65102-0537
comleym@ncrpc.com

/s/ Paul A. Boudreau
Paul A. Boudreau