



MISSOURI GAS ENERGY

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

October 17, 2008

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

RE: Case No. GR-2008-0367, Missouri Gas Energy

Attached for filing on behalf of Missouri Gas Energy is an electronic version of P.S.C. MO. No. 1, Seventeenth Revised Sheet No. 24.3, canceling Sixteenth Revised Sheet No. 24.3. This tariff sheet bears an issue date of October 17, 2008, and a proposed effective date of November 1, 2008.

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 Actual Cost Adjustment Factor (A.C.A.).

The proposed PGA Rate of \$.94501 reflects a decrease of \$0.09606 per Ccf over the PGA Rate currently in effect of \$1.04107. The change in the PGA Rate reflects a decrease in the C.C.G. Factor of \$0.10174 per Ccf, from the current C.C.G Factor of \$1.05661 to the proposed amount of \$.95487. Also, The proposed PGA Rate reflects an increase in the A.C.A. Factor of \$0.00568 per Ccf, from the current A.C.A. Factor (\$0.01554) to the proposed amount of (\$.00986).

The proposed adjustment has the overall net effect of decreasing revenues in MGE's service area by approximately \$55,591,083 annually. This represents an overall 9.23% decrease in revenues.

Workpapers supporting the calculations performed in developing the proposed changes have been provided this date under a 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