



**MISSOURI GAS ENERGY**

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

October 15, 2004

Mr. Dale Hardy Roberts  
Secretary and Chief Regulatory Law Judge  
Missouri Public Service Commission  
P.O. Box 360  
200 Madison Street  
Jefferson City, MO 65102-0360

**RE: Case No. GR-           , Missouri Gas Energy**

Dear Mr. Roberts:

Attached for filing on behalf of Missouri Gas Energy is an electronic version of P.S.C. MO. No. 1, Fourth Revised Sheet No. 24.3, canceling Third Revised Sheet No. 24.3. This tariff sheet bears an issue date of October 15, 2004, and a proposed effective date of November 1, 2004.

By this filing, MGE proposes to make its scheduled November 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.), Actual Cost Adjustment Factor (A.C.A.) and Refund Factor.

The proposed PGA rate reflects an increase of \$0.12430 per Ccf over the PGA Rate currently in effect of \$0.75056. The change in the PGA Rate reflects a change in the C.C.G. of \$0.15996 per Ccf, from the current amount of \$0.71130 to the proposed amount of \$0.87126.

The proposed PGA Rate also reflects a change to the A.C.A. Factor in the amount of (\$0.03573) per Ccf, from the current A.C.A. Factor of \$0.04329 to the proposed A.C.A. Factor of \$0.00756.

The proposed PGA Rate also reflects a change to the Refund Factor of \$0.00007 per Ccf, from the current Refund Factor of (\$0.00403) to the proposed Refund Factor of (\$0.00396).

The proposed adjustment has the net effect of increasing revenues in MGE's service area by approximately \$71,933,912 annually. This represents an overall 16.56% increase 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:

Robert J. Hack  
Vice President, Pricing &  
Regulatory Affairs  
Missouri Gas Energy  
3420 Broadway  
Kansas City, MO 64111  
(816) 360-5755  
(816) 360-5536 (fax)  
Email: [rhack@mgemail.com](mailto:rhack@mgemail.com)

Michael Noack  
Director, Pricing & Regulatory  
Affairs  
Missouri Gas Energy  
3420 Broadway  
Kansas City, MO 64111  
(816) 360-5560  
(816) 360-5536 (fax)  
Email: [mnoack@mgemail.com](mailto:mnoack@mgemail.com)

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  
Jeff Keevil

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

<u>Customer Class</u>	<u>C.C.G.</u>	<u>A.C.A.</u>	<u>Refund</u>	<u>T.O.P.</u>	<u>T.C.</u>	<u>P.G.A. Rate</u>
Residential	\$0.87126	\$0.00756	(\$0.00396)	\$0.00000	\$0.00000	\$0.87486
Small General Service	\$0.87126	\$0.00756	(\$0.00396)	\$0.00000	\$0.00000	\$0.87486
Large General Service	\$0.87126	\$0.00756	(\$0.00396)	\$0.00000	\$0.00000	\$0.87486
Unmetered Gas Light (1)	\$0.87126	\$0.00756	(\$0.00396)	\$0.00000	\$0.00000	\$0.87486
Large Volume Sales (3)	\$0.87126	\$0.00756	\$0.00000	\$0.00000	\$0.00000	\$0.87882
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 \$0.71594 per Ccf of contract demand and \$0.02354 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: October 15, 2004  
month day year

DATE EFFECTIVE: November 1, 2004  
month day year

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