



MISSOURI GAS ENERGY

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

October 18, 2011

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

RE: Case No. GR-2011-0290, Missouri Gas Energy

Attached for filing on behalf of Missouri Gas Energy is an electronic version of P.S.C. MO. No. 1, Twenty-Fifth Revised Sheet No. 24.3, canceling Twenty-Fourth Revised Sheet No. 24.3. This tariff sheet bears an issue date of October 18, 2011, and a proposed effective date of November 1, 2011.

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 \$0.61559 reflects a decrease of \$0.10250 per Ccf over the PGA Rate currently in effect of \$0.71809. The change in the PGA Rate reflects an increase in the C.C.G. Factor of \$0.00393 per Ccf, from the current C.C.G. Factor of \$0.60912 to the proposed amount of \$0.61305. Also, the proposed PGA Rate reflects a decrease in the A.C.A. Factor of \$0.10643 per Ccf, from the current A.C.A. Factor \$0.10897 to the proposed amount of \$0.00254.

The proposed adjustment has the overall net effect of decreasing revenues in MGE's service area by approximately \$57,509,752 annually. This represents an overall 14.27% 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.

Secretary of the Commission
October 18, 2011
Page 2

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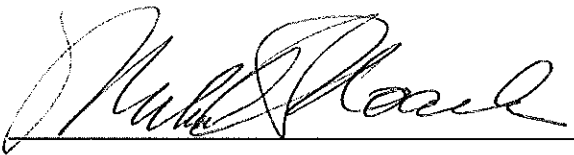
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Thank you for bringing this matter to the attention of the Commission and the appropriate Commission personnel.

Sincerely,

By:

A handwritten signature in dark ink, appearing to read "Mike Noack", written over a horizontal line.

Michael R. Noack

MRN/wpv
Enclosure

CC: The Office of Public Counsel
General Counsel's Office