BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

Office of the Public Counsel,)	
Complainant,)	
)	**File No. GC-2011-0339**
v.)	
)	
Southern Union Company, d/b/a/)	
Missouri Gas Energy,)	
Respondent.)	

NOTICE TO THE COMMISSION
REGARDING SETTLEMENT DISCUSSIONS

COMES NOW Southern Union Company, d/b/a Missouri Gas Energy, and, on behalf of the Parties to the case, the Office of the Public Counsel (OPC), Missouri Department of Natural Resources (MDNR), and the Staff of the Missouri Public Service Commission ("Staff") states as follows:

1.   After a prehearing conference in this matter, the parties filed a joint motion on June 14, 2011 indicating that they would either file a proposed procedural schedule or resolve the matter by July 15, 2011.

2.   The Parties filed a Notice to the Commission Regarding Settlement Discussions on July 15, 2011 indicating that they had agreed to continue to pursue the possibility of settlement and that they would either settle the case or file a proposed procedural schedule by July 22, 2011.

3.   The Parties are currently in discussions regarding settlement of the case, but need additional time to determine whether settlement is possible.   If the Parties reach an agreement in resolution of this matter, a Stipulation and Agreement will be filed with the Commission on or before August 5, 2011.   If the Parties are unable to settle this case, they will submit a proposed procedural schedule to the Commission on or before August 5, 2011.

WHEREFORE, MGE respectfully requests this Commission permit the Parties to proceed as described above.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 22nd day of July, 2011.

/S/

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Todd J. Jacobs