BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Missouri Gas Energy's) Case No. GR-2006-0291
Purchased Gas Adjustment Change) (YG-2006-0613)

APPLICATION FOR WAIVER CONCERNING UNSCHEDULED PGA FILING

Comes now Missouri Gas Energy, a division of Southern Union Company (MGE), in accordance with Commission Rule 4 CSR 240-2.060(4), and as its application for a waiver from certain aspects of MGE's P.S.C. No. 1, 5th Revised Sheet No. 15, states to the Missouri Public Service Commission ("Commission") as follows:

SUMMARY

This application requests that the Commission grant MGE a waiver from certain aspects of its purchased gas adjustment (PGA) clause tariffs to allow MGE to make more than one PGA filing in two consecutive calendar months. The proposed PGA reflects a decrease of \$0.08289 per Ccf from the current PGA rate.

INTRODUCTION

1. MGE is a division of Southern Union Company which is duly incorporated under the laws of the State of Delaware and conducts business in Missouri under the fictitious name of Missouri Gas Energy. MGE's principal office and place of business is located at 3420 Broadway, Kansas City, Missouri 64111. A copy of a certificate from the Missouri Secretary of State that Southern Union Company is authorized to do business in Missouri as a foreign corporation was submitted in Case No. GM-2003-0238, and is incorporated herein by reference. A copy of a certificate from the Missouri Secretary of State that Missouri Gas Energy is a registered fictitious name of Southern Union Company was submitted in Case No. GM-2003-

0238, and is incorporated herein by reference. Other than cases that have been docketed at the

Commission, MGE has no pending action or final unsatisfied judgments against it from any state

or federal agency or court within the past three (3) years that involve customer service. MGE

has no annual report or assessment fees that are overdue. MGE currently conducts business as a

"gas corporation" and provides natural gas service to approximately 500,000 customers in the

Missouri counties of Andrew, Barry, Barton, Bates, Buchanan, Carroll, Cass, Cedar, Christian,

Clay, Clinton, Dade, Dekalb, Greene, Henry, Howard, Jackson, Jasper, Johnson, Lafayette,

Lawrence, McDonald, Moniteau, Pettis, Platte, Ray, Saline, Stone, and Vernon, subject to the

jurisdiction of the Missouri Public Service Commission as provided by law.

2. Communications in regard to this Application should be addressed to:

Michael R. Noack Director, Pricing and Regulatory Affairs Missouri Gas Energy 3420 Broadway Kansas City, Missouri 64111 816-360-5560

Fax: 816-360-5536

E-mail: mnoack@mgemail.com

Dean L. Cooper, Attorney Brydon, Swearengen & England P.C. 312 East Capitol P.O. Box 456 Jefferson City, MO 65102 573-635-7166 573-635-3847

E-mail: dcooper@brydonlaw.com

APPLICATION

3. On February 2, 2006, MGE filed a tariff sheet designed to reflect unscheduled changes in its Purchased Gas Adjustment (PGA) factors (See the attached filing made under

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Tracking No. YG-2006-0613).

- 4. The interim rates proposed by this tariff sheet reflect a decrease of \$0.08289 per Ccf from the PGA rate currently in effect.
- 5. Section IB (Revision of the PGA Rate) of MGE's tariffs (P.S.C. No. 1, 5th Revised Sheet No. 15) provides as follows:

The Company shall be allowed to make up to four (4) PGA filings during each calendar year. One such filing will be effective in November of each year, but no more than one PGA filing shall become effective in any two consecutive calendar months unless specifically ordered by the Commission.

- 6. MGE previously filed a proposed tariff sheet reflecting a decrease in its PGA rate on January 6, 2006. The Commission's Order Approving Interim Rates, issued in Case No. GR-2006-0291, approved MGE's proposed PGA decrease for service rendered on and after January 11, 2006.
- 7. MGE's tariff filed on February 2, 2006, if approved, would result in more than one PGA filing becoming effective in two consecutive calendar months. This adjustment is therefore contrary to the provisions of MGE's P.S.C. No. 1, 5th Revised Sheet No. 15, quoted above.
- 8. MGE believes that there is good cause to grant a waiver to permit the subject filing in that it would allow adjustment of MGE's PGA rate so that it more accurately tracks the current estimates of MGE's cost of gas. Such action would be in the interest of both MGE and its customers.
- 9. Therefore, for the reasons stated above, MGE hereby requests a waiver from MGE's P.S.C. No. 1. 5th Revised Sheet No. 15 to allow MGE to make two PGA filings in two

consecutive calendar months.

WHEREFORE, MGE requests a Commission order:

- a) granting MGE's P.S.C. No. 1, 5th Revised Sheet No. 15 to allow MGE to make two PGA filings in two consecutive calendar months; and,
- b) granting such further relief as is consistent with the relief requested herein.

Respectfully submitted,

Dean L. Cooper

MBE#36592

BRYDON, SWEARENGEN & ENGLAND P.C.

312 E. Capitol Avenue

P. O. Box 456

Jefferson City, MO 65102

(573) 635-7166

(573) 635-3847 facsimile

dcooper@brydonlaw.com

ATTORNEYS FOR MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing document was hand-delivered on February 3, 2006 to the following:

Lera Shemwell Office of the General Counsel Governor Office Building Jefferson City, Mo 65101 Lewis Mills Office of the Public Counsel Governor Office Building Jefferson City, MO 65101