

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of the Application of Southern Union Company, d/b/a Missouri Gas Energy, for Approval to Change its Infrastructure System Replacement Surcharge. ) ) File No. GO-2013-0391 ) )

**MGE’S RESPONSE TO PROPOSED RECONCILIATION**

COMES NOW Southern Union Company d/b/a Missouri Gas Energy (MGE), and, in response to the Reconciliation filed on June 4, 2013, by the Staff of the Missouri Public Service Commission, states as follows:

1. On May 31, 2013, the Commission issued its Order Directing Staff to File Proposed Reconciliation. Therein, Staff was directed to file a proposed reconciliation by June 4, 2013, and the other parties were given until June 5, 2013 to file any response.

2. MGE has reviewed the Staff Reconciliation. While MGE does not agree that the 386.520 process is applicable to an ISRS proceeding, MGE agrees that the Staff Reconciliation provides the following information relevant to Section 386.420.4, RSMo:


- “the dollar value and rate or charge impact of each contested issue decided by the commission” is \$1,741,740, on an annual basis, which resulted in the following adjustment to the monthly ISRS charges – Residential - \$0.27; Small General Service - \$0.39; Large General Service - \$1.09; and Large Volume - \$8.51; and,
- “the customer class billing determinants used by the commission to calculate the rates and charges approved by the commission in such proceeding” are the

following customer numbers -- Residential – 438,707; Small General Service – 59,031; Large General Service – 3,161; and Large Volume - 472.

3. The remainder of the information contained in the Reconciliation is not relevant to the issue contested in this case.<sup>1</sup>

WHEREFORE, MGE respectfully requests that the Commission consider this response and, thereafter, issue those orders that it should find to be reasonable and just.

Respectfully submitted,



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ATTORNEYS FOR SOUTHERN UNION COMPANY,  
d/b/a MISSOURI GAS ENERGY

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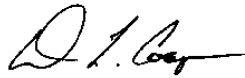
<sup>1</sup> Section 393.1012.1, RSMo, states, in part, that “the commission may not approve an ISRS to the extent it would produce total annualized ISRS revenues exceeding ten percent of the gas corporation’s base revenue level approved by the commission in the gas corporation’s most recent general rate proceeding.” MGE’s current level of ISRS revenues represents 3.13% of its most recent “base revenue level.” MGE believes the “Percentage Increase in ISRS Charge” found on Appendix A (page 3 of 3) of the Staff Reconciliation may be misleading in that it does not represent a percentage of the “base revenue level,” but instead represents a percentage change in the ISRS rate itself.

## CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing document was sent by electronic mail on June 5, 2013, to the following:

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