

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

In the Matter of Missouri Gas Energy's Tariffs	)	
Increasing Rates for Gas Service Provided to	)	Case No. GR-2006-0422
Customers in the Company's Missouri	)	
Service Area.	)	

**PRELIMINARY LIST OF ISSUES**

Pursuant to the Commission's Order Regarding Procedural Schedule, Test Year and True-Up Hearing dated July 13, 2006, MGE, after consultation with all of the Parties and all of the Parties note that this is a work in progress, hereby submits this Preliminary List of Issues and the Parties reserve the right to modify same at the time the Joint List of Issues is filed on November 28, 2006.

- I. Cost of Capital
  - a. Capital structure
  - b. Return on equity
  
- II. Rate Base
  - a. Cash working capital
  - b. Unamortized SLRP balance
  - c. Income Tax Offset
  - d. Interest Tax Offset
  - e. Deferred taxes – SLRP AAO
  
- III. Income Statement – Revenues
  - a. Weather normalization
  
- IV. Income Statement – Expenses
  - a. Property tax refunds
  - b. Unrecovered cost of service amortization
  - c. Rate case expense
  - d. Depreciation rates
  - e. Low-income weatherization/conservation
  - f. Environmental Response Fund

- g. Rate Case Expense-Prior Case Amortization
  - h. Emergency Cold Weather Rule
  - i. Oklahoma Property Tax expense disallowance
  - j. Annual bad debts/uncollectibles expense
  - k. Uncollectible expense PGA recovery
  - l. Infinium software amortization
- V. CCOS, Rate Design & Miscellaneous tariff language
  - a. Rate design
    - i. Residential
      - 1. Straight fixed variable
      - 2. Weather normalization adjustment
      - 3. Delivery charge
      - 4. Status quo
    - ii. Small general service
    - iii. Large general service
    - iv. Large volume service
  - b. Miscellaneous tariff changes
    - i. Reconnection charge/seasonal disconnects
    - ii. Standby service charge
    - iii. Deposit retention period
    - iv. Deposit calculation
    - v. Customer contact prior to disconnect
    - vi. Definitions
      - 1. Customer
      - 2. Registered Elderly/Disabled and Low-Income
- VI. Miscellaneous
  - a. Staff's Proposed PGA Tariff language
  - b. Kansas Property Tax AAO

Respectfully submitted,

/s/Paul A. Boudreau

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

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the above and foregoing document was electronically transmitted, sent by U.S. Mail, postage prepaid, or hand-delivered, on this 9<sup>th</sup> day of November, 2006, to:

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