



**MISSOURI GAS ENERGY**

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

March 17, 2003

Mr. Dale Hardy Roberts  
Secretary and Chief Regulatory Law Judge  
Missouri Public Service Commission  
P.O. Box 360  
200 Madison Street  
Jefferson City, MO 65102-0360

**FILED<sup>3</sup>**

**MAR 17 2003**

**Missouri Public  
Service Commission**

**RE: Case No. GR-2003-\_\_\_, Missouri Gas Energy**

Dear Mr. Roberts:

Enclosed for filing on behalf of Missouri Gas Energy are an original and three (3) copies of P.S.C. MO. No. 1, Twentieth Revised Sheet No. 24.7, canceling Nineteenth Revised Sheet No. 24.7. This tariff sheet bears an issue date of March 17, 2003, and a proposed effective date of March 31, 2003.

By this filing, MGE proposes to make its summer 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.).

The new PGA rate proposed in this filing is \$0.75546 per Ccf; the PGA Rate currently in effect is \$0.54044. The proposed change in the PGA Rate reflects an increase of \$0.21502 per Ccf. The change in the PGA Rate reflects a change in the C.C.G. of \$0.21502 per Ccf, from the current amount of \$0.55171 to the proposed amount of \$0.76673.

The need for the increase is driven by the recent sharp rise in the market price of natural gas. The March market price of \$0.859 per Ccf was an increase of 57.3% over the February market price of \$0.546 per Ccf.

The effect on a typical residential heating customer for April through October is an average increase of approximately \$7.70 per month when compared to the rates currently in effect.

The proposed adjustment has the net effect of increasing revenues in MGE's service area by approximately \$144,087,762 annually. This represents an overall 39.79% increase in revenues.

Workpapers supporting the calculations performed in developing the proposed changes have been provided this date under separate cover letter to the Commission's Staff and The Office of the Public Counsel.

Please forward copies of any Commission order or notice associated with this filing to:

Robert J. Hack  
Vice President, Pricing &  
Regulatory Affairs  
Missouri Gas Energy  
3420 Broadway  
Kansas City, MO 64111  
(816) 360-5755  
(816) 360-5536 (fax)  
Email: rhack@mgemail.com

Michael Noack  
Manager, Pricing & Regulatory  
Affairs  
Missouri Gas Energy  
3420 Broadway  
Kansas City, MO 64111  
(816) 360-5560  
(816) 360-5536 (fax)  
Email: mnoack@mgemail.com

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

Sincerely,

A handwritten signature in black ink, appearing to read "Michael R. Noack", written in a cursive style.

Michael R. Noack

CC: The Office of Public Counsel  
Dave Kirkland  
Dean Cooper

Missouri Gas Energy,  
a Division of Southern Union Company  
Name of Issuing Corporation

For: All Missouri Service Areas  
Community, Town or City

PURCHASED GAS COST ADJUSTMENT  
PGA

XIV. SUMMARY STATEMENT

<u>Customer Class</u>	<u>C.C.G.</u>	<u>A.C.A</u>	<u>Refund</u>	<u>T.O.P.</u>	<u>T.C.</u>	<u>P.G.A. Rate</u>
Residential	\$0.76673	(\$0.00495)	(\$0.00632)	\$0.00000	\$0.00000	\$0.75546
Small General Service	\$0.76673	(\$0.00495)	(\$0.00632)	\$0.00000	\$0.00000	\$0.75546
Large General Service	\$0.76673	(\$0.00495)	(\$0.00632)	\$0.00000	\$0.00000	\$0.75546
Unmetered Gas Light (1)	\$0.76673	(\$0.00495)	(\$0.00632)	\$0.00000	\$0.00000	\$0.75546
Large Volume Sales (3)	\$0.76673	(\$0.00495)	\$0.00000	\$0.00000	\$0.00000	\$0.76178
Large Volume Trans. (2)(4)					\$0.00000	\$0.00000

1 Each Unmetered Gaslight Unit is equal to 15 Ccf.

2 Demand related purchase gas costs of \$0.66255 per Ccf of contract demand and \$0.02179 per Ccf of daily demand for authorized sales in excess of the contract demand are directly chargeable to customers on this rate.

3 Applies to Sales Service only.

4 Applies to Transportation Service, Intrastate Transportation Service and Whiteman Air Force Base.

DATE OF ISSUE: March 17, 2003  
month day year

DATE EFFECTIVE: March 31, 2003  
month day year

ISSUED BY: Robert J. Hack Vice President, Pricing and Regulatory Affairs  
Missouri Gas Energy, Kansas City, Missouri 64111