



MISSOURI GAS ENERGY

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June 16, 2005

Secretary of the Commission
Missouri Public Service Commission
P.O. Box 360
200 Madison Street
Jefferson City, MO 65102-0360

RE: Case No. GR-2005-0169, Missouri Gas Energy

Attached for filing on behalf of Missouri Gas Energy is an electronic version of P.S.C. MO. No. 1, Seventh Revised Sheet No. 24.3, canceling Sixth Revised Sheet No. 24.3. This tariff sheet bears an issue date of June 16, 2005, and a proposed effective date of July 1, 2005.

By this filing, MGE proposes to make an 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 proposed PGA rate reflects an increase of \$0.22893 per Ccf over the PGA Rate currently in effect of \$0.68611. The change in the PGA Rate reflects a change in the C.C.G. of \$0.22893 per Ccf, from the current amount of \$0.67855 to the proposed amount of \$0.90748. This increase is attributable to a number of factors that include changes in market prices for the natural gas commodity, and the completion of the distribution of a refund received by MGE from Enbridge due to the FERC's resolution of a Kansas Pipeline Company rate proceeding (CP96-152).

The proposed adjustment has the net effect of increasing revenues in MGE's service area by approximately \$54,022,773 or 11.36% annually over the PGA rates in effect during the 2004-2005 winter heating season. This represents an increase of \$132,484,557 or 33.37% annually in current 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.

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

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

Sincerely,

By 

Michael R. Noack

MRN/wpv-
Enclosure

CC: The Office of Public Counsel
Jeff Keevil
General Counsel's Office

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

X. SUMMARY STATEMENT

Customer Class	C.C.G.	A.C.A	T.O.P.	T.C.	P.G.A. Rate
Residential	\$0.90748	\$0.00756	\$0.00000	\$0.00000	\$0.91504
Small General Service	\$0.90748	\$0.00756	\$0.00000	\$0.00000	\$0.91504
Large General Service	\$0.90748	\$0.00756	\$0.00000	\$0.00000	\$0.91504
Unmetered Gas Light (1)	\$0.90748	\$0.00756	\$0.00000	\$0.00000	\$0.91504
Large Volume Sales (3)	\$0.90748	\$0.00756	\$0.00000	\$0.00000	\$0.91504
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 \$0.60595 per Ccf of contract demand and \$0.01992 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: June 16, 2005
 month day year

DATE EFFECTIVE: July 1, 2005
 month day year

ISSUED BY: Michael R. Noack Director, Pricing and Regulatory Affairs
Missouri Gas Energy, Kansas City, Missouri 64111