

MEMORANDUM

TO: Missouri Public Service Commission Official Case File,
Case No. GR-2009-0268, File No. YG-2009-0713
Missouri Gas Energy

FROM: Tom Solt, Energy Department – Tariffs/Rate Design

<u>/s/ Thomas M. Imhoff 04/09/09</u> Utility Operations Division/Date	<u>/s/ Robert S. Berlin 04/09/09</u> General Counsel's Office/Date
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SUBJECT: Staff Recommendation for Missouri Gas Energy's Optional PGA Filing - Effective April 17, 2009

DATE: April 09, 2009

On April 2, 2009, Missouri Gas Energy (MGE or Company), a division of Southern Union Company, of Kansas City, Missouri, filed a tariff sheet bearing an effective date of April 17, 2009. This tariff sheet was filed to reflect a change in MGE's Purchased Gas Adjustment (PGA) factor as a result of estimated changes in the cost of natural gas for the 2009 summer season.

This filing will decrease the firm PGA factor for the 2009 summer season to \$0.54190 per one-hundred cubic feet (Ccf), from the current PGA factor of \$0.77358 per Ccf. This represents a decrease of \$0.23168 per Ccf.

Case No. GR-2009-0268, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2008-2009 Actual Cost Adjustment (ACA) filing. Case Nos. GR-2007-0256 and GR-2008-0367 were established to track the Company's PGA factors to be reviewed in its 2006-2007 and 2007-2008 ACA filings respectively. This rate change should be on an interim, subject to refund status pending final Commission decisions in ACA Case Nos. GR-2007-0256, GR-2008-0367 and GR-2009-0268.

Staff has verified that this company has filed its annual report and is not delinquent on any of its assessment. Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

Although MGE filed its tariff sheet with a requested effective date of April 17, 2009, the Commission may approve them and order an earlier effective date. Staff recommends that the filing be approved to become effective on April 17, 2009, and that the following tariff sheet, filed on April 2, 2009, be approved, interim, subject to refund:

P.S.C. MO. No.1

Nineteenth Revised SHEET No. 24.3, Canceling Eighteenth Revised SHEET No. 24.3

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

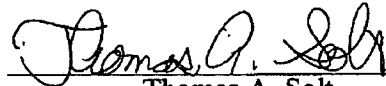
In the Matter of Missouri Gas Energy's)
2008-2009 Actual Cost Adjustment)

Case No. GR-2009-0268

AFFIDAVIT OF THOMAS A. SOLT

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Thomas A. Solt, of lawful age, on oath states: that he participated in the preparation of the foregoing Staff Report in memorandum form, to be presented in the above case; that the information in the Staff Report was provided to him; that he has knowledge of the matters set forth in such Staff Report; and that such matters are true to the best of his knowledge and belief.



Thomas A. Solt

Subscribed and sworn to before me this 9th day of April, 2009.



Notary Public