



MISSOURI GAS ENERGY

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ROBERT J. HACK

Vice President, Pricing & Regulatory Affairs

April 1, 1999

FILED

APR 2 1999

Missouri Public
Service Commission

Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
301 West High
P.O. Box 360
Jefferson City, MO 65102

Re: Case No. GR-99-304, Missouri Gas Energy

Dear Mr. Roberts:

Enclosed for filing are an original and three copies of P.S.C. MO. No. 1, Eleventh Revised Sheet No. 24.7, canceling Tenth Revised Sheet No. 24.7. This tariff sheet bears an issue date of April 2, 1999, and a proposed effective date of May 1, 1999.

By this filing, MGE proposes to make its scheduled 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.), Refund Factor, Take or Pay Factor (T.O.P.), and the Transition Cost (T.C.) Factor.

The new PGA Rate proposed in this filing is \$0.34174 per Ccf; the PGA Rate currently in effect is \$0.35413. The proposed change in the PGA Rate reflects a decrease of \$0.01239 per Ccf. The change in the PGA Rate reflects a decrease in the Current Cost of Gas factor (C.C.G.) of \$0.02164 from the current amount of \$0.36583 to the proposed amount \$0.34419. The proposed PGA Rate also reflects the elimination of the Price Stabilization Charge, as set forth in the Commission's Order in Case No. GO-98-364. By a filing made under separate cover today, MGE is proposing to remove references to the Price Stabilization Charge and Fund from its tariff.

The proposed PGA Rate also reflects a change to the Refund Factor in the amount of \$0.00614, from the current (\$0.02410) to the proposed (\$0.01796). The proposed PGA Rate reflects a change in the Take or Pay Factor in the amount of (\$0.00190), from the current \$0.00190 to \$0.00. The Take or Pay Account was a slight overcollected balance which has been transferred to effect a further reduction in the Transition Cost Account and Factor. The proposed PGA Rate reflects a change in the Transition Cost Factor in the amount of \$0.00501, from the current \$0.00390 to the proposed \$0.00891.

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The proposed adjustment has the net effect of decreasing revenues in MGE's service area by approximately \$8,282,730 annually. This represents an overall 3.50% decrease 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:

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

Sincerely,



C: The Office of Public Counsel
Mike Langston
Jay Cummings
Gary W. Duffy
Jeff Keevil

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

XI ADJUSTMENT STATEMENT

Any increase or decrease in the PGA/EGCIM rate shall be applied to customers' bills for service rendered on and after the effective date of the change. Bills computed which contain multiple PGA/EGCIM rate changes during a customer's billing cycle shall be prorated between the old and new rates in proportion to the number of days in the customer's billing cycle that such rates were in effect. Rates are shown in hundred cubic feet (Ccf).

<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	\$0.34419	\$0.00660	(\$0.01796)	\$0.00000	\$0.00891	\$0.34174
Small General Service	\$0.34419	\$0.00660	(\$0.01796)	\$0.00000	\$0.00891	\$0.34174
Large General Service	\$0.34419	\$0.00660	(\$0.01796)	\$0.00000	\$0.00891	\$0.34174
Unmetered Gas Light (1)	\$0.34419	\$0.00660	(\$0.01796)	\$0.00000	\$0.00891	\$0.34174
Large Volume Sales (3)	\$0.34419	\$0.00660	\$0.00000	\$0.00000	\$0.00891	\$0.35970
Large Volume Trans. (2)(4)				\$0.00000	\$0.00891	\$0.00891

- 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: April 2, 1999
month day year

DATE EFFECTIVE: May 1, 1999
month day year

ISSUED BY: Robert J. Hack

Vice President, Pricing and Regulatory Affairs
Missouri Gas Energy, Kansas City, MO. 64111