



MISSOURI GAS ENERGY

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ROBERT J. HACK

Vice President, Pricing & Regulatory Affairs

October 17, 2001

FILED³

OCT 18 2001

**Missouri Public
Service Commission**

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

Re: Case No.: GR-2001-382, 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, Fifth Revised Sheet No. 24.32, canceling Fourth Revised Sheet No. 24.32. This tariff sheet bears an issue date of October 18, 2001, and a proposed effective date of November 1, 2001.

By this filing, MGE proposes to make its scheduled Winter adjustment to the Purchased Gas Adjustment (PGA) rate as permitted under the provisions of Sheet No. 24.10 of MGE's tariff. MGE is proposing to adjust the Current Cost of Gas Factor (C.C.G) and the Actual Cost Adjustment Factor (A.C.A.), both of which are components of the PGA rate.

The new PGA Rate proposed in this filing is \$0.51682 per Ccf; the PGA Rate currently in effect is \$0.76129. The proposed change in the PGA Rate reflects a decrease of \$0.24447 per Ccf. The change in the PGA Rate reflects a change in the C.C.G. of (\$0.25000) per Ccf, from the current amount of \$0.74299 to the proposed amount \$0.49299.

The proposed PGA Rate also reflects a change to the A.C.A. Factor in the amount of \$0.00800 per Ccf, from the current A.C.A. Factor of \$0.01830 to the proposed A.C.A. Factor of \$0.02630.

The proposed PGA Rate also reflects a change to the Refund Factor in the amount of (\$0.00247) per Ccf, from the current Refund Factor of \$0.00000 to the proposed Refund Factor of (\$0.00247).

The proposed adjustment has the net effect of decreasing revenues in MGE's service area by \$163,822,598 annually. This represents an overall 32.11% decrease in revenues.

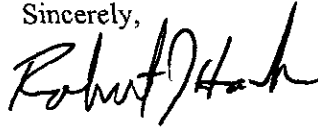
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Work papers supporting the calculations performed in developing the proposed changes have been provided this date under separate cover letter to the Commission's Staff and The Office of Public Counsel.

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 "Robert J. Hark". The signature is written in a cursive style with a large, stylized "R" and "H".

cc: The Office of Public Counsel
Ken Hubbard
Mike Langston
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

FIXED COMMODITY PRICE PGA
FCP

XIV. SUMMARY STATEMENT

Customer Class	C.C.G.	A.C.A	Refund	I.Q.P.	I.C.	P.G.A. Rate
Residential	\$0.49299	\$0.02630	(\$0.00247)	\$0.00000	\$0.00000	\$0.51682
Small General Service	\$0.49299	\$0.02630	(\$0.00247)	\$0.00000	\$0.00000	\$0.51682
Large General Service	\$0.49299	\$0.02630	(\$0.00247)	\$0.00000	\$0.00000	\$0.51682
Unmetered Gas Light (1)	\$0.49299	\$0.02630	(\$0.00247)	\$0.00000	\$0.00000	\$0.51682
Large Volume Sales (3)	\$0.49299	\$0.02630	\$0.00000	\$0.00000	\$0.00000	\$0.51929
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: October 18, 2001
month day year

DATE EFFECTIVE: November 1, 2001
month day year

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