

# Missouri Gas Energy

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## Company Full Certificated Name

(Do not abbreviate; include any Commission approved AKA/DBA/Fictitious Name, if applicable)

## GAS ANNUAL REPORT

(Part 1 of 2)

## TO THE MISSOURI PUBLIC SERVICE COMMISSION

For the Calendar Year of  
January 1 - December 31, 2011

Please choose one of the following filing options:

**Public Submission** (NOT Highly Confidential)

**Non-Public submission (Highly Confidential / Filed Under Seal)**

For this filing to be considered Highly Confidential, additional submission of materials is required pursuant to Commission rule 4 CSR 240-3.245, Section 392.210, RSMo., and/or Section 393.140, RSMo.

**Public**

For use when filing under seal.



## 7. Provide the following information concerning Total Company and Missouri Jurisdictional Revenues:

	Total Company	MO Jurisdictional
Operating Revenues from Tariffed Services	\$593,486,630	\$593,486,630
Other Revenues	\$4,271,261	\$4,271,261
<b>TOTAL REVENUES</b>	<b>\$597,757,891</b>	<b>\$597,757,891</b>

MO Jurisdictional should match Statement of Revenue  
(Mo.PSC Assessment)

## 8. Provide the amount of actual write-offs (not accrued or estimated amounts).

Residential	All Other
\$ 7,895,776	\$ 658,731

## 9. Provide the number of customer account terminations for the year for each category.

Voluntary	Involuntary
39,774	49,499

## 10. Provide the amount of Low-Income Home Energy Assistance Program (LIHEAP) received:

\$ 5,760,954
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## 11. List the number of customer accounts as of the end of the calendar year for each category below.

Residential	All Other
441,434	65,871

12. List the average uncollectible amount.  
(This is a formula based on data above.)

Residential	All Other
\$ 17.89	\$ 10.00

## 13. List the total annual billed amount.

\$ 586,312,946
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## 14. List the average annual billed amount.

\$ 1,155.74
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## 15. List the amount of charitable dollars received that is applied to energy assistance other than LIHEAP (i.e. customer voluntary dollars, dollar-help or dollar more, church donations, Heat-Up St. Louis, etc.).

\$ 2,309,577.00
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**NOTE:** Items No. 8 - 15 are not used for rate review; these amounts and formulas are based on previous information collected for historical reporting consistency by Consumer Services.

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For use when filing under seal.

**GAS UTILITY PLANT IN SERVICE**

Account Description (a)	Acct. No. (b)	Balance at Beginning of Year (c)	Additions During the Year (d)	Retirements During the Year (e)	Balance at End of Year (c+d-e) (f)
<u>Intangible Plant</u>					
3 Organization	301	\$ 15,600.00			\$ 15,600.00
4 Franchise and Consents	302	\$ 13,823.00			\$ 13,823.00
5 Miscellaneous Intangible Plant	303	\$ 31,983,576.00	\$ 541,614.00		\$ 32,525,190.00
<u>Production Plant</u>					
6 Land and Land Rights	304				\$ -
7 Structures and Improvements	305				\$ -
8 Other Power Equipment	307				\$ -
9 Liquefied Petroleum Gas Equipment	311				\$ -
10 Other Equipment	320				\$ -
<u>Natural Gas Storage and Processing Plant</u>					
<u>A. Underground Storage Plant</u>					
11 Land	350.1				\$ -
12 Rights-of-Way	350.2				\$ -
13 Structures and Improvements	351				\$ -
14 Wells	352				\$ -
15 Storage Leaseholds and Rights	352.1				\$ -
16 Reservoirs	352.2				\$ -
17 Nonrecoverable Natural Gas	352.3				\$ -
18 Lines	353				\$ -
19 Compressor Station Equipment	354				\$ -
20 Measuring and Regulating Equipment	355				\$ -
21 Purification Equipment	356				\$ -
22 Other Equipment	357				\$ -
<u>B. Other Storage Equipment</u>					
23 Land and Land Rights	360				\$ -
24 Structures and Improvements	361				\$ -
25 Gas Holders	362				\$ -
26 Purification Equipment	363				\$ -
27 Liquefaction Equipment	363.1				\$ -
28 Vaporizing Equipment	363.2				\$ -
29 Compressor Equipment	363.3				\$ -
30 Measuring and Regulating Equipment	363.4				\$ -
31 Other Equipment	363.5				\$ -
<u>Transmission Plant</u>					
32 Land and Land Rights	365.1				\$ -
33 Rights-of-Way	365.2				\$ -
34 Structures and Improvements	366				\$ -
35 Mains	367				\$ -
36 Compressor Station Equipment	368				\$ -
37 Measuring and Regulating Station Equipment	369				\$ -
38 Communication Equipment	370				\$ -
39 Other Equipment	371				\$ -

Account list continued on Page 5

For use when filing under seal.

1  
2

**DEPRECIATION RESERVE - GAS UTILITY PLANT**

Acct. No. (b)	Annual Depreciation Rate % (g)***	Annual Depreciation Expense (f*g) (h)	Reserve Balance at Beginning of Year (i)	Retirement of Property			Other charges (m)**	Reserve Balance at END of Year (h+i-j-k+l+m) (n)
				Book Cost of Plant Retired (j)	Cost of Removal (k)*	Salvage Credit (l)*		
3 301				\$ -				\$ -
4 302				\$ -				\$ -
5 303	NA	\$ 1,437,566.00	\$ 25,794,894.00	\$ -			\$ (214.00)	\$ 27,232,246.00
6 304				\$ -				\$ -
7 305				\$ -				\$ -
8 307				\$ -				\$ -
9 311				\$ -				\$ -
10 320				\$ -				\$ -
11 350.1				\$ -				\$ -
12 350.2				\$ -				\$ -
13 351				\$ -				\$ -
14 352				\$ -				\$ -
15 352.1				\$ -				\$ -
16 352.2				\$ -				\$ -
17 352.3				\$ -				\$ -
18 353				\$ -				\$ -
19 354				\$ -				\$ -
20 355				\$ -				\$ -
21 356				\$ -				\$ -
22 357				\$ -				\$ -
23 360				\$ -				\$ -
24 361				\$ -				\$ -
25 362				\$ -				\$ -
26 363				\$ -				\$ -
27 363.1				\$ -				\$ -
28 363.2				\$ -				\$ -
29 363.3				\$ -				\$ -
30 363.4				\$ -				\$ -
31 363.5				\$ -				\$ -
32 365.1				\$ -				\$ -
33 365.2				\$ -				\$ -
34 366				\$ -				\$ -
35 367				\$ -				\$ -
36 368				\$ -				\$ -
37 369				\$ -				\$ -
38 370				\$ -				\$ -
39 371				\$ -				\$ -

**NOTE:** Amounts included in Column "j" should be the same as in Column "e" on the preceding page. Also, Annual Depreciation Expense is equal to Column "f" from preceding page multiplied by Column "g" found on this page.

\* All entries included in Columns "k" and "l" should be supported by records that identify the property retired and the cost of removal or salvage is as much detail as reasonably possible.

\*\* Report the details for these entries. Use additional sheets if necessary.

\*\*\* Annual Depreciation Expense must be calculated by account.

Indicates formula cells

For use when filing under seal.

**GAS UTILITY PLANT IN SERVICE**

Account Description (a)	Acct. No. (b)	Balance at Beginning of Year (c)	Additions During the Year (d)	Retirements During the Year (e)	Balance at End of Year (c+d-e) (f)
<i>Distribution Plant</i>					
40 Land and Land Rights	374	\$ 2,367,034.00	\$ 264,829.00	\$ -	\$ 2,631,863.00
41 Structures and Improvements	375	\$ 9,507,859.00	\$ 1,948,062.00	\$ 7,326.00	\$ 11,448,595.00
42 Mains	376	\$ 403,160,165.00	\$ 20,801,956.00	\$ 1,577,564.00	\$ 422,384,557.00
43 Compressor Station Equipment	377				\$ -
44 Measuring and Regulating Station Equipment - General	378	\$ 12,745,285.00	\$ 293,593.00	\$ 66,381.00	\$ 12,972,497.00
45 Measuring and Regulating Station Equipment - General	379	\$ 3,640,823.00	\$ 1,141,761.00	\$ 14,055.00	\$ 4,768,529.00
46 Services	380	\$ 338,382,196.00	\$ 9,595,777.00	\$ 1,793,376.00	\$ 346,184,597.00
47 Meters	381	\$ 33,673,497.00	\$ 1,862,803.00	\$ 913,494.00	\$ 34,622,806.00
48 Meter Installation	382	\$ 80,993,826.00	\$ 2,447,926.00	\$ 439,072.00	\$ 83,002,680.00
49 House Regulators	383	\$ 13,693,586.00	\$ 497,040.00	\$ 76,449.00	\$ 14,114,177.00
50 House Regulatory Installations	384				\$ -
51 Industrial Measuring and Regulating Station Equipment	385	\$ 389,168.00	\$ 43,237.00	\$ -	\$ 432,405.00
52 Other Property on Customers' Premises	386				\$ -
53 Other Equipment	387				\$ -
<i>Allocated General Plant (Common Plant)</i>					
54 Land and Land Rights	389	\$ 1,058,065.00	\$ -	\$ -	\$ 1,058,065.00
55 Structures and Improvements	390	\$ 2,769,786.00	\$ 68,701.00	\$ -	\$ 2,838,487.00
56 Office Furniture and Equipment	391	\$ 9,339,003.00	\$ 298,391.00	\$ 66,059.00	\$ 9,571,335.00
57 Transportation Equipment	392	\$ 11,474,455.00	\$ 1,508,068.00	\$ 370,515.00	\$ 12,612,008.00
58 Stores Equipment	393	\$ 627,865.00	\$ 34,499.00	\$ -	\$ 662,364.00
59 Tools, Shop and Garage Equipment	394	\$ 6,121,758.00	\$ 412,214.00	\$ 239,780.00	\$ 6,294,192.00
60 Laboratory Equipment	395				\$ -
61 Power-operated Equipment	396	\$ 1,143,241.00	\$ 378,159.00	\$ 61,905.00	\$ 1,459,495.00
62 Communication Equipment	397	\$ 40,772,620.00	\$ 2,446,484.00	\$ 3,031,086.00	\$ 40,188,018.00
63 Miscellaneous Equipment	398	\$ 784,768.00	\$ 17,017.00	\$ 9,293.00	\$ 792,492.00
64 Other Tangible Property *	399				\$ -
<i>Other Accounts not included above</i>					
65					\$ -
66					\$ -
67					\$ -
68					\$ -
69					\$ -
70					\$ -
71 Total Gas Utility Plant In Service		\$ 1,004,657,999.00	\$ 44,602,131.00	\$ 8,666,355.00	\$ 1,040,593,775.00

\* Please attach a detailed explanation for these items.

NOTE: All entries should be supported by records that identify the property being added or retired, its location, and its original cost in as much detail as reasonably possible. If adjustments/transfers are included in Columns "d" and/or "e", use additional sheets.

Indicates formula cells

For use when filing under seal.

**DEPRECIATION RESERVE - GAS UTILITY PLANT**

Acct. No. (b)	Annual Depreciation Rate % (g)***	Annual Depreciation Expense (f*g) (h)	Reserve Balance at Beginning of Year (i)	Retirement of Property				Reserve Balance at END of Year (h+i-j-k+l+m) (n)	
				Book Cost of Plant Retired (j)	Cost of Removal (k)*	Salvage Credit (l)*	Other charges (m)**		
40	374	*2.09%	\$ 49,293.00	\$ 590,833.00	\$ -			\$ 640,126.00	
41	375	1.49%	\$ 148,645.00	\$ 518,689.00	\$ 7,326.00	\$ 20,849.00	\$ -	\$ 639,159.00	
42	376	2.16%	\$ 8,889,032.00	\$ 139,651,879.00	\$ 1,577,564.00	\$ (2,526,014.00)	\$ 8,392.00	\$ 149,497,753.00	
43	377				\$ -			\$ -	
44	378	2.86%	\$ 368,330.00	\$ 4,585,669.00	\$ 66,381.00	\$ (17,535.00)	\$ (1,040.00)	\$ 4,904,113.00	
45	379	2.13%	\$ 85,668.00	\$ 1,078,078.00	\$ 14,055.00	\$ 1,875.00	\$ 1,040.00	\$ 1,148,856.00	
46	380	3.13%	\$ 10,687,198.00	\$ 167,041,586.00	\$ 1,793,376.00	\$ 549,587.00	\$ (8,392.00)	\$ 175,377,429.00	
47	381	2.89%	\$ 986,021.00	\$ 3,868,761.00	\$ 913,494.00			\$ 3,941,288.00	
48	382	2.86%	\$ 2,341,026.00	\$ 23,318,076.00	\$ 439,072.00	\$ 11,586.00	\$ (544.00)	\$ 25,207,900.00	
49	383	2.44%	\$ 338,162.00	\$ 3,400,224.00	\$ 76,449.00	\$ 805.00	\$ 544.00	\$ 3,661,676.00	
50	384				\$ -			\$ -	
51	385	3.33%	\$ 13,938.00	\$ 157,676.00	\$ -			\$ 171,614.00	
52	386				\$ -			\$ -	
53	387				\$ -			\$ -	
54	389	0.00%			\$ -			\$ -	
55	390	*2.00%	\$ 193,356.00	\$ 1,426,229.00	\$ -			\$ 1,619,585.00	
56	391	8.06%	\$ 748,158.00	\$ 2,663,408.00	\$ 66,059.00		\$ 713.00	\$ 3,346,220.00	
57	392	*7.83%-13.33%	\$ 1,175,192.00	\$ 3,497,515.00	\$ 370,515.00		\$249,819.00	\$ 4,552,011.00	
58	393	2.70%	\$ 17,110.00	\$ 113,204.00	\$ -			\$ 130,314.00	
59	394	5.30%	\$ 328,320.00	\$ 1,366,963.00	\$ 239,780.00		\$ 35,241.00	\$ 1,490,744.00	
60	395				\$ -			\$ -	
61	396	6.25%	\$ 78,988.00	\$ (385,037.00)	\$ 61,905.00		\$ 29,253.00	\$ (338,701.00)	
62	397	*6.25% - 5.0%	\$ 2,084,529.00	\$ 13,995,432.00	\$ 3,031,086.00			\$ 13,048,875.00	
63	398	3.85%	\$ 30,435.00	\$ 361,856.00	\$ 9,293.00			\$ 382,998.00	
64	399				\$ -			\$ -	
65					\$ -			\$ -	
66					\$ -			\$ -	
67					\$ -			\$ -	
68					\$ -			\$ -	
69					\$ -			\$ -	
70					\$ -			\$ -	
71	Total		\$ 30,000,967.00	\$ 393,045,935.00	\$ 8,666,355.00	\$ (1,958,847.00)	\$315,026.00	\$ (214.00)	\$ 416,654,206.00

NOTE: Amounts included in Column "j" should be the same as in Column "e" on the preceding page. Also, Annual Depreciation Expense is equal to Column "f" from preceding page multiplied by Column "g" found on this page.

\* All entries included in Columns "k" and "l" should be supported by records that identify the property retired and the cost of removal or salvage is as much detail as reasonably possible.

\*\* Report the details for these entries. Use additional sheets if necessary.

\*\*\* Annual Depreciation Expense must be calculated separately. This total should be calculated based upon actual in-service and retirement date(s) of new equipment and retirements during the period.

Indicates formula cells

For use when filing under seal.

**DEPRECIATION RESERVE - GAS UTILITY PLANT****FOOTNOTES TO PART 1 PAGES 3-6**

Part 1 Page 4	Line 5	Column G - Amortization based on end of life rate Acct 3030 and Straight Life Acct 3031.
Part 1 Page 4	Line 5	Column M - Transfer/Adjustment (\$214)
Part 1 Page 5	Line 42	Column D - Includes Transfer \$18,694
Part 1 Page 5	Line 44	Column D - Includes Transfer (\$4,137)
Part 1 Page 5	Line 45	Column D - Includes Transfer \$4,137
Part 1 Page 5	Line 46	Column D - Includes Transfer (\$18,694)
Part 1 Page 5	Line 48	Column D - Includes Transfer (\$40,503)
Part 1 Page 5	Line 49	Column D - Includes Transfer \$40,503
Part 1 Page 6	Line 40	Column G - Land 3741 --- non-depreciable plant
Part 1 Page 6	Line 40	Column G - Land Rights 3742 - 2.09%
Part 1 Page 6	Line 55	Column G - Structures 3901 - 2.0%
Part 1 Page 6	Line 55	Column G - Structures Leasehold Improvements 3902 - Amort. Period of lease
Part 1 Page 6	Line 57	Column G - Transportation Trailers/Large Trucks 3920-3922 - 7.83%
Part 1 Page 6	Line 57	Column G - Transportation Equip-Sm Cars/Trucks - 13.33%
Part 1 Page 6	Line 62	Column G - Communication Equip - 6.25%
Part 1 Page 6	Line 62	Column G - Electronic Reading Transmitters - 5.00%

REVENUE BY SCHEDULES

Missouri Gas Energy

Line No.	Rate Class and Line Items	Operating Revenues		MCF of Natural Gas Sold		Average No. of Natural Gas Customers	
		2011	Previous Year	2011	Previous Year	2011	Previous Year
1	Residential Service	\$408,086,851.00	\$432,145,852.00	35,282,556	36,471,951	440,361	443,605
2	Small General Gas Service	\$97,634,085.00	\$121,784,410.00	8,476,538	10,244,433	57,170	60,775
3	Large General Gas Service	\$62,833,684.00	\$46,038,353.00	6,358,015	4,690,370	2,808	1,878
4	UG Unmetered Gaslight Service						
5	Large Volume Service	\$7,892,256.00	\$11,237,264.00	280,473	351,913	319	497
6	Transportation Provisions	\$9,866,070.00	\$10,810,845.00	22,710,947	26,015,456	1,164	1,126
7	Other Sales to Public Authorities						
8	Interdepartmental Sales						
9							
10							
11	Total to Ultimate Consumers	\$586,312,946.00	\$622,016,724.00	73,108,529	77,774,123	501,822	507,881

Rate Class and Line Items	Average Number of Natural Gas Customers Per Month					
	January	February	March	April	May	June
12 Residential Service	446,323	449,000	450,494	450,598	447,619	441,416
13 Small General Gas Service	62,295	63,685	63,559	62,339	60,841	59,094
14 Large General Gas Service	2,780	2,771	2,804	2,855	2,859	2,853
15 UG Unmetered Gaslight Service						
16 Large Volume Service	496	496	495	494	494	493
17 Transportation Provisions	1,179	1,186	1,190	1,198	1,193	1,178
18 Other Sales to Public Authorities						
19 Interdepartmental Sales						
20						
21						
22 Total to Ultimate Consumers	513,073	517,138	518,542	517,484	513,006	505,034

\* The average number of customers for the month should equal the number of customers at the beginning of the month added to the number of customers at the end of the month divided by 2.

## REVENUE BY SCHEDULES

## Missouri Gas Energy

Rate Class and Line Items	Average Number of Natural Gas Customers Per Month					
	July	August	September	October	November	December
23 Residential Service	435,680	432,363	430,274	429,711	432,573	438,283
24 Small General Gas Service	57,647	56,579	55,949	41,381	42,687	59,994
25 Large General Gas Service	2,841	2,816	2,793	2,781	2,774	2,771
26 UG Unmetered Gaslight Service						
27 Large Volume Service	490	395	301	308	319	407
28 Transportation Provisions	1,177	1,108	1,115	1,124	1,134	1,182
29 Other Sales to Public Authorities						
30 Interdepartmental Sales						
31						
32						
33 Total to Ultimate Consumers	497,835	493,261	490,432	475,305	479,487	502,637

\* The average number of customers for the month should equal the number of customers at the beginning of the month added to the number of customers at the end of the month divided by 2.

MISCELLANEOUS CHARGES	Connection Fees		Reconnect Fees				Transfer Fees		Meter Reading by Special Appointment Fees		Residential Temporary Meter Set Fees	Line Extensions Fees		Returned Check Fees	Tampering Fees
	Business Hours	After Business Hours	Business Hours	After Business Hours	Trip to Disconnect	Seasonal / Disconnection Charge	Business Hours	After Business Hours	Other than Normal Read Date	Outside Normal Business Hours		Excess Pri / Sec Line \$/ft.	Excess Service Line \$/ft.		
34 All Service Areas	\$ 32.00		\$ 65.00		\$ 24.00		\$ 32.00		\$ 5.00	\$ 10.00				\$ 15.00	\$ 65 (1)
35 Tariff Sheet No.	R-87		R-87		R-87		R-87		R-88	R-88				R-52	R-87
36 Effective Date	02/28/10		02/28/10		02/28/10		02/28/10		08/06/01	08/06/01				05/28/08	02/28/10

REVENUE BY SCHEDULES

Missouri Gas Energy

	Tariff		Delinquent After (days)	Late Payment Charge	Type of Interest	Deferred Payment	Tariff	
	Sheet No.	Effective					Sheet No.	Effective
<b>LATE PAYMENT CHARGES</b>								
37 Residential, General Service	26, 29, 31.1	10/2/04	22	0.50%	simple			
38 Large Volume	44	10/2/04	22	0.50%	simple			
39 UG Unmetered Gaslight								

Explanation

(1) Page 7d-2: Charge to reconnect following tampering.

# ANNUAL REPORT OF NATURAL GAS COMPANIES

(Class A and Class B)

OF

**Missouri Gas Energy**

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(Exact legal name of respondent)

If name was changed during year, show also the previous name and date of change.

**3420 Broadway**

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**Kansas City, MO 64111**

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(Address of principal business office at end of year)

TO THE  
**PUBLIC SERVICE COMMISSION**  
OF THE  
**STATE OF MISSOURI**  
FOR THE  
**Year Ended December 31, 2011**

Name, title, address and telephone number (including area code), of the person to be contacted concerning this report:

**John Davis, Vice President and Controller**

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**3420 Broadway**

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**(816) 360-5901**

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**Kansas City, MO 64111**

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# INSTRUCTIONS FOR FILING THE FERC FORMS 2, 2-A AND 3-Q

## GENERAL INFORMATION

### I Purpose

FERC Forms 2, 2-A, and 3-Q are designed to collect financial and operational information from natural gas companies subject to the jurisdiction of the Federal Energy Regulatory Commission. These reports are also considered to be a non-confidential public use forms.

### II. Who Must Submit

Each natural gas company whose combined gas transported or stored for a fee exceed 50 million dekatherms in each of the previous three years must submit FERC Form 2 and 3-Q.

Each natural gas company not meeting the filing threshold for FERC Form 2, but having total gas sales or volume transactions exceeding 200,000 dekatherms in each of the previous three calendar years must submit FERC Form 2-A and 3-Q.

Newly established entities must use projected data to determine whether they must file the FERC Form 3-Q and FERC Form 2 or 2-A.

### III. What and Where to Submit

(a) Submit Forms 2, 2-A and 3-Q electronically through the submission software at <http://www.ferc.gov/docs-filing/eforms/form-2/elec-subm-soft.asp>.

(b) The Corporate Officer Certification must be submitted electronically as part of the FERC Form 2 and 3-Q filings.

(c) Submit immediately upon publication, by either eFiling or mailing two (2) copies to the Secretary of the Commission, the latest Annual Report to Stockholders and any annual financial or statistical report regularly prepared and distributed to bondholders, security analysts, or industry associations. Do not include monthly and quarterly reports. Indicate by checking the appropriate box on Form 2, Page 3, List of Schedules, if the reports to stockholders will be submitted or if no annual report to stockholders is prepared. Unless eFiling the Annual Report to Stockholders, mail these reports to the Secretary of the Commission at:

Secretary of the Commission  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, DC 20426

(d) For the Annual CPA certification, submit with the original submission of this form, a letter or report (not applicable to respondents classified as Class C or Class D prior to January 1, 1984) prepared in conformity with the current standards of reporting which will:

(i) Contain a paragraph attesting to the conformity, in all material respects, of the schedules listed below with the Commission's applicable Uniform Systems of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and

(ii) be signed by independent certified public accountants or an independent licensed public accountant certified or licensed by a regulatory authority of a State or other political subdivision of the U. S. (See 18 C.F.R. §§ 158.10-158.12 for specific qualifications.)

## GENERAL INFORMATION

### Reference

#### **Schedules Pages**

**Comparative Balance Sheet 110-113**

**Statement of Income 114-117**

**Statement of Retained Earnings 118-119**

**Statement of Cash Flows 120-121**

**Notes to Financial Statements 122-123**

Filers should state in the letter or report, which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist

(e) Filers are encouraged to file their Annual Report to Stockholders, and the CPA Certification Statement using eFiling. To further that effort, new selections, "Annual Report to Stockholders" and "CPA Certification Statement," have been added to the dropdown "pick list" from which companies must choose when eFiling. Further instructions are found on the Commission website at <http://www.ferc.gov/help/how-to.asp>

(f) Federal, State and Local Governments and other authorized users may obtain additional blank copies of FERC Form 2 and 2-A free of charge from: <http://www.ferc.gov/docs-filing/eforms/form-2/form-2.pdf> and <http://www.ferc.gov/docs-filing/eforms/form-2a/form-2a.pdf>, respectively. Copies may also be obtained from the Public Reference and Files Maintenance Branch, Federal Energy Regulatory Commission, 888 First Street, NE, Room 2A, Washington, DC 20426 or by calling (202).502-8371

#### **IV. When to Submit:**

FERC Forms 2, 2-A, and 3-Q must be filed by the dates:

(a) FERC Form 2 and 2-A --- by April 18th of the following year (18 C.F.R. §§ 260.1 and 260.2)

(b) FERC Form 3-Q --- Natural gas companies that file a FERC Form 2 must file the FERC Form 3-Q within 60 days after the reporting quarter (18 C.F.R. § 260.300), and

(c) FERC Form 3-Q --- Natural gas companies that file a FERC Form 2-A must file the FERC Form 3-Q within 70 days after the reporting quarter (18 C.F.R. § 260.300).

#### **V. Where to Send Comments on Public Reporting Burden.**

The public reporting burden for the Form 2 collection of information is estimated to average 1,623 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data-needed, and completing and reviewing the collection of information. The public reporting burden for the Form 2A collection of information is estimated to average 250 hours per response. The public reporting burden for the Form 3-Q collection of information is estimated to average 165 hours per response.

Send comments regarding these burden estimates or any aspect of these collections of information, including suggestions for reducing burden, to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426 (Attention: Information Clearance Officer); and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission). No person shall be subject to any penalty if any collection of information does not display a valid control number (44 U.S.C. § 3512 (a)).

ii

## GENERAL INSTRUCTIONS

- I. Prepare this report in conformity with the Uniform System of Accounts (18 CFR 201) (U.S. of A.). Interpret all accounting words and phrases in accordance with the U.S. of A.
- II. Enter in whole numbers (dollars or Dth) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important.) The truncating of cents is allowed except on the four basic financial statements where rounding to dollars is required. The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting year, and use the current year amounts for income accounts.
- III. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
- IV. For any page(s) that is not applicable to the respondent, omit the page(s) and enter "NA," "NONE," or "Not Applicable" in column (d) on the List of Schedules, pages 2 and 3.
- V. Enter the month, day, and year for all dates. Use customary abbreviations. The "Date of Report" at the top of each page is applicable only to resubmissions (see VII. below).
- VI. Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.
- VII. For any resubmissions, submit the electronic filing using the form submission only. Please explain the reason for the resubmission in a footnote to the data field.
- VIII. Footnote and further explain accounts or pages as necessary.
- IX. Do not make references to reports of previous years or to other reports in lieu of required entries, except as specifically authorized.
- X. Wherever (schedule) pages refer to figures from a previous year, the figures reported must be based upon those shown by the annual report of the previous year, or an appropriate explanation given as to why the different figures were used.
- XI. Report all gas volumes in MMBtu and Dth.

## DEFINITIONS

- I. Btu per cubic foot -- The total heating value, expressed in Btu, produced by the combustion, at constant pressure, of the amount of the gas which would occupy a volume of 1 cubic foot at a temperature of 60F if saturated with water vapor and under a pressure equivalent to that of 30 inches of mercury at 32F, and under standard gravitational force (980.665 cm. per sec.) with air of the same temperature and pressure as the gas, when the products of combustion are cooled to the initial temperature of gas and air when the water formed by combustion is condensed to the liquid state (called the gross heating value or total heating value).
- II. Commission Authorization -- The authorization of the Federal Energy Regulatory Commission, or any other Commission. Name the commission whose authorization was obtained and give date of the authorization.
- III. Dekatherm -- A unit of heating value equivalent to 10 therms or 1,000,000 Btu.
- IV. Respondent -- The person, corporation, licensee, agency, authority, or other legal entity or instrumentality on whose behalf the report is made.

## EXCERPTS FROM THE LAW

### (Natural Gas Act; 15 U.S.C. 717-717w)

"Sec 10(a). Every natural gas company shall file with the Commission such annual and other periodic or special reports as the Commission may by rules and regulations or order prescribe as necessary or appropriate to assist the Commission in the proper administration of this act. The Commission may prescribe the manner and form in which such reports shall be made and require from such natural-gas companies specific answers to all questions upon which the Commission may need information. The Commission may require that such reports shall include, among other things, full information as to assets and liabilities, capitalization, investment and reduction thereof, gross receipts, interest due and paid, depreciation, amortization, and other reserves, costs of facilities, cost of maintenance and operation of facilities for the production, transportation, delivery, use, or sale of natural gas, cost of renewal and replacement of such facilities, transportation, delivery, use, and sale of natural gas...."

"Sec. 16. The Commission shall have power to perform any and all acts, and to prescribe, issue, make, amend, and rescind such orders, rules, and regulations as it may find necessary and appropriate to carry out the provisions of this act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this act; and may prescribe the form or forms of all statements declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and time within which they shall be filed...."

## GENERAL PENALTIES

"Sec. 21(b). Any person who willfully and knowingly violates any rule, regulation, restriction, condition, or order made or imposed by the Commission under authority of this act, shall, in addition to any other penalties provided by law, be punished upon conviction thereof by a fine of not exceeding \$500 for each and every day during which such offense occurs."

**QUARTERLY/ANNUAL REPORT OF MAJOR NATURAL GAS COMPANIES**

IDENTIFICATION		
01 Exact Legal Name of Respondent <b>Missouri Gas Energy</b>	Year/Period of Report <b>Dec. 31, 2011</b>	
03 Previous Name and Date of Change (If name changed during year) <b>N/A</b>		
04 Address of Principal Office at End of Year (Street, City, State, Zip Code) <b>3420 Broadway Kansas City, MO 64111</b>		
05 Name of Contact Person <b>John Davis</b>	06 Title of Contact Person <b>Vice President and Controller</b>	
07 Address of Contact Person (Street, City, State, Zip Code) <b>3420 Broadway Kansas City, MO 64111</b>		
08 Telephone of Contact Person, Including Area Code <b>(816) 360-5901</b>	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	10 Date of Report (Mo, Da, Yr) <b>April 12, 2012</b>

**ANNUAL CORPORATE OFFICER CERTIFICATION**

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

11 Name <b>John Davis</b>	12 Title <b>Vice President and Controller</b>
13 Signature <b>John Davis</b>	14 Date Signed <b>April 12, 2012</b>

Title 18, U.S.C. 1001, makes it a crime for any person knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year of Report <b>2011</b>
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**LIST OF SCHEDULES (Natural Gas Company)**

Enter in column (d) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the responses are "none," "not applicable," or "NA."

Line No.	Title of Schedule (a)	Reference Page No. (b)	Date Revised (c)	Remarks (d)
	GENERAL CORPORATE INFORMATION AND FINANCIAL STATEMENTS			
1	General Information	101		
2	Control Over Respondent	102		N/A
3	Corporations Controlled by Respondent	103		N/A
4	Security Holders and Voting Powers	107		N/A
5	Important Changes During the Year	108		
6	Comparative Balance Sheet	110-113		
7	Statement of Income for the Year	114-116		
8	Statement of Accumulated Comprehensive Income and Hedging Activities	117		
9	Statement of Retained Earnings for the Year	118-119		
10	Statements of Cash Flows	120-121		
11	Notes to Financial Statements	122		
	BALANCE SHEET SUPPORTING SCHEDULES (Assets and Other Debits)			
12	Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization and Depletion	200-201		
13	Gas Plant in Service	204-209		
14	Gas Property and Capacity Leased from Others	212		N/A
15	Gas Property and Capacity Leased to Others	213		N/A
16	Gas Plant Held for Future Use	214		N/A
17	Construction Work in Progress -- Gas	216		
18	Non-Traditional Rate Treatment Afforded new Projects	217		N/A
19	General Description of Construction Overhead Procedure	218.1-218.a		
20	Accumulated Provision for Depreciation of Gas Utility Plant	219		
21	Gas Stored	220		
22	Investments	222-223		N/A
23	Investments in Subsidiary Companies	224-225		N/A
24	Prepayments	230a		
25	Extraordinary Property Losses	230b		N/A
26	Unrecovered Plant and Regulatory Study Costs	230c		N/A
27	Other Regulatory Assets	232		
28	Miscellaneous Deferred Debits	233		
29	Accumulated Deferred Income Taxes	234-235		N/A
	BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Other Credits)			
30	Capital Stock	250-251		N/A
31	Capital Stock Subscribed, Capital Stock Liability for Conversion, Premium on Capital Stock, and Installments Received on Capital Stock	252		N/A
32	Other Paid-in Capital	253		N/A
33	Discount on Capital Stock	254		N/A
34	Capital Stock Expense	254		N/A
35	Securities issued or Assumed and Securities Refunded or Retired During the Year	255		N/A
36	Long-Term Debt	256-257		N/A
37	Unamortized Debt Expense, Premium, and Discount on Long-Term Debt	258-259		N/A

Name of Respondent <b>Missouri Gas Energy</b>		This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year of Report <b>2011</b>
<b>LIST OF SCHEDULES (Natural Gas Company) (Continued)</b>				
Enter in column (d) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the responses are "none," "not applicable," or "NA."				
Line No.	Title of Schedule (a)	Reference Page No. (b)	Date Revised (c)	Remarks (d)
38	Unamortized Loss and Gain on Reacquired Debt	260		N/A
39	Reconciliation of Reported Net Income with Taxable Income for Federal Income Taxes	261		
40	Taxes Accrued, Prepaid and Charged During the Year	262-263		
41	Miscellaneous Current and Accrued Liabilities	268		
42	Other Deferred Credits	269		
43	Accumulated Deferred Income Taxes-Other Property	274-275		
44	Accumulated Deferred Income Taxes-Other	276-277		
45	Other Regulatory Liabilities	278		
INCOME ACCOUNT SUPPORTING SCHEDULES				
46	Monthly Quantity & Revenue Data by Rate Schedule	299		
47	Gas Operating Revenues	300-301		
48	Revenue from Transportation of Gas of Others Through Gathering Facilities	302-303		N/A
49	Revenue from Transportation of Gas of Others Through Transmission Facilities	304-305		N/A
50	Revenue from Storage Gas of Others	306-307		N/A
51	Other Gas Revenues	308		
52	Discounted Rate Services and Negotiated Rate Services	313		
53	Gas Operation and Maintenance Expenses	317-325		
54	Exchange and Imbalance Transactions	328		N/A
55	Gas Used in Utility Operations	331		N/A
56	Transmission and Compression of Gas by Others	332		N/A
57	Other Gas Supply Expenses	334		N/A
58	Miscellaneous General Expenses-Gas	335		
59	Depreciation, Depletion, and Amortization of Gas Plant	336-338		
60	Particulars Concerning Certain Income Deduction and Interest Charge Accounts	340		
COMMON SECTION				
61	Regulatory Commission Expenses	350-351		
62	Employee Pensions and Benefits (Account 926)	352		
63	Distribution of Salaries and Wages	354-355		
64	Charges for Outside Professional and Other Consultative Services	357		
65	Transactions with Associated (Affiliated) Companies	358		
GAS PLANT STATISTICAL DATA				
66	Compressor Stations	508-509		N/A
67	Gas Storage Projects	512-513		N/A
68	Transmission Lines	514		N/A
69	Transmission System Peak Deliveries	518		N/A
70	Auxiliary Peaking Facilities	519		N/A
71	Gas Account-Natural Gas	520		
72	Shipper Supplied Gas for the Current Quarter	521		N/A
73	System Map	522		
74	Footnote Reference	551		N/A
75	Footnote Text	552		N/A
76	Stockholders' Reports (check appropriate box) <input type="checkbox"/> Four copies will be submitted. <input type="checkbox"/> No annual report to stock holders is prepared.	-		

Name of Respondent <b>Missourir Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year of Report <b>2011</b>
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**GENERAL INFORMATION**

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

**John Davis, Vice President and Controller  
3420 Broadway  
Kansas City, MO 64111**

2. Provide the name of the State under the laws of which respondent is incorporated and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

**State of Delaware on December 13, 1932**

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

**The property of respondent was not held by a receiver or trustee during the year.**

4. State the classes of utility and other services furnished by respondent during the year in each State in which the respondent operated.

**State of Missouri: Natural Gas**

5. Have you engaged as the principal accountant to audit your financial statements as an accountant who is not the principal accountant for your previous year's certified financial statements?

(1) \_\_\_ Yes...Enter the date when such independent accountant was initially engaged:\_\_\_\_\_.

(2)  No

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year of Report <b>2011</b>
<b>IMPORTANT CHANGES DURING THE YEAR</b>			
<p>Give details concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Answer each inquiry. Enter "none" or "not applicable" where applicable. If the answer is given elsewhere in the report, refer to the schedule in which it appears.</p> <ol style="list-style-type: none"> <li>Changes in and important additions to franchise rights: Describe the actual consideration and state from whom the franchise rights were acquired. If the franchise rights were acquired without the payment of consideration, state that fact.</li> <li>Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.</li> <li>Purchase or sale of an operating unit or system: Briefly describe the property, and the related transactions, and cite Commission authorization, if any was required. Give date journal entries called for by Uniform System of Accounts were submitted to the Commission.</li> <li>Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other conditions. State name of Commission authorizing lease and give reference to such authorization.</li> <li>Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and cite Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.</li> <li>Obligations incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, including ordinary commercial paper maturing on demand or not later than one year after date of issue: State on behalf of whom the obligation was assumed and amount of the obligation. Cite Commission authorization if any was required.</li> <li>Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.</li> <li>State the estimated annual effect and nature of any important wage scale changes during the year.</li> <li>State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.</li> <li>Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.</li> <li>Estimated increase or decrease in annual revenues caused by important rate changes: State effective date and approximate amount of increase or decrease for each revenue classification. State the number of customers affected.</li> <li>Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.</li> <li>In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.</li> </ol>			
<ol style="list-style-type: none"> <li>Franchise Rights -- None</li> <li>Acquisition, Merger, or Consolidation with Other Companies -- None</li> <li>Purchase or Sale of an Operating Unit or System -- None</li> <li>Important Leaseholds -- The lease for the St. Joseph service center expired on 12/31/11 and was not renewed. The term of the lease was extended commencing June 1, 2010 through November 30, 2010, at the rental rate of \$7,283.83 per month. The term was then extended for a period of thirteen (13) months commencing December 1, 2010 through December 31, 2011 (Lease Termination Date), at the rental rate of \$7,283.83 per month. See "Notes to Financial Statements" beginning on page 122 under caption "Leases" for further information.</li> <li>Important Extension of Transmission or Distribution system -- None</li> <li>Obligations -- None</li> <li>Changes in Articles of Incorporation or Amendment to Charter -- None</li> <li>General Wage Scale Changes -- <i>Missouri:</i> 4.0% effective May 1, 2011 - four bargaining units; 3.0% (average) effective July 10, 2011 - non-bargaining.</li> <li>Legal Proceedings -- None See "Notes to Financial Statements" beginning on page 122 under caption "Regulation and Rates" for further information.</li> <li>Important Transactions Not Disclosed Elsewhere -- None</li> <li>Important Rate Changes -- See "Notes to Financial Statements" beginning on page 122 under caption "Regulation and Rates" for further information.</li> <li>Changes in officers, directors, major security holders and voting powers -- Please refer to Southern Union Company's Proxy Statement at <a href="http://www.sug.com/proxy_2010">www.sug.com/proxy_2010</a> for additional details.</li> <li>Cash Management Program -- MGE operates as a division of Southern Union company. As such, Southern Union Company manages the treasury functions including cash balances for MGE.</li> </ol>			

Name of Respondent <b>Missouri Gas Energy</b>		This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year of Report <b>2011</b>
COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)				
Line No.	Title of Account (a)	Reference Page Number (b)	Balance at End of Current Year (in dollars) (c)	Balance at End of Previous Year (in dollars) (d)
<b>1</b>	<b>UTILITY PLANT</b>			
2	Utility Plant (101-106,114)	200-201	1,094,826,938	1,058,891,161
3	Construction Work in Progress (107)	200-201	5,630,857	5,422,103
4	TOTAL Utility Plant (Total of Lines 2 and 3)		1,100,457,795	1,064,313,264
5	(Less) Accum. Provision for Depr., Amort., Depl. (108, 111, 115)	200-201	(427,713,134)	(402,717,391)
6	Net Utility Plant (Total of line 4 less 5)	200-201	672,744,661	661,595,873
7	Nuclear Fuel (120.1 thru 120.4, and 120.6)			
8	(Less) Accum. Provision for Amort., of Nuclear Fuel Assemblies (120.5)			
9	Nuclear Fuel (Total of line 7 less 8)		-	-
10	Net Utility Plant (Total of Lines 6 and 9)	200-201	672,744,661	661,595,873
11	Utility Plant Adjustments (116)	122		
12	Gas Stored - Base Gas (117.1)	220		
13	System Balancing Gas (117.2)	220		
14	Gas Stored in Reservoirs and Pipelines - Noncurrent (117.3)	220		
15	Gas Owned to System Gas (117.4)	220		
<b>16</b>	<b>OTHER PROPERTY AND INVESTMENTS</b>			
17	Nonutility Property (121)		1,708,718	1,708,718
18	(Less) Accum. Provision for Depreciation and Amortization (122)		(749,663)	(734,939)
19	Investments in Associated Companies (123)	222-223		
20	Investments in Subsidiary Companies (123.1)	224-225		
21	(For Cost of Account 123.1 See Footnote Page 224, line 40)			
22	Noncurrent Portion of Allowances			
23	Other Investments (124)	222-223		
24	Sinking Funds (125)			
25	Depreciation Fund (126)			
26	Amortization Fund - Federal (127)			
27	Other Special Funds (128)		3,092,553	3,091,520
28	Long-Term Portion of Derivative Assets (175)			
29	Long-Term Portion of Derivative Assets - Hedges (176)			
30	TOTAL Other Property and Investments (Total of lines 17-20, 22-29)		4,051,608	4,065,299
<b>31</b>	<b>CURRENT AND ACCRUED ASSETS</b>			
32	Cash (131)		(6,584,889)	(1,973,001)
33	Special Deposits (132-134)			
34	Working Funds (135)		3,350	3,350
35	Temporary Cash Investments (136)	222-223	0	0
36	Notes Receivable (141)			
37	Customer Accounts Receivable (142)		79,521,911	111,533,677
38	Other Accounts Receivable (143)		6,194,095	6,060,638
39	(Less) Accum. Provision for Uncollectible Accounts - Credit (144)		(905,312)	(2,005,312)
40	Notes Receivable from Associated Companies (145)			
41	Accounts Receivable from Associated Companies (146)		355,030	-
42	Fuel Stock (151)			
43	Fuel Stock Expenses Undistributed (152)			

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year of Report <b>2011</b>
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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS) (Continued)

Line No.	Title of Account (a)	Reference Page Number (b)	Balance at End of Current Year (in dollars) (c)	Balance at End of Previous Year (in dollars) (d)
44	Residuals (Elec) and Extracted Products (Gas) (153)			
45	Plant Materials and Operating Supplies (154)		2,834,854	2,133,459
46	Merchandise (155)			
47	Other Materials and Supplies (156)			
48	Nuclear Materials Held for Sale (157)			
49	Allowances (158.1 and 158.2)		-	-
50	(Less) Noncurrent Portion of Allowances		-	-
51	Stores Expense Undistributed (163)		762,840	527,219
52	Gas Stored Underground - Current (164.1)	220	60,256,665	53,454,979
53	Liquefied Natural Gas Stored and Held for Processing (164.2 thru 164.3)	220		
54	Prepayments (165)	230	1,075,400	1,048,984
55	Advances for Gas (166 thru 167)			
56	Interest and Dividends Receivable (171)			
57	Rents Receivable (172)			
58	Accrued Utility Revenues (173)			
59	Miscellaneous Current and Accrued Assets (174)			
60	Derivative Instrument Assets (175)			
61	(Less) Long-Term Portion of Derivative Instrument Assets (175)			
62	Derivative Instrument Assets - Hedges (176)			
63	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)			
64	TOTAL Current and Accrued Assets (Total of lines 27 thru 56)		143,513,944	170,783,993
65	<b>DEFERRED DEBITS</b>			
66	Unamortized Debt Expense (181)			
67	Extraordinary Property Losses (182.1)	230		
68	Unrecovered Plant and Regulatory Study Costs (182.2)	230		
69	Other Regulatory Assets (182.3)	232	20,679,655	25,873,523
70	Preliminary Survey and Investigation Charges (Electric) (183)			
71	Preliminary Survey and Investigation Charges (Gas) (183.1, 183.2)		21,744	160,571
72	Clearing Accounts (184)		288,878	328,441
73	Temporary Facilities (185)			
74	Miscellaneous Deferred Debits (186)	233	1,840,723	4,786,212
75	Deferred Losses from Disposition of Utility Plant (187)			
76	Research, Development, and Demonstration Expend. (188)			
77	Unamortized Loss on Reaquired Debt (189)			
78	Accumulated Deferred Income Taxes (190)	234-235		
79	Unrecovered Purchase Gas Costs (191)		49,241,668	81,149,756
80	TOTAL Deferred Debits (Total of lines 59 thru 72)		72,072,668	112,298,503
81	TOTAL Assets and Other Debits (Total of lines 10-15,30,64,and 80)		892,382,881	948,743,668

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year of Report <b>2011</b>
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**COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)**

Line No.	Title of Account (a)	Reference Page Number (b)	Balance at End of Current Year (in dollars) (c)	Balance at End of Previous Year (in dollars) (d)
<b>1</b>	<b>PROPRIETARY CAPITAL</b>			
2	Common Stock Issued (201)	250-251		
3	Preferred Stock Issued (204)	250-251		
4	Capital Stock Subscribed (202, 205)	252	-	-
5	Stock Liability for Conversion (203, 206)	252	-	-
6	Premium on Capital Stock (207)	252		
7	Other Paid-In Capital (208-211)	253	-	-
8	Installments Received on Capital Stock (212)	252	-	-
9	(Less) Discount on Capital Stock (213)	254	-	-
10	(Less) Capital Stock Expense (214)	254	-	-
11	Retained Earnings (215, 215.1, 216)	118-119	530,177,020	500,249,373
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119		
13	(Less) Reacquired Capital Stock (217)	250-251		
14	Accumulated Other Comprehensive Income (219)	117	(36,525,598)	(19,585,294)
15	TOTAL Proprietary Capital (Total of lines 2 thru 14)		493,651,422	480,664,079
<b>16</b>	<b>LONG TERM DEBT</b>			
17	Bonds (221)	256-257		
18	(Less) Reacquired Bonds (222)	256-257		
19	Advances from Associated Companies (223)	256-257		
20	Other Long-Term Debt (224)	256-257		
21	Unamortized Premium on Long-Term Debt (225)	258-259		
22	(Less) Unamortized Discount on Long-Term Debt-Dr. (226)	258-259		
23	(Less) Current Portion of Long-Term Debt			
24	TOTAL Long-Term Debt (Total of lines 17 thru 24)		-	-
<b>25</b>	<b>OTHER NONCURRENT LIABILITIES</b>			
26	Obligations Under Capital Leases - Noncurrent (227)			
27	Accumulated Provision for Property Insurance (228.1)			
28	Accumulated Provision for Injuries and Damages (228.2)		4,038,585	2,588,540
29	Accumulated Provision for Pensions and Benefits (228.3)		-	-
30	Accumulated Miscellaneous Operating Provisions (228.4)			
31	Accumulated Provision for Rate Refunds (229)		-	-

Name of Respondent <b>Missouri Gas Energy</b>		This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year of Report <b>2011</b>
COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)(Continued)				
Line No.	Title of Account (a)	Reference Page Number (b)	Balance at End of Current Year (in dollars) (c)	Balance at End of Previous Year (in dollars) (d)
32	Long-Term Portion of Derivative Instrument Liabilities			
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges			
34	Asset Retirement Obligations (230)			
35	TOTAL Other Noncurrent Liabilities (Total of lines 26 thru 34)		4,038,585	2,588,540
36	<b>CURRENT AND ACCRUED LIABILITIES</b>			
37	Current Portion of Long-Term Debt		-	-
38	Notes Payable (231)			
39	Accounts Payable (232)		33,171,474	39,472,671
40	Notes Payable to Associated Companies (233)			
41	Accounts Payable to Associated Companies (234)		66,882,739	142,907,439
42	Customer Deposits (235)		7,573,600	6,711,992
43	Taxes Accrued (236)	262-263	13,608,280	14,496,872
44	Interest Accrued (237)		5,055	5,180
45	Dividends Declared (238)			
46	Matured Long-Term Debt (239)			
47	Matured Interest (240)			
48	Tax Collections Payable (241)		860,578	1,248,697
49	Miscellaneous Current and Accrued Liabilities (242)	268	39,775,035	40,087,993
50	Obligations Under Capital Leases-Current (243)			
51	Derivative Instrument Liabilities (244)			
52	(Less) Long-Term Portion of Derivative Instrument Liabilities			
53	Derivative Instrument Liabilities - Hedges (245)			
54	(Less) Long-Term Portion of Derivative Instrument Liabilities - Hedges			
55	TOTAL Current and Accrued Liabilities (Total of lines 37 thru 54)		161,876,761	244,930,844
56	<b>DEFERRED CREDITS</b>			
57	Customer Advances for Construction (252)		7,148,482	8,233,120
58	Accumulated Deferred Investment Tax Credits (255)			
59	Deferred Gains from Disposition of Utility Plant (256)			
60	Other Deferred Credits (253)	269	78,629,286	59,663,178
61	Other Regulatory Liabilities (254)	278	2,802,669	1,022,881
62	Unamortized Gain on Reaquired Debt (257)	260		
63	Accumulated Deferred Income Taxes - Accelerated Amortization (281)			
64	Accumulated Deferred Income Taxes - Other Property (282)		124,597,320	(13,292,605)
65	Accumulated Deferred Income Taxes - Other (283)	276-277	19,638,356	164,933,631
66	TOTAL Deferred Credits (Total of lines 57 thru 65)		232,816,113	220,560,205
67	TOTAL Liabilities and Other Credits (Total of lines 15, 24,35,55, and 66)		892,382,881	948,743,668

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**STATEMENT OF INCOME**

Quarterly

1. Enter in column (d) the balance for the reporting quarter and in column (e) the balance for the same three month period for the prior year.
2. Report in column (f) the quarter to date amounts for electric utility function; in column (h) the quarter to date amounts for gas utility, and in (j) the quarter to date amounts for other utility function for the current year quarter.
3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in (k) the quarter to date amounts for other utility function for the prior year quarter.
4. If additional columns are needed place them in a footnote.

Annual or Quarterly, if applicable

5. Do not report fourth quarter data in columns (e) and (f)
6. Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.
7. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.
8. Report data for lines 8, 10 and 11 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1 and 407.2.
9. Use page 122 for important notes regarding the statement of income for any account thereof.
10. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power or gas purchases.
11. Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.
12. If any notes appearing in the report to stockholders are applicable to the Statement of Income, such notes may be included at page 122.
13. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.
14. Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.
15. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule. allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.

Line No.	Title of Account (a)	Reference Page Number (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current Three Months Ended Quarterly Only No Fourth Quarter (e)	Prior Three Months Ended Quarterly Only No Fourth Quarter (f)
1	<b>UTILITY OPERATING INCOME</b>					
2	Gas Operating Revenues (400)	300-301	597,757,891	629,668,825		
3	Operating Expenses					
4	Operation Expenses (401)	317-325	456,415,158	478,897,850		
5	Maintenance Expenses (402)	317-325	18,021,194	16,586,025		
6	Depreciation Expense (403)	336-338	27,578,257	26,126,073		
7	Depreciation Expense for Asset Retirement Costs (403.1)					
8	Amortization & Depletion of Utility Plant (404-405)	336-338	1,616,249	2,132,701		
9	Amortization of Utility Plant Acu. Adjustment (406)	336-338	-	-		
10	Amort. of Prop. Losses, Unrecovered Plant and Reg. Study Costs (407.1)		-	-		
11	Amortization of Conversion Expenses (407.2)		-	-		
12	Regulatory Debits (407.3)		-	-		
13	(Less) Regulatory Credits (407.4)		-	-		
14	Taxes Other Than Income Taxes (408.1)	262-263	45,825,638	48,392,087		
15	Income Taxes -- Federal (409.1)	262-263	13,488,165	6,978,588		
16	Income Taxes -- Other (409.1)	262-263	2,289,158	1,184,351		
17	Provision of Deferred Income Taxes (410.1)		3,148,184	14,906,651		
18	(Less) Provision for Deferred Income Taxes -- Credit (411.1)		-	-		
19	Investment Tax Credit Adjustment -- Net (411.4)		-	-		
20	(Less) Gains from Disposition of Utility Plant (411.6)		-	-		
21	Losses from Disposition of Utility Plant (411.7)		-	-		
22	(Less) Gains from Disposition of Allowances (411.8)		-	-		
23	Losses from Disposition of Allowances (411.9)		-	-		
24	Accretion Expense (411.10)		-	-		
25	TOTAL Utility Operating Expenses (Total of lines 4 thru 24)		568,382,003	595,204,326		
26	Net Utility Operating Income (Total of lines 2 less 25) (Carry forward to page 116, line 27)		29,375,888	34,464,499		

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STATEMENT OF INCOME (Continued)

Line No.	ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
	Current Year to Date (in dollars) (g)	Previous Year to Date (in dollars) (h)	Current Year to Date (in dollars) (i)	Previous Year to Date (in dollars) (j)	Current Year to Date (in dollars) (k)	Previous Year to Date (in dollars) (l)	
1							1
2	-	-	597,757,891	629,668,825	-	-	2
3							3
4	-	-	456,415,158	478,897,850	-	-	4
5	-	-	18,021,194	16,586,025	-	-	5
6	-	-	27,578,257	26,126,073	-	-	6
7	-	-			-	-	7
8	-	-	1,616,249	2,132,701	-	-	8
9	-	-			-	-	9
10	-	-			-	-	10
11	-	-			-	-	11
12	-	-			-	-	12
13	-	-			-	-	13
14	-	-	45,825,638	48,392,087	-	-	14
15	-	-	13,488,165	6,978,588	-	-	15
16	-	-	2,289,158	1,184,351	-	-	16
17	-	-	3,148,184	14,906,651	-	-	17
18	-	-			-	-	18
19	-	-			-	-	19
20	-	-			-	-	20
21	-	-			-	-	21
22	-	-			-	-	22
23	-	-			-	-	23
24							24
25	-	-	568,382,003	595,204,326	-	-	25
26							26
	-	-	29,375,888	34,464,499	-	-	

Name of Respondent <b>Missouri Gas Energy</b>		This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year of Report <b>2011</b>		
STATEMENT OF INCOME (Continued)						
Line No.	Title of Account  (a)	Reference Page Number  (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current Three Months Ended Quarterly Only No Fourth Quarter (e)	Prior Three Months Ended Quarterly Only No Fourth Quarter (e)
27	Net Utility Operating Income (Carried forward from page 114)		29,375,888	34,464,499		
28	<b>OTHER INCOME AND DEDUCTIONS</b>					
29	Other Income					
30	Nonutility Operating Income					
31	Revenues From Merchandising, Jobbing, and Contract Work (415)		(7,427)	(7,912)		
32	(Less) Costs and Expense of Merchandising, Job & Contract Work		-	-		
33	Revenues From Nonutility Operations (417)		318,271	507,028		
34	(Less) Expenses of Nonutility Operations (417.1)		(499,959)	(473,619)		
35	Nonoperating Rental Income (418)					
36	Equity in Earnings of Subsidiary Companies (418.1)	119				
37	Interest and Dividend Income (419)		(362,016)	(568,293)		
38	Allowance for Other Funds Used During Construction (419.1)					
39	Miscellaneous Nonoperating Income (421)		1,512,037	2,486,824		
40	Gain on Disposition of Property (421.1)		53,323	113,048		
41	TOTAL Other Income (Total of lines 29 thru 38)		1,014,229	2,057,076		-
42	Other Income Deductions					
43	Loss on Disposition of Property (421.2)		-	(72,563)		-
44	Miscellaneous Amortization (425)	340	(333,720)	(333,720)		
45	Donations (426.1)		(194,660)	(169,601)		
46	Life Insurance (426.2)					
47	Penalties (426.3)					
48	Expenditures for Certain Civic, Political and Related Activities (426.4)		(75,216)	(38,797)		
49	Other Deductions (426.5)					
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		(603,596)	(614,681)		-
51	Taxes Applic. to Other Income and Deductions					
52	Taxes Other Than Income Taxes (408.2)	262-263				
53	Income Taxes -- Federal (409.2)	262-263				
54	Income Taxes -- Other (409.2)	262-263				
55	Provision for Deferred Income Taxes (410.2)	234-235				
56	(Less) Provision for Deferred Income Taxes -- Credit (411.2)	234-235				
57	Investment Tax Credit Adjustments -- Net (411.5)					
58	(Less) Investment Tax Credits (420)					
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52 - 58)		-	-		-
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		410,633	1,442,395		-
61	<b>INTEREST CHARGES</b>					
62	Interest on Long-Term Debt (427)					
63	Amortization of Debt Disc. and Expense (428)	258-259				
64	Amortization of Loss on Reacquired Debt (428.1)	258-259				
65	(Less) Amortization of Premium on Debt-Credit (429)	258-259				
66	(Less) Amortization of Gain on Reacquired Debit-Credit (429.1)					
67	Interest on Debt to Associated Companies (430)	340				
68	Other Interest Expense (431)	340	(126,307)	(615,370)		
69	(Less) Allowance for Borrowed Funds Used During Construction-Credit (432)		(14,819)	(16,705)		
70	Net Interest Charges (Total of lines 62 thru 69)		(141,126)	(632,075)		
71	Income Before Extraordinary Items (Total of lines 27, 60, and 70)		29,927,647	36,538,969		-
72	<b>EXTRAORDINARY ITEMS</b>					
73	Extraordinary Income (434)		-	-		-
74	(Less) Extraordinary Deductions (435)		-	-		-
75	Net Extraordinary Items (Total of line 73 less line 74)		-	-		-
76	Income Taxes -- Federal and Other (409.3)	262-263	-	-		-
77	Extraordinary Items After Taxes (Total of line 75 less line 76)		-	-		-
78	Net Income (Total of lines 71 and 77)		29,927,647	36,538,969		-



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**Statement of Accumulated Comprehensive Income and Hedging Activities (continued)**

Line No.	Other Cash Flow Hedges Interest Rate Swaps (f)	Other Cash Flow Hedges (Specify) (g)	Totals for each category of items recorded in Account 219 (h)	Net Income (Carried Forward from Page 116, Line 72) (i)	Total Comprehensive Income (j)
1		-	(20,719,879)		
2		-	-		
3		-	1,134,585		
4	-	-	1,134,585		
5	-	-	(19,585,294)		
6		-	(19,585,294)		
7		-	-		
8	-	-	(16,940,304)		
9	-	-	(16,940,304)		
10			(36,525,598)		

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**STATEMENT OF RETAINED EARNINGS**

1. Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.
2. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436-439 inclusive). Show the contra primary account affected in column (b).
3. State the purpose and amount for each reservation or appropriation of retained earnings.
4. List first Account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items, in that order.
5. Show dividends for each class and series of capital stock.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/ Year to Date Balance (c)	Previous Quarter/ Year to Date Balance (d)
	<b>UNAPPROPRIATED RETAINED EARNINGS</b>			
1	Balance -- Beginning of Period	-	500,249,373	463,710,404
2	Changes (Identify by prescribed retained earnings accounts)			
3	Adjustments to Retained Earnings (Account 439)			
4	Balance transferred from Income	-	29,927,647	36,538,969
5		-	-	-
6		-	-	-
7	Appropriations of Retained Earnings (Account 436)	-	-	-
8		-	-	-
9	Dividends Declared -- Preferred Stock (Account 437)			
10				
11	Dividends Declared -- Common Stock (Account 438)			
12		-	-	-
13	Transfers from Acct. 216.1, Unappropriated Undistributed Subsidiary Earnings	-	-	-
14	Balance - End of Period (Total of lines 1, 4, 5, 6, 8, 10, 12 and 13)	-	530,177,020	500,249,373
15	<b>APPROPRIATED RETAINED EARNINGS (Account 215)</b>			
16	TOTAL Appropriated Retained Earnings (Account 215) (footnote details)		-	-
17	APPROPRIATED RETAINED EARNINGS-AMORTIZATION RESERVE, FEDERAL (Account 215.1)			
18	TOTAL Appropriated Retained Earnings-Amortization Reserve, Federal (Account 215.1)		-	-
19	TOTAL Appropriated Retained Earnings (Accounts 215, 215.1) (Total of lines 16 and 18)		-	-
20	TOTAL Retained Earnings (Accounts 215, 215.1, 216) (Total of lines 14 and 19)		530,177,020	500,249,373
21	<b>UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)</b>			
	Report only on an Annual Basis, no Quarterly			
22	Balance - Beginning of Year (Debit or Credit)	-	530,177,020	500,249,373
23	Equity in Earnings for Year (Credit) (Account 418.1)	-	-	-
24	(Less) Dividends Received (Debit)	-	-	-
25	Other Changes (Explain)	-		
26	Balance - End of Year	-	530,177,020	500,249,373

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<b>STATEMENT OF CASH FLOWS</b>			
<p>(1) Codes to be used: (a) Net Proceeds or Payments; (b) Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.</p> <p>(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.</p> <p>(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.</p> <p>(4) Investing Activities: Include at Other (line 25) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.</p>			
Line No.	DESCRIPTION (See Instructions for Explanation of Codes) (a)	Current Year Amount (b)	Previous Year Amount (c)
1	Net Cash Flow from Operating Activities		
2	Net Income (Line 72 (c) on page 116)	29,927,647	36,538,969
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	29,194,507	28,258,774
4.01	Goodwill Impairment Charge		-
5	Amortization of (Specify) Debt Discount	-	-
5.01	Provision for Bad Debt	(1,100,000)	1,700,000
5.02	Financial derivative trading gains	-	
5.03	Gain on Sale of Investment Securities	-	-
5.04	Gain on Sale of Subsidiaries and Other Assets	-	-
5.05	Provision for Investment Impairment		
5.06	Non-cash stock compensation		-
5.07	Gain on Extinguishment of Debt	-	
5.08	Earnings from Unconsolidated Investments, Net of Cash Distributions		-
6	Deferred Income Taxes (Net)	(7,405,349)	14,517,516
7	Investment Tax Credit Adjustments (Net)	-	-
8	Net (Increase) Decrease in Receivables	63,786,397	(10,336,983)
9	Net (Increase) Decrease in Inventory	(7,738,703)	177,784
10	Net (Increase) Decrease in Allowances Inventory	-	-
11	Net Increase (Decrease) in Payables and Accrued Expenses	(84,270,721)	(9,391,048)
12	Net (Increase) Decrease in Other Regulatory Assets	5,193,868	3,630,490
13	Net Increase (Decrease) in Other Regulatory Liabilities	1,779,788	1,022,881
14	(Less) Allowance for Other Funds Used During Construction	(14,819)	(16,705)
15	(Less) Undistributed Earnings from Subsidiary Companies	-	-
16	Other:	151,973	(321,035)
16.01	Deferred Interest-Missouri Safety Program		
16.02	Change in Customer Deposits	861,608	1,266,012
16.03	Change in Deferred Charges	2,945,489	(1,785,217)
16.04	Change in Deferred Credits	2,025,804	(11,466,372)
17	Net Cash Provided by (Used in) Operating Activities		
18	(Total of lines 2 thru 16.04)	35,337,489	53,795,066
19			
20	Cash Flows from Investment Activities:		
21	Construction and Acquisition of Plant (including land):		
22	Gross Additions to Utility Plant (less nuclear fuel)	-	-
23	Gross Additions to Nuclear Fuel	-	-
24	Gross Additions to Common Utility Plant	(40,313,751)	(38,483,035)
25	Gross Additions to Nonutility Plant	-	87,779
26	(Less) Allowance for Other Funds Used During Construction	-	-
27	Other:		
27.01	Acquisition of Operations, net of cash received	-	
27.02		-	-
28	Cash Outflows for Plant (Total of lines 22 thru 27.02)	(40,313,751)	(38,395,256)
29			
30	Acquisition of Other Noncurrent Assets (d)	-	-
31	Proceeds from Disposal of Noncurrent Assets (d)	-	-
32		-	-
33	Investments in and Advances to Assoc. and Subsidiary Companies	-	-
34	Contributions and Advances from Assoc. and Subsidiary Companies	-	-
35	Disposition of Investments in (and Advances to)		
36	Associated and Subsidiary Companies	-	-
37		-	-
38	Purchase of Investment Securities (a)	-	-
39	Proceeds from Sales of Investment Securities (a)	-	-

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**STATEMENT OF CASH FLOWS (Continued)**

4. Investing Activities: Include at Other (line 27) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed on page 122. Do not include on this statement the dollar amount of leases capitalized per U.S. of A. General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost on page 122.

5. Codes Used:  
 (a) Net Proceeds or payments.  
 (b) Bonds, Debentures, and other long-term debt.  
 (c) Include commercial paper.  
 (d) Identify separate such items as investments, fixed assets intangibles, etc.

6. Enter on page 122 clarifications and explanations.

7. At lines 5, 16, 27, 47, 56, 58, and 65, add rows as necessary to report all data. Number the extra rows in sequence, 5.01, 5.02, etc.

Line No.	DESCRIPTION (See Instructions for Explanation of Codes) (a)	Current Year Amount (b)	Previous Year Amount (c)
40	Loans Made or Purchased	-	-
41	Collections on Loans	-	-
42			
43	Net (Increase) Decrease in Receivables	-	
44	Net (Increase) Decrease in Inventory	-	-
45	Net (Increase) Decrease in Allowances Held for Speculation	-	-
46	Net Increase (Decrease) in Payables and Accrued Expenses	365,407	(9,917,018)
47	Other: Deferred Charges/Credits	-	-
47.01	Customer Advances	-	-
47.02	Proceeds from Sale of Assets	-	
47.03	Changes in Assets and Liabilities Held for Sale	-	-
48	Net Cash Provided by (Used in) Investing Activities		
49	(Total of lines 28 thru 47.03)	(39,948,344)	(48,312,274)
50			
51	Cash Flows from Financing Activities:		
52	Proceeds from Issuance of:		
53	Long-Term Debt (b)		
54	Preferred Stock	-	
55	Common Stock		
56	Other: Common Stock Options		
56.01	Equity Units		-
57	Net Increase in Short-term Debt (c)	-	-
58	Other: Decrease in cash overdrafts		-
58.01			
58.02			
59	Cash Provided by Outside Sources (Total of lines 53 thru 58.02)	-	-
60			
61	Payments for Retirement of;		
62	Long-Term Debt (b)		
63	Preferred Stock	-	-
64	Common Stock	-	-
65	Other:	-	-
65.01	Purchase of Treasury Stock		
65.02	Payment of merger debt assumed	-	
65.03	Other		
66	Net Decrease in Short-Term Debt (c)		
67		-	
68	Dividends on Preferred Stock		
69	Dividends on Common Stock	-	-
70	Net Cash Provided by (Used in) Financing Activities		
71	(Total of lines 59 thru 69)	-	-
72			
73	Net Increase (Decrease) in Cash and Cash Equivalents		
74	(Total of lines 18, 49, and 71)	(4,610,855)	5,482,792
75			
76	Cash and Cash Equivalents at Beginning of Year	1,121,869	(4,360,923)
77			
78	Cash and Cash Equivalents at End of Year	(3,488,986)	1,121,869

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year of Report <b>2011</b>
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STATEMENT OF CASH FLOWS (Continued)

Reconciliation of Cash

Account 128 per page 110	3,092,553
Account 131 per page 110	(6,584,889)
Account 132-34 per page 110	-
Account 135 per page 110	3,350
Account 136 per page 110	-
Cash and cash equivalents	(3,488,986)

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year of Report <b>2011</b>
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**NOTES TO FINANCIAL STATEMENTS**

1. Provide important disclosures regarding the Balance Sheet, Statement of Income for the Year, Statement of Retained Earnings for the Year, and Statement of Cash Flow, or any account thereof. Classify the disclosures according to each financial statement, providing a subheading for each statement except where a disclosure is applicable to more than one statement. The disclosures must be on the same subject matters and in the same level of detail that would be required if the respondent issued general purpose financial statements to the public or shareholders.
2. Furnish details as to any significant contingent assets or liabilities existing at year end, and briefly explain any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or a claim for refund of income taxes of a material amount initiated by the utility. Also, briefly explain any dividends in arrears on cumulative preferred stock.
3. Furnish details on the respondent's pension plans, post-retirement benefits other than pensions (PBOP) plans, and post-employment benefit plans as required by instruction no. 1 and, in addition, disclose for each individual plan the current year's cash contributions. Furnish details on the accounting for the plans and any changes in the method of accounting for them. Include details on the accounting for transition obligations or assets, gains or losses, the amounts deferred and the expected recovery periods. Also, disclose any current year's plan or trust curtailments, terminations, transfers, or reversions of assets. Entities that participate in multiemployer postretirement benefit plans (e.g. parent company sponsored pension plans) disclose in addition to the required disclosures for the consolidated plan, (1) the amount of cost recognized in the respondent's financial statements for each plan for the period presented, and (2) the basis for determining the respondent's share of the total plan costs.
4. Furnish details on the respondent's asset retirement obligations (ARO) as required by instruction no. 1 and, in addition, disclose the amounts recovered through rates to settle such obligations. Identify any mechanism or account in which recovered funds are being placed (i.e. trust funds, insurance policies, surety bonds). Furnish details on the accounting for the asset retirement obligations and any changes in the measurement or method of accounting for the obligations. Include details on the accounting for settlement of the obligations and any gains or losses expected or incurred on the settlement.
5. Provide a list of all environmental credits received during the reporting period.
6. Provide a summary of revenues and expenses for each tracked cost and special surcharge.
7. Where Account 189, Unamortized Loss on Recquired Debt, and 257, Unamortized Gain on Recquired Debt, are not used, give an explanation, providing the rate treatment given these item. See General Instruction 17 of the Uniform System of Accounts.
8. Explain concisely any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
9. Disclose details on any significant financial changes during the reporting year to the respondent or the respondent's consolidated group that directly affect the respondent's gas pipeline operations, including: sales, transfers or mergers of affiliates, investments in new partnerships, sales of gas pipeline facilities or the sale of ownership interests in the gas pipeline to limited partnerships, investments in related industries (i.e., production, gathering), major pipeline investments, acquisitions by the parent corporation(s), and distributions of capital.
10. Explain concisely unsettled rate proceedings where a contingency exists such that the company may need to refund a material amount to the utility's customers or that the utility may receive a material refund with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects and explain the major factors that affect the rights of the utility to retain such revenues or to recover amounts paid with respect to power and gas purchases.
11. Explain concisely significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and summarize the adjustments made to balance sheet, income, and expense accounts.
12. Explain concisely only those significant changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.
13. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
14. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
15. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

NOTES TO FINANCIAL STATEMENTS BEGIN ON PAGE 122-1

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year of Report <b>2011</b>
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## Corporate Structure

Southern Union Company (Southern Union and, together with its subsidiaries, the Company) was incorporated under the laws of the State of Delaware in 1932. The Company owns and operates assets in the regulated and unregulated natural gas industry and is primarily engaged in the gathering, processing, transportation, storage and distribution of natural gas in the United States. Through Southern Union's regulated utility divisions - Missouri Gas Energy and New England Gas Company, the Company serves natural gas end-user customers in Missouri and Massachusetts.

Missouri Gas Energy (MGE or the Utility) comprises the largest portion of Southern Union's distribution segment and is primarily engaged in the local distribution of natural gas in Missouri. The Utility serves over 515,000 residential, commercial and industrial customers through local distribution systems consisting of 8,545 miles of mains, 5,477 miles of service lines and 46 miles of transmission lines. The Utility's natural gas rates and operations in Missouri are regulated by the Missouri Public Service Commission (MPSC).

The Utility's operations have historically been sensitive to weather and seasonal in nature, with the primary impact on operating revenues, which include pass through gas purchase costs that are seasonally impacted, occurring in the traditional winter heating season during the first and fourth calendar quarters. On February 10, 2010, the MPSC issued an order approving continued use of a distribution rate structure that eliminates the impact of weather and conservation for Missouri Gas Energy's residential margin revenues and related earnings and approving expanded use of that distribution rate structure for Missouri Gas Energy's small general service customers, effective February 28, 2010. Together, Missouri Gas Energy's residential and small general service customers comprised 99 percent of its total customers and approximately 91 percent of its net operating revenues as of February 28, 2010.

## Summary of Significant Accounting Policies

**Plant, Property and Equipment.** Ongoing additions of property, plant and equipment (PP&E) are stated at cost. The Company capitalizes all construction-related direct labor and material costs, as well as indirect construction costs. The cost of replacements and betterments that extend the useful life of PP&E is also capitalized. The cost of repairs and replacements of minor items of PP&E is charged to expense as incurred. When PP&E is retired, the original cost less salvage is charged to accumulated depreciation and amortization.

**Use of Estimates.** The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Gas Distribution Revenues and Gas Purchase Costs.** Gas utility customers are billed on a monthly-cycle basis. The related cost of natural gas and revenue taxes are matched with cycle-billed revenues through utilization of purchased natural gas adjustment provisions in tariffs approved by the Missouri Public Service Commission. Revenues from gas delivered but not yet billed are accrued, along with the related gas purchase costs and revenue-related taxes.

**Accounts Receivable and Allowance for Doubtful Accounts.** Concentrations of credit risk in trade receivables are limited due to the large customer base with relatively small individual account balances. In addition, Company policy requires a deposit from customers who lack a credit history or whose credit rating is substandard. The Company utilizes the allowance method for recording its allowance for uncollectible accounts, which is primarily based on the application of historical bad debt percentages applied against its aged accounts receivable. Increases in the allowance are recorded as a component of operating expenses. Reductions in the allowance are recorded when receivables are written off or subsequently collected. Past due receivable balances are written-off when the Company's efforts have been unsuccessful in collecting the amount due.

**Inventories.** Inventories consist of natural gas in underground storage and materials and supplies. The natural gas in underground storage inventory carrying value is stated at weighted average cost and is not adjusted to a lower market value because, pursuant to purchased natural gas adjustment clauses, actual natural gas costs are recovered in customers' rates. Materials and supplies inventory is also stated at weighted average cost. Natural gas in underground storage at December 31, 2011 and December 31, 2010 was \$60.3 million and \$53.5 million, respectively.

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**NOTES TO FINANCIAL STATEMENTS**

**Regulatory Assets and Liabilities.** MGE is subject to regulation by certain state and federal authorities. The Utility has accounting policies that are in accordance with the accounting requirements and ratemaking practices of the applicable regulatory authorities. These accounting policies allow the Company to defer expenses and revenues on the balance sheet as regulatory assets and liabilities when it is probable that those expenses and revenues will be allowed in the ratemaking process in a period different from the period in which they would have been reflected in the Consolidated Statement of Operations by an unregulated company. These deferred assets and liabilities then flow through the results of operations in the period in which the same amounts are included in rates and recovered from or refunded to customers. Management's assessment of the probability of recovery or pass through of regulatory assets and liabilities requires judgment and interpretation of laws and regulatory commission orders. If, for any reason, the Utility ceases to meet the criteria for application of regulatory accounting treatment for all or part of its operations, the regulatory assets and liabilities related to those portions ceasing to meet such criteria would be eliminated from the Consolidated Balance Sheet and included in the Consolidated Statement of Operations for the period in which the discontinuance of regulatory accounting treatment occurs.

**Asset Retirement Obligations.** An ARO is required to be recorded when a legal obligation to retire an asset exists and such obligation can be reasonably estimated. Although a number of assets in the Company's system are subject to agreements or regulations that give rise to an ARO upon the Company's discontinued use of these assets, AROs were not recorded because these assets have an indeterminate removal or abandonment date given the expected continued use of the assets with proper maintenance or replacement.

**Income Taxes.** Income taxes are accounted for under the asset and liability method. Under this method, deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary difference are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rate is recognized in earnings in the period that includes the enactment date. Valuation allowances are established when necessary to reduce deferred tax assets to the amounts more likely than not to be realized.

The determination of the Company's provision for income taxes requires significant judgment, use of estimates, and the interpretation and application of complex tax laws. Significant judgment is required in assessing the timing and amounts of deductible and taxable items. Reserves are established when, despite management's belief that the Company's tax return positions are fully supportable, management believes that certain positions may be successfully challenged. When facts and circumstances change, these reserves are adjusted through the provision for income taxes.

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## New Accounting Principles

### *Accounting Principles Not Yet Adopted.*

In December 2011, the FASB issued authoritative guidance that enhances current disclosures about offsetting asset and liabilities. The guidance requires entities to disclose both gross information and net information about both instruments and transactions eligible for offset in the statement of financial position and instruments and transactions subject to an agreement similar to a master netting arrangement. The guidance is effective for annual and interim reporting periods beginning on or after January 1, 2013. The Company does not expect the guidance to materially impact its consolidated financial statements.

In September 2011, the FASB issued authoritative guidance that revises the testing of goodwill impairment. Under the revised guidance, entities testing goodwill for impairment have the option of performing a qualitative assessment before calculating the fair value of the reporting unit (i.e., step 1 of the goodwill impairment test). If the entity determines, on the basis of qualitative factors, that the fair value of the reporting unit is more likely than not less than the carrying amount, the two-step impairment test would be required. The guidance is effective as of the beginning of a fiscal year that begins after December 15, 2011 and interim and annual periods thereafter, with early adoption permitted. The Company does not expect the guidance to materially impact its consolidated financial statements.

In June 2011, the FASB issued authoritative guidance that changes how a company may present comprehensive income. The guidance allows entities to elect to present items of net income and other comprehensive income in one continuous statement or in two separate, but consecutive, statements and eliminates the current option to report other comprehensive income and its components in the statement of changes in equity. The entity is also required to present on the face of the financial statements reclassification adjustments for items that are reclassified from other comprehensive income to net income in the statement where the components of net income and the components of other comprehensive income are presented. The guidance is effective as of the beginning of a fiscal year that begins after December 15, 2011 and interim and annual periods thereafter, with early adoption permitted. In December 2011, the FASB issued authoritative guidance that defers the presentation requirements for reclassification adjustments to allow the FASB time to redeliberate these requirements. The Company does not expect the guidance to materially impact its consolidated financial statements as the guidance only requires a change in the placement of previously disclosed information.

In May 2011, the FASB issued authoritative guidance on fair value measurements that clarifies some existing concepts, eliminates wording differences between GAAP and International Financial Reporting Standards (*IFRS*), and in some limited cases, changes some principles to achieve convergence between GAAP and IFRS. The guidance provides a consistent definition of fair value and common requirements for measurement of and disclosure about fair value between GAAP and IFRS and also expands the disclosures for fair value measurements that are estimated using significant unobservable (Level 3) inputs. The guidance is effective for periods beginning after December 15, 2011. The Company is currently evaluating the impact of this guidance, but does not expect it will materially impact its consolidated financial statements.

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**NOTES TO FINANCIAL STATEMENTS**

**Employee Benefits**

**Pensions and Other Postretirement Benefits.** The Company has funded, non-contributory defined benefit retirement plans (Plans), which cover substantially all MGE employees. Normal retirement age is 65, but certain plan provisions allow for earlier retirement. Pension benefits are calculated under formulas principally based on average earnings and length of service for salaried and non-union employees and average earnings and length of service or negotiated non-wage based formulas for union employees.

Certain qualified pension plan and postretirement benefit plan costs are recovered through rates charged to utility customers. Certain utility commissions require that the recovery of pension costs be based on Employee Retirement Income Security Act of 1974, as amended, or other utility commission specific guidelines. The difference between these regulatory-based amounts and the periodic benefit cost calculated pursuant to GAAP is deferred as a regulatory asset or liability and amortized to expense over periods in which this difference will be recovered in rates.

The Company has postretirement health care and life insurance plans that cover substantially all Distribution segment employees. The health care plans generally provide for cost sharing between the Company and its retirees in the form of retiree contributions, deductibles, coinsurance and a fixed cost cap on the amount the Company pays annually to provide future retiree health care coverage under certain of these plans.

Pension and other postretirement benefit liabilities are accrued on an actuarial basis during the years an employee provides services.

**Plan Assets.** The Company's overall investment strategy is to maintain an appropriate balance of actively managed investments with the objective of optimizing longer-term returns while maintaining a high standard of portfolio quality and achieving proper diversification. To achieve diversity within its pension plan asset portfolio, the Company has targeted the following asset allocations: equity of 25 percent to 70 percent, fixed income of 15 percent to 35 percent, alternative assets of 10 percent to 35 percent and cash of 0 percent to 10 percent. To achieve diversity within its other postretirement plan asset portfolio, the Company has targeted the following asset allocations: equity of 25 percent to 35 percent, fixed income of 65 percent to 75 percent and cash and cash equivalents of 0 percent to 10 percent. These target allocations are monitored by the Investment Committee of the Board in conjunction with an external investment advisor. On occasion, the asset allocations may fluctuate as compared to these guidelines as a result of Investment Committee actions.

**Defined Contribution Plan.** The Company sponsors a defined contribution savings plan (Savings Plan) that is available to all employees. For Missouri Gas Energy non-union and corporate employees, the Company contributes 50 percent and 75 percent of the first five percent and second five percent, respectively, of the participant's compensation paid into the Savings Plan. For Missouri Gas Energy union employees, the Company contributes 50 percent of the first five percent and 75 percent of the next 2 percent of the participant's compensation paid into the Savings Plan. Company contributions are 100 percent vested after five years of continuous service for non-union employees of Missouri Gas Energy and after six years of continuous service for union employees.

In addition, the Company makes employer contributions to separate accounts, referred to as Retirement Power Accounts, within the defined contribution plan. The contribution amounts are determined as a percentage of compensation.

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<b>NOTES TO FINANCIAL STATEMENTS</b>			

### Regulation and Rates

On July 13, 2011, a joint application was filed by Southern Union, Merger Sub and ETE requesting that the MPSC authorize Southern Union to take certain actions to allow ETE to acquire the equity interests of Southern Union. The parties filed an amended application on September 15, 2011. On February 16, 2012, the parties filed with the MPSC a Stipulation among Southern Union, ETE and the MPSC Staff. Pursuant to the Stipulation, the parties recommend that the MPSC issue an order finding that, subject to the conditions therein, the merger of Merger Sub with and into Southern Union is not detrimental to the public interest and authorizing the undertaking of the Merger and related transactions. The Office of Public Counsel has indicated that it does not oppose the Stipulation. Southern Union and ETE have requested that the MPSC consider the Stipulation expeditiously.

On June 10, 2011, Missouri Gas Energy filed an application with the MPSC requesting authority to defer the financial impact of the tornado that struck Joplin, Missouri on May 22, 2011, on the grounds that the tornado constituted a material, extraordinary and non-recurring event with respect to Missouri Gas Energy's operations. On January 25, 2012, the MPSC issued its Report and Order in which it granted Missouri Gas Energy's request to defer as a regulatory asset for consideration of recovery in a future rate proceeding the incremental costs occasioned by the tornado but denied Missouri Gas Energy's request to defer as a regulatory asset for consideration of recovery in a future rate proceeding the lost fixed cost recovery occasioned by the tornado.

On April 2, 2009, Missouri Gas Energy made a filing with the MPSC seeking to implement an annual base rate increase of approximately \$32.4 million. On February 10, 2010, the MPSC issued its Report and Order in this case, authorizing a revenue increase of \$16.2 million and approving distribution rate structures for Missouri Gas Energy's residential and small general service customers (which comprised approximately 99 percent of its total customers and approximately 91 percent of its net operating revenues at the time the rates went into effect) that eliminate the impact of weather and conservation for residential and small general service margin revenues and related earnings in Missouri. The new rates became effective February 28, 2010. Judicial review of the MPSC's Report and Order is being sought by the Office of the Public Counsel, with respect to rate structure issues, and by Missouri Gas Energy, with respect to cost of capital issues. Those judicial review proceedings are not expected to be complete until 2012, and the results of those judicial review proceedings are not expected to have a material adverse impact on the Company's consolidated financial position, results of operations or cash flows.

### Leases

The Company leases certain facilities, equipment and office space under cancelable and non-cancelable operating leases. The minimum annual rentals under operating leases for the next five years ending December 31 are as follows: 2012 - \$1,147K; 2013 - \$1,040K; 2014 - \$746K and 2015 - \$556K. Rental expense was \$1.3 million for the year ended December 31, 2011.

### Commitments and Contingencies

**Environmental.** The Company is responsible for environmental remediation at various contaminated sites that are primarily associated with former Manufactured Gas Plants (MGPs) and sites associated with the operation and disposal activities from MGPs. MGPs produced a fuel known as "town gas". Some byproducts of the historic manufactured gas process may be regulated substances under various federal and state environmental laws. To the extent these byproducts are present in soil or groundwater at concentrations in excess of applicable standards, investigation and remediation may be required. These include properties that are part of the Company's ongoing operations, sites formerly owned or used by the Company and sites owned by third parties. Remediation typically involves the management of contaminated soils and may involve removal of structures and remediation of groundwater. Activities vary with site conditions and locations, the extent and nature of the contamination, remedial requirements, complexity and sharing of responsibility, and some contamination may be unrelated to former MGPs. The ultimate liability and total costs associated with these sites will depend upon many factors. If remediation activities involve statutory joint and several liability provisions, strict liability, or cost recovery or contribution actions, the Company could potentially be held responsible for contamination caused by other parties. In some instances, the Company may share liability associated with contamination with other potentially responsible parties, and may also benefit from insurance policies or contractual indemnities that cover some or all of the cleanup costs. These sites are generally managed in the normal course of business or operations.

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**Missouri Safety Program.** Pursuant to a 1989 MPSC order, Missouri Gas Energy is engaged in a major gas safety program in its service territories (Missouri Safety Program). This program includes replacement of Company and customer-owned gas service and yard lines, the movement and resetting of meters, the replacement of cast iron mains and the replacement and cathodic protection of bare steel mains. In recognition of the significant capital expenditures associated with this safety program, the MPSC initially permitted the deferral and subsequent recovery through rates of depreciation expense, property taxes and associated carrying costs over a 10-year period. On August 28, 2003, the state of Missouri passed certain statutes that provided Missouri Gas Energy the ability to adjust rates periodically to recover depreciation expense, property taxes and carrying costs associated with the Missouri Safety Program, as well as investments in public improvement projects. The continuation of the Missouri Safety Program will result in significant levels of future capital expenditures. The Company incurred capital expenditures of \$13.8 million, \$13.6 million and \$14.4 million in 2011, 2010 and 2009, respectively, related to this program and estimates incurring approximately \$94.8 million over the next 10 years, after which all service lines, representing about 33 percent of the annual safety program investment, will have been replaced.

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SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS  
FOR DEPRECIATION, AMORTIZATION, AND DEPLETION

Line No.	Item (a)	Total (b)
1	UTILITY PLANT	
2	In Service	
3	Plant in Service (Classified)	1,036,814,005
4	Property Under Capital Leases	
5	Plant Purchased or Sold	-
6	Completed Construction not Classified	3,779,771
7	Experimental Plant Unclassified	-
8	TOTAL Utility Plant (Total of lines 3 thru 7)	1,040,593,776
9	Leased to Others	-
10	Held for Future Use	-
11	Construction Work in Progress	5,630,857
12	Acquisition Adjustments	54,233,162
13	TOTAL Utility Plant (Total of lines 8 thru 12)	1,100,457,795
14	Accumulated Provision for Depreciation, Amortization, & Depletion	(427,713,134)
15	Net Utility Plant (Total of lines 13 and 14)	672,744,661
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION, AND DEPLETION	
17	In Service:	
18	Depreciation	(389,231,543)
19	Amortization and Depletion of Producing Natural Gas Land and Land Rights	-
20	Amortization of Underground Storage Land and Land Rights	-
21	Amortization of Other Utility Plant	(28,678,469)
22	TOTAL In Service (Total of lines 18 thru 21)	(417,910,012)
23	Leased to Others	
24	Depreciation	-
25	Amortization and Depletion	-
26	TOTAL Leased to Others (Total of lines 24 and 25)	-
27	Held for Future Use	
28	Depreciation	-
29	Amortization	-
30	TOTAL Held for Future Use (Total of lines 28 and 29)	-
31	Abandonment of Leases (Natural Gas)	-
32	Amortization of Plant Acquisition Adjustment	(9,803,122)
33	TOTAL Accum. Provisions (Should agree with line 14 above)(Total of lines 22, 26, 30, 31, and 32)	(427,713,134)

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS  
FOR DEPRECIATION, AMORTIZATION, AND DEPLETION (Continued)

Electric (c)	Gas (d)	Other (Specify) (e)	Common (f)	Line
				1
				2
-	1,036,814,005	-	-	3
-	-	-	-	4
-	-	-	-	5
-	3,779,771	-	-	6
-	-	-	-	7
-	1,040,593,776	-	-	8
-	-	-	-	9
-	-	-	-	10
-	5,630,857	-	-	11
-	54,233,162	-	-	12
-	1,100,457,795	-	-	13
-	(427,713,134)	-	-	14
-	672,744,661	-	-	15
				16
				17
-	(389,231,543)	-	-	18
				19
				20
-	(28,678,469)	-	-	21
-	(417,910,012)	-	-	22
				23
-	-	-	-	24
-	-	-	-	25
-	-	-	-	26
				27
-	-	-	-	28
-	-	-	-	29
-	-	-	-	30
				31
-	(9,803,122)	-	-	32
-	(427,713,134)	-	-	33

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**GAS PLANT IN SERVICE (ACCOUNTS 101,102,103, and 106)**

- Report below the original cost of gas plant in service according to the prescribed accounts.
- In addition to Account 101, *Gas Plant in Service(Classified)*, this page and the next include Account 102, *Gas Plant Purchased or Sold*, Account 103, *Experimental Gas Plant Unclassified*, and Account 106, *Completed Construction Not Classified -- Gas*.
- Include in column (c) or (d), as appropriate corrections of additions and retirements for the current or preceding year.
- Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.
- Classify Account 106 according to prescribed accounts, on an

estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year's unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in columns (c) and (d),

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
1	<b>INTANGIBLE PLANT</b>		
2	301 Organization	15,600	-
3	302 Franchises and Consents	13,823	-
4	303 Miscellaneous Intangible Plant	31,983,576	541,614
5	TOTAL Intangible Plant (Enter Total of lines 2 thru 4)	32,012,999	541,614
6	<b>PRODUCTION PLANT</b>		
7	Natural Gas Production and Gathering Plant		
8	304 Land and Land Rights		-
9	305 Structures and Improvements		-
10	306 Boiler Plant Equipment		-
11	307 Other Power Equipment		-
12	311 Liquefied Petroleum Gas Equipment		
13	313 Generating Equipment- Other Processes		-
14	320 Other Equipment		-
15	325.1 Producing Lands	-	-
16	325.2 Producing Leaseholds	-	-
17	325.3 Gas Rights	-	-
18	325.4 Rights-of-Way	-	-
19	325.5 Other Land and Land Rights	-	-
20	326 Gas Well Structures	-	-
21	327 Field Compressor Station Structures	-	-
22	328 Field Measuring and Regulating Station Equipment	-	-
23	329 Other Structures	-	-
24	330 Producing Gas Wells -- Well Construction	-	-
25	331 Producing Gas Wells -- Well Equipment	-	-
26	332 Field Lines	-	-
27	333 Field Compressor Station Equipment	-	-
28	334 Field Measuring and Regulating Station Equipment	-	-
29	335 Drilling and Cleaning Equipment	-	-
30	336 Purification Equipment	-	-
31	337 Other Equipment	-	-
32	338 Unsuccessful Exploration and Development Costs	-	-
33	TOTAL Production and Gathering Plant (Enter Total of lines 8 thru 25)	-	-
34	<b>PRODUCTS EXTRACTION PLANT</b>		
35	340 Land and Land Rights	-	-
36	341 Structures and Improvements	-	-
37	342 Extraction and Refining Equipment	-	-
38	343 Pipe Lines	-	-
39	344 Extracted Products Storage Equipment	-	-
40	345 Compressor Equipment	-	-

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**GAS PLANT IN SERVICE (ACCOUNTS 101, 102, 103, AND 106) (Continued)**

including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of respondent's reported amount for plant actually in service at end of year.

6. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc.,

and show in column (f) only the offset to the debits or credits to primary account classifications.

7. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages.

8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give date of such filing.

Retirements (d)	Adjustments (2) (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				1
-	-	-	15,600	2
-	-	-	13,823	3
			32,525,190	4
-	-	-	32,554,613	5
				6
				7
-	-	-	-	8
			-	9
-	-	-	-	10
-	-	-	-	11
			-	12
-	-	-	-	13
-	-	-	-	14
-	-	-	-	15
-	-	-	-	16
-	-	-	-	17
-	-	-	-	18
-	-	-	-	19
-	-	-	-	20
-	-	-	-	21
-	-	-	-	22
-	-	-	-	23
-	-	-	-	24
-	-	-	-	25
-	-	-	-	26
-	-	-	-	27
-	-	-	-	28
-	-	-	-	29
-	-	-	-	30
-	-	-	-	31
-	-	-	-	32
-	-	-	-	33
				34
-	-	-	-	35
-	-	-	-	36
-	-	-	-	37
-	-	-	-	38
-	-	-	-	39
-	-	-	-	40

Name of Respondent <b>Missouri Gas Energy</b>		This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
<b>GAS PLANT IN SERVICE (Accounts 101,102,103, and 106) (Continued)</b>				
Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	
34	346 Gas Measuring and Regulating Equipment	-	-	
35	347 Other Equipment	-	-	
36	TOTAL Products Extraction Plant (Enter Total of lines 28 thru 35)	-	-	
37	TOTAL Natural Gas Production Plant (Enter Total of lines 26 and 36)	-	-	
38	Manufactured Gas Production Plant ( <i>Submit Supplementary Statement</i> )	-	-	
39	TOTAL Production Plant (Enter Total of lines 37 and 38)	-	-	
40	<b>NATURAL GAS STORAGE AND PROCESSING PLANT</b>			
41	Underground Storage Plant			
42	350.1 Land	-	-	
43	350.2 Rights-of-Way	-	-	
44	351 Structures and Improvements	-	-	
45	352 Wells	-	-	
46	352.1 Storage Leaseholds and Rights	-	-	
47	352.2 Reservoirs	-	-	
48	352.3 Non-recoverable Natural Gas	-	-	
49	353 Lines	-	-	
50	354 Compressor Station Equipment	-	-	
51	355 Measuring and Regulating Equipment	-	-	
52	356 Purification Equipment	-	-	
53	357 Other Equipment	-	-	
54	TOTAL Underground Storage Plant (Enter Total of lines 42 thru 53)	-	-	
55	Other Storage Plant			
56	360 Land and Land Rights		-	
57	361 Structures and Improvements		-	
58	362 Gas Holders		-	
59	363 Purification Equipment		-	
60	363.1 Liquefaction Equipment	-	-	
61	363.2 Vaporizing Equipment	-	-	
62	363.3 Compressor Equipment	-	-	
63	363.4 Measuring and Regulating Equipment	-	-	
64	363.5 Other Equipment		-	
65	TOTAL Other Storage Plant (Enter Total of lines 56 thru 64)	-	-	
66	Base Load Liquefied Natural Gas Terminating and Processing Plant			
67	364.1 Land and Land Rights	-	-	
68	364.2 Structures and Improvements	-	-	
69	364.3 LNG Processing Terminal Equipment	-	-	
70	364.4 LNG Transportation Equipment	-	-	
71	364.5 Measuring and Regulating Equipment	-	-	
72	364.6 Compressor Station Equipment	-	-	
73	364.7 Communications Equipment	-	-	
74	364.8 Other Equipment	-	-	
75	TOTAL Base Load Liquefied Nat'l Gas, Terminating and Processing Plant (lines 67-74)	-	-	
76	TOTAL Nat'l Gas Storage and Processing Plant (Total of lines 54, 65 and 75)	-	-	
77	<b>TRANSMISSION PLANT</b>			
78	365.1 Land and Land Rights		-	
79	365.2 Rights-of-Way		-	
80	366 Structures and Improvements		-	

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**GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)**

Retirements (d)	Adjustments (2) (e)	Transfers (f)	Balance at End of Year (g)	Line No.
-	-	-	-	34
-	-	-	-	35
-	-	-	-	36
-	-	-	-	37
-	-	-	-	38
-	-	-	-	39
-	-	-	-	40
-	-	-	-	41
-	-	-	-	42
-	-	-	-	43
-	-	-	-	44
-	-	-	-	45
-	-	-	-	46
-	-	-	-	47
-	-	-	-	48
-	-	-	-	49
-	-	-	-	50
-	-	-	-	51
-	-	-	-	52
-	-	-	-	53
-	-	-	-	54
-	-	-	-	55
-	-	-	-	56
-	-	-	-	57
-	-	-	-	58
-	-	-	-	59
-	-	-	-	60
-	-	-	-	61
-	-	-	-	62
-	-	-	-	63
-	-	-	-	64
-	-	-	-	65
-	-	-	-	66
-	-	-	-	67
-	-	-	-	68
-	-	-	-	69
-	-	-	-	70
-	-	-	-	71
-	-	-	-	72
-	-	-	-	73
-	-	-	-	74
-	-	-	-	75
-	-	-	-	76
-	-	-	-	77
-	-	-	-	78
-	-	-	-	79
-	-	-	-	80

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**GAS PLANT IN SERVICE (ACCOUNTS 101,102,103, and 106) (Continued)**

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
81	367 Mains	-	-
82	368 Compressor Station Equipment	-	-
83	369 Measuring and Regulating Station Equipment	-	-
84	370 Communication Equipment	-	-
85	371 Other Equipment	-	-
86	TOTAL Transmission Plant (Enter Total of lines 78 thru 85)	-	-
87	<b>DISTRIBUTION PLANT</b>		
88	374 Land and Land Rights	2,367,034	264,829
89	375 Structures and Improvements	9,507,859	1,948,061
90	376 Mains	403,160,165	20,783,262
91	377 Compressor Station Equipment		-
92	378 Measuring and Regulating Station Equipment-General	12,745,285	297,729
93	379 Measuring and Regulating Station Equipment-City Gate	3,640,823	1,137,624
94	380 Services	338,382,196	9,614,472
95	381 Meters	33,673,497	1,862,804
96	382 Meter Installations	80,993,826	2,488,429
97	383 House Regulators	13,693,586	456,538
98	384 House Regulator Installations		
99	385 Industrial Measuring and Regulating Station Equipment	389,168	43,236
100	386 Other Property on Customers' Premises		-
101	387 Other Equipment		-
102	TOTAL Distribution Plant (Enter Total of lines 88 thru 101)	898,553,439	38,896,984
103	<b>GENERAL PLANT</b>		
104	389 Land and Land Rights	1,058,065	-
105	390 Structures and Improvements	2,769,786	68,702
106	391 Office Furniture and Equipment	9,339,003	298,391
107	392 Transportation Equipment	11,474,455	1,508,068
108	393 Stores Equipment	627,865	34,499
109	394 Tools, Shop, and Garage Equipment	6,121,758	412,214
110	395 Laboratory Equipment		-
111	396 Power Operated Equipment	1,143,241	378,159
112	397 Communication Equipment	40,772,620	2,446,484
113	398 Miscellaneous Equipment	784,768	17,017
114	Subtotal (Enter Total of lines 104 thru 113)	74,091,561	5,163,534
115	399 Other Tangible Property		-
116	TOTAL General Plant (Enter Total of lines 114 and 115)	74,091,561	5,163,534
117	TOTAL (Accounts 101 and 106)	1,004,657,999	44,602,132
118	Gas Plant Purchased (See Instruction 8)	-	-
119	(Less) Gas Plant Sold (See Instruction 8)	-	
120	Experimental Gas Plant Unclassified	-	-
121	TOTAL Gas Plant in Service (Enter Total of lines 117 thru 120)	1,004,657,999	44,602,132

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GAS PLANT IN SERVICE (ACCOUNTS 101,102,103, and 106) (Continued)

Retirements (d)	Adjustments (2) (e)	Transfers (f)	Balance at End of Year (g)	Line No.
-	-	-	-	81
-	-	-	-	82
-	-	-	-	83
-	-	-	-	84
-	-	-	-	85
-	-	-	-	86
				87
-	-	-	2,631,863	88
(7,326)	-	-	11,448,594	89
(1,577,563)	-	18,694	422,384,558	90
-	-	-	-	91
(66,381)	-	(4,137)	12,972,496	92
(14,055)	-	4,137	4,768,529	93
(1,793,376)	-	(18,694)	346,184,598	94
(913,494)	-	-	34,622,807	95
(439,072)	-	(40,503)	83,002,680	96
(76,449)	-	40,503	14,114,178	97
-	-	-	-	98
-	-	-	432,404	99
-	-	-	-	100
-	-	-	-	101
(4,887,716)	-	-	932,562,707	102
				103
-	-	-	1,058,065	104
-	-	-	2,838,488	105
(66,059)	-	-	9,571,335	106
(370,515)	-	-	12,612,008	107
-	-	-	662,364	108
(239,780)	-	-	6,294,192	109
-	-	-	-	110
(61,905)	-	-	1,459,495	111
(3,031,087)	-	-	40,188,017	112
(9,293)	-	-	792,492	113
(3,778,639)	-	-	75,476,456	114
-	-	-	-	115
(3,778,639)	-	-	75,476,456	116
(8,666,355)	-	-	1,040,593,776	117
				118
				119
-	-	-	-	120
(8,666,355)	-	-	1,040,593,776	121



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GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE			

1. For each construction overhead explain: (a) the nature and extent of work, etc., the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates are applied to different types of construction, (e) basis of differentiation in rates for different types of construction, and (f) whether the overhead is directly or indirectly assigned.

2. Show below the computation of allowance for funds used during construction rates, in accordance with the provisions of Gas Plant Instructions 3 (17) of the Uniform System of Accounts.

3. Where a net-of-tax rate for borrowed funds is used, show the appropriate tax effect adjustment to the computations below in a manner that clearly indicates the amount of reduction in the gross rate for tax effects.

**Construction Overhead**

1. Administrative and General and Engineering and Supervision:

- (A) Components of overhead cost are considered to be administrative salaries and expenses, employee fringe benefits and certain other general costs devoted to general planning and administration of construction program.
- (B) The proportion of such overhead costs charged to construction is based upon an analysis made annually.
- (C) The applicable monthly construction overhead is recorded in a clearing account and then capitalized to construction as a percent of direct costs to construction exclusive of overhead previously allocated.
- (D) Overhead costs are spread equitably to all construction except certain specific work orders which may be exempted based upon circumstances of construction.
- (E) Certain specific jobs may be exempted as company personnel may be directly assigned for the project. In those cases, all salaries and expenses are charged direct.
- (F) Overhead charges are indirectly assigned except for those projects described in (E).

2. Allowance for Funds Used During Construction:

- (A) AFUDC is charged to all classes of property for those specific jobs requiring more than 30 days to complete except those for purchases of equipment which are available for service upon request.
- (B) AFUDC is compounded monthly.
- (C) AFUDC is computed during the period of physical construction and terminates at inservice.
- (D) Allowance for Funds Rate is calculated in accordance with Order No. 561.

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**GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE (continued)**

COMPUTATION OF ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION RATES

1. For line (5), column (d) below, enter the rate granted in the last rate proceeding. If not available, use the average rate earned during the preceding 3 years.
2. Identify, in a footnote, the specific entity used as the source for the capital structure figures.
3. Indicate, in a footnote, if the reported rate of return is one that has been approved in a rate case, black-box settlement rate, or an actual three-year average rate.

1. Components of Formula (Derived from actual book balances and actual cost rates):

Title (a)	Amount (b)	Capitalization Ratio (Percent) (c)	Cost Rate Percentage (d)
(1) Average Short-Term Debt	S		
(2) Short-Term Interest			s
(3) Long-Term Debt	D		d
(4) Preferred Stock	P		p
(5) Common Equity	C		c
(6) Total Capitalization		100%	
(7) Average Construction Work in Progress Balance	W See Note:		

2. Gross Rate for Borrowed Funds  $s(S/W) + d[(D/(D + P + C))(1-(S/W))]$

3. Rate for Other Funds  $[1-(S/W)][p(P/(D + P + C)) + c(C/D + P + C)]$

4. Weighted Average Rate Actually Used for the Year:

- a. Rate for Borrowed Funds -
- b. Rate for Other Funds -

Note: The average AFUDC rate for Missouri Gas Energy:

	Annual Rate
Jan 2011 - Jul 2011	2.8240 %
Aug 2011 -Dec 2011	2.6707 %

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**ACCUMULATED PROVISION FOR DEPRECIATION OF GAS UTILITY PLANT (Account 108)**

1. Explain in a footnote any important adjustments during year.
2. Explain in a footnote any difference between the amount for book cost of plant retired, line 10, column (c), and that reported for gas plant in service, pages 204-209, column (d), excluding retirements of non-depreciable property.
3. The provisions of Account 108 in the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a

- significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.
  5. At lines 7 and 14, add rows as necessary to report all data. Additional rows should be numbered in sequence, e.g. 7.01, 7.02, etc.

Line No.	Item (a)	Total (c+d+e) (b)	Gas Plant in Service (c)	Gas Plant Held for Future Use (d)	Gas Plant Leased to Others (e)
<b>Section A. BALANCE AND CHANGES DURING YEAR</b>					
1	Balance Beginning of Year	365,852,050	365,852,050	-	-
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	27,578,257	27,578,257	-	-
4	(413) Expense of Gas Plant Leased to Others	-	-		-
5	Transportation Expenses - Clearing	1,254,181	1,254,181		
6	Other Clearing Accounts	(447,935)	(447,935)	-	-
7	Other (Specify): <i>New England Division beg.bal.</i>	-	-	-	-
7.01	Reclass of conversion balances	-	-	-	-
8	TOTAL Deprec. Prov. for Year	28,384,503	28,384,503	-	-
9	Net Charges for Plant Retired:				
10	Book Cost of Plant Retired 1080.002	(8,666,355)	(8,666,355)	-	-
11	Cost of Removal 1080.003 & 1087.003	(1,082,901)	(1,082,901)	-	-
12	Salvage (Credit) 1080.004	315,026	315,026	-	-
13	TOTAL Net Chrgs for Plant Ret. (Total of lines 10 thru 12)	(9,434,230)	(9,434,230)	-	-
14	Other Debit or Credit Items (Describe): Sale of assets to FPUC	-	-	-	-
14.01a	Contributions	3,173,414	3,173,414	-	-
14.01b	Cost of Removal	1,255,806	1,255,806	-	-
14.02	Transfers from 1110	-	-	-	-
14.03	Transfer of accumulated Reserve	-	-	-	-
14.04	Prior period adjustments	-	-	-	-
14.05	Out of period adjustment	-	-	-	-
15	Balance End of Year	389,231,543	389,231,543	-	-
<b>Section B. BALANCES AT END OF YEAR ACCORDING TO FUNCTIONAL CLASSIFICATIONS</b>					
16	Production-Manufactured Gas	-	-	-	-
17	Production and Gathering- Natural Gas	-	-	-	-
18	Products Extraction- Natural Gas	-	-	-	-
19	Underground Gas Storage	-	-	-	-
20	Other Storage Plant	-	-	-	-
21	Base Load LNG Terminaling and Processing Plant	-	-	-	-
22	Transmission	-	-	-	-
23	Distribution	366,445,721	366,445,721	-	-
24	General	22,785,822	22,785,822	-	-
25	TOTAL (Total of lines 16 thru 24)	389,231,543	389,231,543	-	-

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**GAS STORED (ACCOUNTS 117.1, 117.2, 117.3, 117.4, 164.1, 164.2 AND 164.3)**

1. If during the year adjustments were made to the stored gas inventory reported in columns (d), (f), (g), and (h) (such as to correct cumulative inaccuracies of gas measurements), explain in a footnote the reason for the adjustment, the Dth and dollar amount of adjustment, and account charged or credited.

2. Report in column (e) all encroachments during the year upon the volumes designated as base gas, column (b), and system balancing gas, column (c), and gas property recordable in the plant accounts.

3. State in a footnote the basis of segregation of inventory between current and noncurrent portions. Also, state in a footnote the method used to report storage (i.e. fixed assets method or inventory method).

Line No.	Description (a)	(Account 117.1) (b)	(Account 117.2) (c)	Noncurrent (Account 117.3) (d)	(Account 117.4) (e)	Current (Account 164.1) (f)	LNG (Account 164.2) (g)	LNG (Account 164.3) (h)	Total (i)
1	Balance at Beginning of Year	-	-	-	-	53,454,979			53,454,979
2	Gas Delivered to Storage	-	-	-	-	74,813,320			74,813,320
3	Gas Withdrawn from Storage	-	-	-	-	(68,011,634)		-	(68,011,634)
4	Other Debits or Credits	-	-	-	-		-		-
5	Balance at End of Year	-	-	-	-	60,256,665	-		60,256,665
6	Mcf	-	-	-	-	13,902,880		-	13,902,880
7	Amount Per Mcf	-	-	-	-	\$ 4.33	#DIV/0!	\$ -	\$ 4.33

Mcf reported at 14.73 psi

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**INVESTMENTS (ACCOUNT 123, 124, AND 136)**

1. Report below investments in Accounts 123, *Investments in Associated Companies*, 124, *Other Investments*, and 136, *Temporary Cash Investments*.

2. Provide a subheading for each account and list thereunder the information called for:

(a) Investment in Securities - List and describe each security owned, giving name of issuer, date acquired and date of maturity. For bonds, also give principal amount, date of issue, maturity, and interest rate. For capital stock (including capital stock of respondent reacquired under a definite plan for resale pursuant

to authorization by the Board of Directors, and included in Account 124, *Other Investments*, state number of shares, class, and series of stock. Minor investments may be grouped by classes. Investments included in Account 136, *Temporary Cash Investments*, also may be grouped by classes.

(b) Investment Advances - Report separately for each person or company the amounts of loans or investment advances that are properly includable in Account 123. Include advances subject to current repayment in Accounts 145 and 146. With respect to each advance, show whether the advance is a note or open account.

Line No.	Description of Investment  (a)	*	Book Cost at Beginning of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference.)  (c)	Purchases or Additions During Year  (d)
1				
2	Account 123- NONE			
3				
4				
5				
6	Account 124- NONE			
7				
8				
9				
10	Account 136-NONE			
11				-
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				

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**INVESTMENTS (ACCOUNT 123, 124, AND 136) (Continued)**

List each note, giving date of issuance, maturity date, and specifying whether note is a renewal. Designate any advances due from officers, directors, stockholders, or employees.

3. Designate with an asterisk in column (b) any securities, notes or accounts that were pledged, and in a footnote state the name of pledges and purpose of the pledge.

4. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and cite Commission, date of authorization, and case or docket number.

5. Report in column (h) interest and dividend revenues from investments including such revenues from securities disposed of during the year.

6. In column (i) report for each investment disposed of during the year the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including any dividend or interest adjustment includible in column (h).

Sales or Other Dispositions During Year  (e)	Principal Amount or No. of Shares at End of Year  (f)	Book cost at End of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference.)  (g)	Revenues for Year  (h)	Gain or Loss from Investment Disposed of  (i)	Line No.
					1
					2
					3
					4
					5
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Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**Prepayments (Acct 165), Extraordinary Property Losses (Acct 182.1), Unrecovered Plant and Regulator Study Costs ( Acct 182.2)**

PREPAYMENTS (ACCOUNT 165)

1. Report below the particulars (details) on each prepayment.

Line No.	Nature of Prepayment (a)	
1	Prepaid Insurance	962,277
2	Prepaid Rents	-
3	Prepaid Taxes	
4	Prepaid Interest	-
5	Miscellaneous Prepayments	113,123
6	TOTAL	1,075,400

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**Prepayments (Acct 165), Extraordinary Property Losses (Acct 182.1), Unrecovered Plant and Regulator Study Costs ( Acct 182.2)**

EXTRAORDINARY PROPERTY LOSSES (ACCOUNT 182.1)						
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Line No.	Description of Extraordinary Loss [Include the date of loss, the date of Commission authorization to use Account 182.1 and period of amortization (mo, yr, to mo, yr).] Add rows as necessary to report all data. (a)	Balance at Beginning of Year (b)	Total Amount of Loss (c)	Losses Recognized During Year (d)	WRITTEN OFF DURING YEAR		Balance at End of Year (g)
					Account Charged (e)	Amount (f)	
7	<b>NONE</b>						
8							
9							
10							
11							
12							
13							
14							
15	TOTAL						-

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**Prepayments (Acct 165), Extraordinary Property Losses (Acct 182.1), Unrecovered Plant and Regulator Study Costs ( Acct 182.2)**

**UNRECOVERED PLANT AND REGULATORY STUDY COSTS (ACCOUNT 182.2)**

Line No.	Description of Unrecovered Plant and Regulatory Study Costs [Include in the description of costs, the date of Commission authorization to use Account 182.2, and period of amortization (mo, yr, to mo, yr)] Add rows as necessary to report all data. Number rows in sequence beginning with the next row number after the last row number used for extraordinary property losses. (a)	Balance at Beginning of Year (b)	Total Amount of Charges (c)	Costs Recognized During Year (d)	WRITTEN OFF DURING YEAR		Balance at End of Year (g)
					Account Charged (e)	Amount (f)	
16	<b>NONE</b>						
17							
18							
19							
20							
21							
22							
23							
24							
25							
26	TOTAL						-

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**OTHER REGULATORY ASSETS (ACCOUNT 182.3)**

- Report below the details called for concerning other regulatory assets which are created through the ratemaking actions of regulatory agencies (and not includable in other accounts).
- For regulatory assets being amortized, show period of amortization in column (a).
- Minor items (5% of the Balance at End of Year for Account 182.3 or amounts less than \$250,000, whichever is less) may be grouped by classes.
- Report separately any "Deferred Regulatory Commission Expenses" that are also reported on pages 350-351, Regulatory Commission Expenses.
- Provide in a footnote, for each line item, the regulatory citation where authorization for the regulatory asset has been granted (e.g. Commission Order, state commission order, court decision).

Line No.	Description and Purpose of Other Regulatory Assets	Balance at Beginning of Year	Debits	WRITTEN OFF DURING YEAR	WRITTEN OFF DURING YEAR	WRITTEN OFF DURING YEAR	Balance at End of Year
	(a)	(b)	(c)	Account Charged (d)	Amount Recovered (e)	Amount Deemed Unrecoverable (f)	(g)
1	Missouri Safety Program Gas						
2	Service Line Replacement Costs:						
3							
4	SLRP Order #5						
5	Approved by MPSC for plant investments	535,626	-	403	208,349		0
6	effective June 1998. Amortized over 10 years			408	37,150		
7	beginning August 2001.			419	290,127		
8							
9	SLRP Order #6						
10	Approved by MPSC for plant investments	611,115	-	403	69,533		448,151
11	effective July 2001. Amortized over 10 years			408	20,508		
12	beginning October 2004.			419	72,923		
13							
14	FAS 106	5,151,498		926	2,664,792		2,486,706
15	Amortization of transition obligation						
16	(fully amortized December 2012)						
17							
18	Property Tax Deferral	3,518,654	1,515,216	408			5,033,870
19							
20							
21	Cost of Removal	212,561		403	170,052		42,509
22							
23	Gr 2004 - 0209 Pension Deferral	2,977,889	-	926	2,977,889		0
24							
25	Rate Case Expense	635,596	0	928	293,352		342,244
26							
27	Infinium Software	249,985		425	199,992		49,993
28							
29	Cold Weather Rule	-		904	-		0
30							
31	Energy Efficiency	1,524,155	2,445,878	232, 431	0		3,970,033
32							
33	Union Negotiations	445,746	0	425	133,728		312,018
34							
35	Prepaid Pension	10,010,698	2,167,229	926, 182	4,183,796		7,994,131
36							
37	FAS 106 Deferral	-	0	926	0		0
38							
39							
40							
41							
42							
43							
44							
45							
46	<b>TOTAL</b>	<b>25,873,523</b>	<b>6,128,323</b>		<b>11,322,191</b>		<b>20,679,655</b>

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**MISCELLANEOUS DEFERRED DEBITS (ACCOUNT 186)**

1. Report below the details called for concerning miscellaneous deferred debits.      2. For any deferred debit being amortized, show period of amortization in column (a).  
3. Minor items (less than \$250,000) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debits  (a)	Balance at Beginning of Year  (b)	Debits  (c)	CREDITS		Balance at End of Year  (f)
				Account Charged (d)	Amount (e)	
1						
2	MPSC Assessment - 12 mos	812,400	1,764,794	928	1,820,853	756,341
3		-				-
4	Broadway Lease - Leasehold	63,590		131	16,958	46,632
5	amortized through 09-2014					
6						
7	Broadway Lease	702,184	-	242	142,817	559,367
8	amortized through 11-2015					
9						
10	Post Retirements Benefits	3,164,876	198,131		2,914,314	448,693
11						
12	Other	43,162	470,505	182, 234	483,977	29,690
13				425, 923		
14						
15						
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40						
41	Miscellaneous Work in Progress					
42	<b>TOTAL</b>	<b>4,786,212</b>	<b>2,433,430</b>		<b>5,378,919</b>	<b>1,840,723</b>

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES			
<p>1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal Income Tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.</p> <p>2. If the utility is a member of a group which files consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignments, or sharing of the consolidated tax among the group members.</p>			
Line No.	DETAILS (a)	Amount (b)	
1	Net Income for the Year (Page 116)	29,927,647	
2	Reconciling Items for the Year		
3			
4			
5	Taxable Income Not Reported on Books		
6	See Note Below		
7			
8			
9	Deduction Recorded on Books Not Deducted for Return		
10	See Note Below		
11			
12			
13			
14	Income Recorded on Books Not Included in Return		
15	See Note Below		
16			
17			
18			
19	Deductions on Return Not Charged Against Book Income		
20	See Note Below See page 261-1	2,493,682	
21			
22	Note:		
23	The company now utilizes Schedule M-3 rather than Schedule M-1 in its Federal Income Tax Return. Therefore, the classification		
24	among the four captions above is no longer applicable. All permanent & temporary book/tax differences in the tax accruals		
25	are included on Line 20 above and the details are shown on the attached page 261-1.		
26			
27	Federal Tax Net Income	32,421,329	
28	Show Computation of Tax:		
29			
30	See page 261-2		
31			

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
<b>RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES</b>			
<p>1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal Income Tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.</p>		<p>2. If the utility is a member of a group which files consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignments, or sharing of the consolidated tax among the group members.</p>	
Line No.	DETAILS (a)	Amount (4) (b)	
1			
2	<b>Permanent Differences</b>		
3			
4	Non Deductible Penalties	0	
5	Club Dues	0	
6	Lobbying Expense	80,091	
7	Meals & Entertainment	23,366	
8	Medicare Part D	0	
9	Federal Income Tax (current )	13,488,165	
10	Federal Income Tax (deferred)	2,691,407	
11	Federal Income Tax (st & loc def)	456,777	
12			
13	Sub-Total Permanent Differences on this page	<b>16,739,806</b>	
14			
15			
16	<b>Temporary Differences</b>		
17			
18	Bad Debt Reserve	<b>(1,100,000)</b>	
19	Injuries & Damages	<b>1,620,970</b>	
20	Group Medical Reserve	<b>162,000</b>	
21	Book Amortization	<b>1,616,249</b>	
22	Clearing Accounts	<b>39,563</b>	
23	Property Taxes Accrued/Paid	<b>1,491,181</b>	
24	Prepaid Postage	<b>(26,417)</b>	
25	Employee Pension Benefits	<b>1,656,156</b>	
26	Tax Amortization (1994-95 Audit)	0	
27	Tax Amortization (GW & Other)	0	
28	Tax Amortization (GW - Vacation accrual)	0	
29	Tax Amortization (GW - Bad debt Reserve)	0	
30	Amortization - Regulatory Costs	<b>(2,312,150)</b>	
31	Vacation Accrual	<b>44,439</b>	
32	Deferred Pension Liability	<b>360,411</b>	
33	Tax Gain/Loss Sale of Assets	<b>(2,005,010)</b>	
34	Taxable CIAC	<b>1,924,220</b>	
35	Book Depreciation	<b>27,578,258</b>	
36	Tax Deprecation	<b>(75,000,000)</b>	
37	Deferred FAS 106 Costs	<b>87,633</b>	
38	Amortizable Rate Case Cost	<b>293,352</b>	
39	Cold Weather Rule	0	
40	SLRP (2nd Order)	0	
41	SLRP (3rd Order)	0	
42	SLRP (4th Order)	0	
43	SLRP (5th Order)	<b>535,626</b>	
44	SLRP (6th Order)	<b>162,964</b>	
45	Cost of Removal	<b>170,052</b>	
46	Incentive Accrual Compensation	<b>212,941</b>	
47	Rate Case Deferral	0	
48	Deferred Cost of Gas	<b>28,470,547</b>	
49	Deferral of Infinium Software	<b>199,992</b>	
50	Environmental Expense	<b>(429,101)</b>	
51			
52	Sub-total Temporary Differences	<b>(14,246,124)</b>	
53			
54	<b>Summary of Book/Tax Differences</b>		
55	Permanent Differences	<b>16,739,806</b>	
56			
57			
58	Temporary Differences	<b>(14,246,124)</b>	
59			
60			
61			
62			
63			
64			
65			
66			
67	Total Book/Tax Differences	<b>2,493,682</b>	

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES**

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal Income Tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.

2. If the utility is a member of a group which files consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignments, or sharing of the consolidated tax among the group members.

Line No.	DETAILS (a)	Amount (4) (b)
1	<b>Regular Tax Calculation:</b>	
2	Total income	32,421,329
3	Deduction before environmental tax	-
4	Add: Environmental tax	-
5	Total deduction	-
6	Taxable income before NOL	32,421,329
7	NOL carryforward	
8	Taxable income	32,421,329
9		
10	<b>Tax Calculation:</b>	
11	Regular tax @ 35%	11,347,465
12	Less: AMT credit	
13	Add: Alternative minimum tax	-
14	Add: Environmental tax	-
15	Total tax	11,347,465
16		
17	<b>Federal Tax:</b>	
18	Current Year	11,347,465
19	Return to Accrual - 2009	2,140,699
20	Total Federal Tax ( Per Page 262)	13,488,164
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Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR, DISTRIBUTION OF TAXES CHARGES**

1. Give details of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to the portion of prepaid taxes charged to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See Instruction 5) (a)	BALANCE AT BEGINNING OF YEAR	
		Taxes Accrued (b)	Prepaid Taxes (c)
1	Income Taxes		
2	Federal (1)	-	
3	State (1)	-	
4	City (1)	-	
5	Taxes Other than Income		
6	Payroll (7)		
7	Ad Valorem (3)	3,519,073	
8	Gross Receipts Tax	-	
9	Franchise Payment - Local	-	
10	Franchise Tax - State (2)	-	
11		-	
12	City Franchise (5)	10,913,458	
13	Compensating Use (4)	64,342	
14	Excess & Surplus Insurance	-	
15	Annual Reports	-	
16	Other (6)	-	
17			
18			
19			
20			
21			
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39			
	TOTAL	14,496,873	-

**Footnotes:**

Taxes charged to #236 differ from #408.1 & #409.1 as follows:

- (1) Income taxes are charged directly to the intercompany accounts (not the #236 account). Therefore, the charges in account #409.1 will equal the charges run directly through the intercompany accounts.
- (2) State franchise taxes are charged directly to the intercompany accounts (not the #236 account). Therefore, the charges in account #408.1 will equal the charges run directly through the intercompany accounts.
- (3) Ad Valorem Taxes - A portion of the tax accrual charged to #236 in the amount of \$270,060 was charged to #184.1 and was not expensed to account #408.1. The \$270,060 is comprised of Fleet clearing (\$150,000) and 3420 Broadway clearing (\$120,060). Ad Valorem Taxes - SLRP amortization of \$57,658 is expensed to #408.1 from #182.3 and does not run through account #236. Account 236 includes \$5,033,869 not charged to account 408.1, but was offset in account 18230025.
- (4) Use Taxes - Cost/expense of \$4,172 is charged to account #236 and capitalized/expensed to the appropriate asset/expense account and does not run through account #408.1.
- (5) City Franchise - A portion of the accrual in #236 and expense in #408.1 includes net unbilled adjustment of (\$1,176,956)
- (6) Other taxes - Charged directly to #408.1 and not accrued through account #236.
- (7) Payroll taxes - Charges include \$876,853 of payroll loadings charged to CWIP and offset through account #408.1.

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR, DISTRIBUTION OF TAXES CHARGES**

1. Give details of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to the portion of prepaid taxes charged to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

**DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged.)**

Line No.	Electric (Account 408.1, 409.1) (i)	Gas (Account 408.1, 409.1) (j)	Other Utility Department (Account 408.1, 409.1) (k)	Other Income and Deductions (Account 408.2, 409.2) (l)
1	Income Taxes			
2	Federal (1)	13,488,165		
3	State (1)	2,295,443		
4	City (1)	(6,285)		
5	Taxes Other than Income			
6	Payroll (7)	2,481,043		
7	Ad Valorem (3)	7,267,264		
8	Gross Receipts Tax			
9	Franchise Payment - Local			
10	Franchise Tax - State (2)	322,912		
11				
12	City Franchise (5)	35,607,501		
13	Compensating Use			
14	Excess & Surplus Insurance			
15	Annual Reports			
16	Other (6)	50		
17				
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38				
39				
	<b>TOTAL</b>	<b>61,456,093</b>	<b>0</b>	<b>0</b>

Footnotes:

Taxes charged to #236 differ from #408.1 & #409.1 as follows:

- (1) Income taxes are charged directly to the intercompany accounts (not the #236 account). Therefore, the charges in account #409.1 will equal the charges run directly through the intercompany accounts.
- (2) State franchise taxes are charged directly to the intercompany accounts (not the #236 account). Therefore, the charges in account #408.1 will equal the charges run directly through the intercompany accounts.
- (3) Ad Valorem Taxes - A portion of the tax accrual charged to #236 in the amount of \$270,060 was charged to #184.1 and was not expensed to account #408.1. The \$270,060 is comprised of Fleet clearing (\$150,000) and 3420 Broadway clearing (\$120,060). Ad Valorem Taxes - SLRP amortization of \$57,658 is expensed to #408.1 from #182.3 and does not run through account #236 Account 236 includes \$5,033,869 not charged to account 408.1, but was offset in account 18230025.
- (5) City Franchise - A portion of the accrual in #236 and expense in #408.1 includes net unbilled adjustment of (\$1,176,956)
- (6) Other taxes - Charged directly to #408.1 and not accrued through account #236.
- (7) Payroll taxes - Charges include \$876,853 of payroll loadings charged to CWIP and offset through account #408.1.

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)**

5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Show in columns (i) thru (p) how the taxes accounts were distributed. Show both the utility department and number of account charged. For taxes charged to utility plant, show the number of the appropriate balance sheet plant account or subaccount.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.
10. Items under \$250,000 may be grouped.
11. Report in column (q) the applicable effective state income tax rate.

Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)	BALANCE AT END OF YEAR		Line No.
			Taxes Accrued (Account 236) (g)	Prepaid Taxes Included in Acct. 165 (h)	
					1
13,488,165	(13,488,165)				2
2,295,443	(2,295,443)				3
(6,285)	6,285				4
					5
2,481,043	(2,481,043)			-	6
8,994,882	(8,262,016)	781,930	5,033,869		7
			-		8
			-		9
322,912	(322,912)		-		10
			-		11
35,607,501	(38,006,718)		8,514,241		12
146,375	(150,547)		60,170		13
					14
					15
50	(50)		-		16
					17
					18
					19
					20
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63,330,086	(65,000,609)	781,930	13,608,280	-	

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)**

5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Show in columns (i) thru (p) how the taxes accounts were distributed. Show both the utility department and number of account charged. For taxes charged to utility plant, show the number of the appropriate balance sheet plant account or subaccount.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.
10. Items under \$250,000 may be grouped.
11. Report in column (q) the applicable effective state income tax rate.

**DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged.)**

Extraordinary Items (Account 409.3) (m)	Other Utility Opn. Income (Account 408.1, 409.1) (n)	Adjustment to Ret. Earnings (Account 439) (o)	Other (p)	Line
				1
				2
				3
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Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (ACCOUNT 242)**

1. Describe and report the amount of other current and accrued liabilities at the end of year.      2. Minor items (less than \$250,000) may be grouped under appropriate title.

Line No.	Item (a)	Balance at End of Year (b)
1		
2	Accrued Payroll	929,891
3	Accrued Vacation	459,192
4	Medical Reserve - Active	805,000
5	Broadway building lease	559,367
6	Medical and Life Benefits	679,408
7	FAS 133	34,617,340
8	Incentive Accrual	1,584,729
9	Miscellaneous (under \$250,000)	140,108
10		
12		
13		
14		
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44		
45	<b>TOTAL</b>	<b>39,775,035</b>

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**OTHER DEFERRED CREDITS (ACCOUNT 253)**

1. Report below the details called for concerning other deferred credits.  
2. For any deferred credits being amortized, show the period of amortization.  
3. Minor items (less than \$250,000) may be grouped by classes.

Line No.	Description of Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1						
2	Retirement Plan	50,612,641	131	12,469,894	30,077,588	68,220,335
3	FAS 106	-	131, 234	50,976	50,976	-
4	Miscellaneous	-			-	-
5	FAS 133	2,817,320	191	3,241,120	6,229,295	5,805,495
6	Gas Refund Payable	973,429	131, 191, 431	973,429	-	-
7	Third party damages and theft - MGE	1,598,153	143, 191, 887	176,470	437,074	1,858,757
8	Third party damages and theft - CLS	1,100,049	421	170,499	-	929,550
9	Environmental reserve - long term	1,258,083	880	588,220	181,119	850,982
10	Oil	457,013	925	-	-	457,013
11	Relocation	846,490	131, 143, 887	506,984	167,648	507,154
12						-
13						-
14						-
15						-
16						-
17						
18						
19						
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46						
47		59,663,178		18,177,592	37,143,700	78,629,286

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**ACCUMULATED DEFERRED INCOME TAXES-OTHER PROPERTY (ACCOUNT 282)**

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization.  
2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 282			
2	Electric			
3	Gas	13,292,605	(21,889,412)	-
4				
5	Total (Enter Total of lines 2 thru 4)	13,292,605	(21,889,412)	-
6	Other (Specify)			
7	TOTAL Account 282 (Enter Total of lines 5 thru 6.)	13,292,605	(21,889,412)	
8	Classification of TOTAL			
9	Federal Income Tax	11,364,223	(18,713,442)	-
10	State Income Tax	1,928,382	(3,175,970)	-
11	Local Income Tax	-	-	-

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**ACCUMULATED DEFERRED INCOME TAXES-OTHER PROPERTY (ACCOUNT 282) (Continued)**

3. Provide in a footnote a summary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances for deferred income taxes that the respondent estimates could be included in the development of jurisdictional recourse rates.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Acct No. (g)	Amount (h)	Acct No. (i)	Amount (j)		
							1
							2
-	-		-	283	(116,000,514)	(124,597,321)	3
							4
-	-		-		(116,000,514)	(124,597,321)	5
							6
-	-		-		(116,000,514)	(124,597,321)	7
							8
-	-				360,717	(6,988,502)	9
-	-		-		28,418	(1,219,170)	10
-	-		-		-	-	11

Footnote:

Prior to 2011, the deferred taxes in Account #282 were only related to Other Comprehensive Income (OCI). In 2011, the deferred taxes related to property were transferred to Account #282 from Account #283 (included in column J). Also in 2011, the deferred taxes related to OCI were transferred to Account #283 from Account #282 (also included in column J).

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)**

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.  
2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 283			
2	Electric			
3	Gas	(164,933,631)	18,741,228	-
4	Other (Define)			
5	Total (Total of lines 2 thru 4)	(164,933,631)	18,741,228	-
6	Other (Specify)			
7	TOTAL Account 283 (Total of lines 5 thru 6.?)	(164,933,631)	18,741,228	-
8	Classification of TOTAL			
9	Federal Income Tax	(141,003,609)	16,022,037	
10	State Income Tax	(22,158,793)	2,719,191	
11	Local Income Tax	(1,771,229)	-	

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**ACCUMULATED DEFERRED INCOME TAXES-OTHER (ACCOUNT 283) (Continued)**

3. Provide in a footnote a summary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances for deferred income taxes that the respondent estimates could be included in the development of jurisdictional recourse rates.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account No. (g)	Amount (h)	Account No. (i)	Amount (j)		
							1
							2
		219	10,553,533	282	116,000,514	(19,638,356)	3
							4
			10,553,533		116,000,514	(19,638,356)	5
							6
			10,553,533	-	116,000,514	(19,638,356)	7
							8
			9,022,514		99,170,074	(16,788,984)	9
			1,531,019		15,059,211	(2,849,372)	10
				-	1,771,229	-	11

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**OTHER REGULATORY LIABILITIES (ACCOUNT 254)**

1. Report below the details called for concerning other regulatory liabilities which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts).
2. For regulatory liabilities being amortized, show period of amortization in column (a).
3. Minor items (5% of the Balance at End of Year for Account 254 or amounts less than \$250,000, whichever is less) may be grouped by classes.
4. Provide in a footnote, for each line item, the regulatory citation where the respondent was directed to refund the regulatory liability (e.g. Commission Order, state commission order, court decision).

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Year Current Year (b)	Written off during Period Account Credited (c)	Written off During Period Amount Refunded (d)	Written off During Period Amount Deemed Non-Refundable (e)	Credits (f)	Balance at End of Current Year (g)
1							-
1							-
2	FAS 106 - Post Retirement Benefits other than Pension	1,022,881				1,419,377	2,442,258
3							-
4	FAS 87	-				360,411	360,411
5							-
6							-
7							-
8							-
9							-
10							-
11							-
12							-
13							-
14							-
15							-
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31							-
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33							-
34							-
35							-
36							-
37							-
38							-
39							-
40							-
41							-
42							-
43							-
44							-
45	<b>TOTAL</b>	1,022,881		-		1,779,788	2,802,669

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**Monthly Quantity & Revenue Data by Rate Schedule**

1. Reference to account numbers in the USofA is provided in parentheses beside applicable data. Quantities must not be adjusted for discounts.
2. Total Quantities and Revenues in whole numbers
3. Report revenues and quantities of gas by rate schedule. Where transportation services are bundled with storage services, reflect only transportation Dth. When reporting storage, report Dth of gas withdrawn from storage and revenues by rate schedule.
4. Revenues in Column (c) include transition costs from upstream pipelines. Revenue (Other) in Column (e) includes reservation charges received by the pipeline plus usage charges, less revenues reflected in Columns (c) and (d). Include in Column (e), revenue for Accounts 490-495.
5. Enter footnotes as appropriate.

Line No.	Item  (a)	Month 1 Quantity (@ 14.73 psi)  (b)	Month 1 Revenue Costs and Take or Pay  (c)	Month 1 Revenue (GRI & ACA)  (d)	Month 1 Revenue (Other)  (e)	Month 1 Revenue (Total)  (f)
1	Total Sales (480-488)	3,006,315	-	(1,523,402)	34,198,938	32,675,536
2	Transportation of Gas for Others (489.2 and 489.3)					
3	489.3 Transportation of Gas through Transmission				457,929	457,929
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18	Total Transportation (Other than Gathering)				457,929	457,929
19	Storage (489.4)					
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30	Total Storage					
31	Gathering (489.1)					
32	Gathering Firm					
33	Gathering - Interruptible					
34	Total Gathering (489.1)					
35	Additional Revenues					
36	Products Sales and Extraction (490-492)					
37	Rents (493-494)					
38	Other Gas Revenues (495)				570,855	570,855
39	(Less) Provision for Rate Refunds					
40	Total Additional Revenues				570,855	570,855
41	Total Operating Revenues (Total of Lines 1, 18, 30, and 40)	3,006,315	-	(1,523,402)	35,227,722	33,704,320

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**Monthly Quantity & Revenue Data by Rate Schedule**

1. Reference to account numbers in the USofA is provided in parentheses beside applicable data. Quantities must not be adjusted for discounts.
2. Total Quantities and Revenues in whole numbers
3. Report revenues and quantities of gas by rate schedule. Where transportation services are bundled with storage services, reflect only transportation Dth. When reporting storage, report Dth of gas withdrawn from storage and revenues by rate schedule.
4. Revenues in Column (c) include transition costs from upstream pipelines. Revenue (Other) in Column (e) includes reservation charges received by the pipeline plus usage charges, less revenues reflected in Columns (c) and (d). Include in Column (e), revenue for Accounts 490-495.
5. Enter footnotes as appropriate.

Line No.	Month 2 Quantity (g)	Month 2 Revenue Costs and Take or Pay (h)	Month 2 Revenue (GRI & ACA) (i)	Month 2 Revenue (Other) (j)	Month 2 Revenue (Total) (k)	Month 3 Quantity (l)	Month 3 Revenue Costs and Take or Pay (m)	Month 3 Revenue (GRI & ACA) (n)	Month 3 Revenue (Other) (o)	Month 3 Revenue (Total) (g)
1	5,831,230	(28)	(1,438,930)	44,952,254	43,513,296	9,910,004	(97)	(171,466)	65,798,590	65,627,027
2										
3				780,793	780,793				1,417,839	1,417,839
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										
18	-	-	-	780,793	780,793	-	-	-	1,417,839	1,417,839
19										
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26										
27										
28										
29										
30										
31										
32										
33										
34										
35										
36										
37										
38				602,914	602,914				820,707	820,707
39										
40	-	-	-	602,914	602,914	-	-	-	820,707	820,707
41	5,831,230	(28)	(1,438,930)	46,335,961	44,897,003	9,910,004	(97)	(171,466)	68,037,136	67,865,573

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**GAS OPERATING REVENUES**

1. Report below natural gas operating revenues for each prescribed account total. The amounts must be consistent with the detailed data on succeeding pages.
2. Revenues in columns (b) and (c) include transition costs from upstream pipelines.
3. Other Revenues in columns (f) and (g) include reservation charges received by the pipeline plus usage charges, less revenues reflected in columns (b) through (e). Include in columns (f) and (g) revenues for Accounts 480-495.

Line No.	Title of Account  (a)	REVENUES for Transition Costs and Take-or-Pay		REVENUES for GRI and ACA	
		Amount for Current Year (b)	Amount for Previous Year (c)	Amount for Current Year (d)	Amount for Previous Year (e)
1	480 Residential Sales	143	26	31,933,915	9,567,452
2	481 Commercial and Industrial Sales	-	4	13,875,578	3,931,305
3	482 Other Sales to Public Authorities				
4	483 Sales for Resale				
5	484 Interdepartmental Sales				
6	485 Intracompany Transfers	-	-	-	-
7	487 Forfeited Discounts	-	-	-	-
8	488 Miscellaneous Service Revenues	-	-	-	-
9	489.1 Revenues from Transportation of Gas of Others Through Gathering Facilities	-	-	-	-
10	489.2 Revenues from Transportation of Gas of Others Through Transmission Facilities	-	-	-	-
11	489.3 Revenues from Transportation of Gas of Others Through Distribution Facilities	-	-	-	-
12	489.4 Revenues from Storing Gas of Others	-	-		-
13	490 Sales of Prod. Ext. from Natural Gas	-	-	-	-
14	491 Revenues from Natural Gas Proc. By Others				
15	492 Incidental Gasoline and Oil Sales	-	-	-	-
16	493 Rent from Gas Property	-	-	-	-
17	494 Interdepartmental Rents	-	-	-	-
18	495 Other Gas Revenues	-	-	-	-
19	Subtotal:	143	30	45,809,493	13,498,757
20	496 (Less) Provision for Rate Refunds	-	-	-	-
21	TOTAL:	143	30	45,809,493	13,498,757

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**GAS OPERATING REVENUES (Continued)**

4. If increases or decreases from previous year are not derived from previously reported figures, explain any inconsistencies in a footnote.  
5. On Page 108, include information on major changes during the year, new service, and important rate increases or decreases.  
6. Report the revenue from transportation services that are bundled with storage services as transportation service revenue.

Line No.	OTHER REVENUES		TOTAL OPERATING REVENUES		MCF OF NATURAL GAS	
	Amount for Current Year (f)	Amount for Previous Year (g)	Amount for Current Year (h)	Amount for Previous Year (i)	Amounts for Current Year (j)	Amount for Previous Year (k)
1	376,152,793	422,578,521	408,086,851	432,145,999	33,525,104	36,259,307
2	154,484,415	175,128,744	168,359,993	179,060,053	13,852,063	15,204,166
3			-	-		
4			-	-		
5			-	-		
6	-	-	-	-		
7	417,881	222,105	417,881	222,105		
8	6,755,835	6,212,081	6,755,835	6,212,081		
9			-	-		
10			-	-		
11	9,866,070	10,810,845	9,866,070	10,810,845	22,588,308	25,874,972
12	-	-	-	-		
13	-	-	-	-		
14	-	-	-	-		
15	-	-	-	-		
16			-	-		
17	-	-	-	-		
18	4,271,261	1,217,742	4,271,261	1,217,742		
19	551,948,255	616,170,038	597,757,891	629,668,825		
20	-	-	-	-		
21	551,948,255	616,170,038	597,757,891	629,668,825		

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**OTHER GAS REVENUES (ACCOUNT 495)**

Report below transactions of \$250,000 or more included in Account 495, Other Gas Revenues. Group all transactions below \$250,000 in one amount and provide the number of items.

Line No.	Description of Transaction (a)	Revenues (in dollars) (b)
1	Commissions on Sale or Distribution of Gas of Others	
2	Compensation for Minor or Incidental Services Provided for Others	
3	Profit or Loss on Sale of Material and Supplies not Ordinarily Purchased for Resale	
4	Sales of Stream, Water, or Electricity, including Sales or Transfers to Other Departments	
5	Miscellaneous Royalties	
6	Revenues from Dehydration and Other Processing of Gas of Others except as provided for in the Instructions to Account 495	
7	Revenues for Right and/or Benefits Received from Others which are Realized Through Research, Development, and Demonstration Ventures	
8	Gains on Settlements of Imbalance Receivables and Payables	
9	Revenues from Penalties earned Pursuant to Tariff Provisions, including Penalties Associated with Cash-out Settlements	
10	Revenues from Shipper Supplied Gas	
11	Other revenues (Specify):	
12	Missouri Franchise Tax	(65,206)
13	ISRS and other	(4,206,055)
14		
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31		
32	<b>TOTAL</b>	<b>(4,271,261)</b>

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**Discounted Rate Services and Negotiated Rate Services**

1. In column b, report the revenues from discounted rate services.
2. In column c, report the volumes of discounted rate services.
3. In column d, report the revenues from negotiated rate services.
4. In column e, report the volumes of negotiated rate services.

Line No.	Account (a)	Discounted Rate Services	Discounted Rate Services	Negotiated Rate Services	Negotiated Rate Services
		Revenue (b)	Volumes (c)	Revenue (d)	Volumes (e)
1	**.....**			\$ 51,684	646,044
2	**.....**			\$ 53,122	286,530
3	**.....**			\$ 50,261	258,919
4	**.....**			\$ 11,347	133,492
5	**.....**			\$ 12,581	125,808
6	**.....**			\$ 38,839	468,958
7					
8					
9					
10					
11					
12					
13					
14					
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28					
29					
30					
31					
32	TOTAL	-	-	217,834	1,919,751

\*\*.....\*\* denotes highly confidential information

**PUBLIC**

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**GAS OPERATION AND MAINTENANCE EXPENSES**

Line No.	Account (a)	Amount for Current Year (b)		Amount for Previous Year (c)
1	1. PRODUCTION EXPENSES			
2	A. Manufactured Gas Production			
3	Manufactured Gas Production ( <i>Submit Supplemental Statement</i> )		(3)	
4	B. Natural Gas Production			
5	B1. Natural Gas Production and Gathering			
6	Operation			
7	750 Operation Supervision and Engineering			
8	751 Production Maps and Records			
9	752 Gas Well Expenses			
10	753 Field Lines Expenses			
11	754 Field Compressor Station Expenses			
12	755 Field Compressor Station Fuel and Power			
13	756 Field Measuring and Regulating Station Expenses			
14	757 Purification Expenses			
15	758 Gas Well Royalties			
16	759 Other Expenses			
17	760 Rents			
18	TOTAL Operation (Total of lines 7 thru 17)	-		-
19	Maintenance			
20	761 Maintenance Supervision and Engineering			
21	762 Maintenance of Structures and Improvements			
22	763 Maintenance of Producing Gas Wells			
23	764 Maintenance of Field Lines			
24	765 Maintenance of Field Compressor Station Equipment			
25	766 Maintenance of Field Measuring and Regulating Station Equipment			
26	767 Maintenance of Purification Equipment			
27	768 Maintenance of Drilling and Cleaning Equipment			
28	769 Maintenance of Other Equipment			
29	TOTAL Maintenance (Total of lines 20 thru 28)	-		-
30	TOTAL Natural Gas Production and Gathering (Total of lines 18 and 29)	-		-

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**GAS OPERATION AND MAINTENANCE EXPENSES (Continued)**

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
31	B2. Products Extraction		
32	Operation		
33	770 Operation Supervision and Engineering		
34	771 Operation Labor		
35	772 Gas Shrinkage		
36	773 Fuel		
37	774 Power		
38	775 Materials		
39	776 Operation Supplies and Expenses		
40	777 Gas Processed by Others		
41	778 Royalties on Products Extracted		
42	779 Marketing Expenses		
43	780 Products Purchased for Resale		
44	781 Variation in Products Inventory		
45	(Less) 782 Extracted Products Used by the Utility - Credit		
46	783 Rents		
47	TOTAL Operation (Total of lines 33 thru 46)	-	-
48	Maintenance		
49	784 Maintenance Supervision and Engineering		
50	785 Maintenance of Structures and Improvements		
51	786 Maintenance of Extraction and Refining Equipment		
52	787 Maintenance of Pipe Lines		
53	788 Maintenance of Extracted Products Storage Equipment		
54	789 Maintenance of Compressor Equipment		
55	790 Maintenance of Gas Measuring and Regulating Equipment		
56	791 Maintenance of Other Equipment		
57	TOTAL Maintenance (Total of lines 49 thru 56)	-	-
58	TOTAL Products Extraction (Total of lines 47 and 57)	-	-

Name of Respondent <b>Missouri Gas Energy</b>		This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
<b>GAS OPERATION AND MAINTENANCE EXPENSES (Continued)</b>				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
59	C. Exploration and Development			
60	Operation			
61	795 Delay Rentals			
62	796 Nonproductive Well Drilling			
63	797 Abandoned Leases			
64	798 Other Exploration			
65	TOTAL Exploration and Development (Total of lines 61 thru 64)	-	-	
66	D. Other Gas Supply Expenses			
67	Operation			
68	800 Natural Gas Well Head Purchases			
69	800.1 Natural Gas Well Head Purchases, Intracompany Transfers			
70	801 Natural Gas Field Line Purchases			
71	802 Natural Gas Gasoline Plant Outlet Purchases			
72	803 Natural Gas Transmission Line Purchases			
73	804 Natural Gas City Gate Purchases			
74	804.1 Liquefied Natural Gas Purchases			
75	805 Other Gas Purchases	360,484,608	387,716,481	
76	(Less) 805.1 Purchased Gas Cost Adjustments			
77	TOTAL Purchased Gas (Total of lines 68 thru 76)	360,484,608	387,716,481	
78	806 Exchange Gas			
79	Purchased Gas Expenses			
80	807.1 Well Expense - Purchased Gas			
81	807.2 Operation of Purchased Gas Measuring Stations			
82	807.3 Maintenance of Purchased Gas Measuring Stations			
83	807.4 Purchased Gas Calculations Expenses			
84	807.5 Other Purchased Gas Expenses			
85	TOTAL Purchased Gas Expenses (Total of lines 80 thru 84)	-	-	

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**GAS OPERATION AND MAINTENANCE EXPENSES (Continued)**

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
86	808 Gas Withdrawn from Storage - Debit		
87	(Less) 808.2 Gas Delivered to Storage - Credit		
88	809 Withdrawals of Liquefied Natural Gas for Processing - Debit		
89	(Less) 809.2 Deliveries of Natural Gas for Processing - Credit		
90	Gas Used in Utility Operations - Credit		
91	810 Gas Used for Compressor Station Fuel - Credit		
92	811 Gas Used for Products Extraction - Credit		
93	812 Gas Used for Other Utility Operations - Credit		
94	TOTAL Gas Used in Utility Operations - Credit (Total of lines 91 thru 93)	-	-
95	813 Other Gas Supply Expenses		
96	TOTAL Other Gas Supply Exp. (Total of lines 77, 78, 85, 86 thru 89, 94,95)	360,484,608	387,716,481
97	TOTAL Production Expenses (Total of lines 3, 30, 58, 65, and 96)	360,484,608	387,716,481
98	<b>2. NATURAL GAS STORAGE, TERMINALING AND PROCESSING EXPENSES</b>		
99	A. Underground Storage Expense		
100	Operation		
101	814 Operation Supervision and Engineering		
102	815 Maps and Records		
103	816 Wells Expenses		
104	817 Lines Expenses		
105	818 Compressor Station Expenses		
106	819 Compressor Station Fuel and Power		
107	820 Measuring and Regulating Station Expenses		
108	821 Purification Expenses		
109	822 Exploration and Development		
110	823 Gas Losses		
111	824 Other Expenses		
112	825 Storage Well Royalties		
113	826 Rents		
114	TOTAL Operation (Total of lines 101 thru 113)	-	-

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<b>GAS OPERATION AND MAINTENANCE EXPENSES (Continued)</b>				
Line No.	Account (a)		Amount for Current Year (b)	Amount for Previous Year (c)
115	Maintenance			
116	830	Maintenance Supervision and Engineering		
117	831	Maintenance of Structures and Improvements		
118	832	Maintenance of Reservoirs and Wells		
119	833	Maintenance of Lines		
120	834	Maintenance of Compressor Station Equipment		
121	835	Maintenance of Measuring and Regulating Station Equipment		
122	836	Maintenance of Purification Equipment		
123	837	Maintenance of Other Equipment		
124	TOTAL Maintenance (Total of lines 116 thru 123)		-	-
125	TOTAL Underground Storage Expenses (Total of lines 114 and 124)		-	-
126	B. Other Storage Expenses			
127	Operation			
128	840	Operation Supervision and Engineering		
129	841	Operation Labor and Expenses		
130	842	Rents		
131	842.1	Fuel		
132	842.2	Power		
133	842.3	Gas Losses		
134	TOTAL Operation (Total of lines 128 thru 133)		-	-
135	Maintenance			
136	843.1	Maintenance Supervision and Engineering		
137	843.2	Maintenance of Structures and Improvements		
138	843.3	Maintenance of Gas Holders		
139	843.4	Maintenance of Purification Equipment		
140	843.5	Maintenance of Liquefaction Equipment		
141	843.6	Maintenance of Vaporizing Equipment		
142	843.7	Maintenance of Compressor Equipment		
143	843.8	Maintenance of Measuring and Regulating Equipment		
144	843.9	Maintenance of Other Equipment		
145	TOTAL Maintenance (Total of lines 136 thru 144)		-	-
146	TOTAL Other Storage Expenses (Total of lines 134 and 145)		-	-

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**GAS OPERATION AND MAINTENANCE EXPENSES (Continued)**

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
147	C. Liquefied Natural Gas Terminaling and Processing Expenses		
148	Operation		
149	844.1 Operation Supervision and Engineering		
150	844.2 LNG Processing Terminal Labor and Expenses		
151	844.3 Liquefaction Processing Labor and Expenses		
152	844.4 Liquefaction Transportation Labor and Expenses		
153	844.5 Measuring and Regulating Labor and Expenses		
154	844.6 Compressor Station Labor and Expenses		
155	844.7 Communication System Expenses		
156	844.8 System Control and Load Dispatching		
157	845.1 Fuel		
158	845.2 Power		
159	845.3 Rents		
160	845.4 Demurrage Charges		
161	(Less) 845.5 Wharfage Receipts - Credit		
162	845.6 Processing Liquefied or Vaporized Gas by Others		
163	846.1 Gas Losses		
164	846.2 Other Expenses		
165	TOTAL Operation (Total of lines 149 thru 164)	-	-
166	Maintenance		
167	847.1 Maintenance Supervision and Engineering		
168	847.2 Maintenance of Structures and Improvements		
169	847.3 Maintenance of LNG Processing Terminal Equipment		
170	847.4 Maintenance of LNG Transportation Equipment		
171	847.5 Maintenance of Measuring and Regulating Equipment		
172	847.6 Maintenance of Compressor Station Equipment		
173	847.7 Maintenance of Communication Equipment		
174	847.8 Maintenance of Other Equipment		
175	TOTAL Maintenance (Total of lines 167 thru 174)	-	-
176	TOTAL Liquefied Nat Gas Terminaling and Proc Exp (Total of lines 165 and 175)	-	-
177	TOTAL Natural Gas Storage (Total of lines 125, 146, and 176)	-	-

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**GAS OPERATION AND MAINTENANCE EXPENSES (Continued)**

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
178	<b>3. TRANSMISSION EXPENSES</b>		
179	Operation		
180	850 Operation Supervision and Engineering		
181	851 System Control and Load Dispatching		
182	852 Communication System Expenses		
183	853 Compressor Station Labor and Expenses		
184	854 Gas for Compressor Station Fuel		
185	855 Other Fuel and Power for Compressor Stations		
186	856 Mains Expenses		
187	857 Measuring and Regulating Station Expenses		
188	858 Transmission and Compression of Gas by Others		
189	859 Other Expenses		
190	860 Rents		
191	TOTAL Operation (Total of lines 180 thru 190)	-	-
192	Maintenance		
193	861 Maintenance Supervision and Engineering		
194	862 Maintenance of Structures and Improvements		
195	863 Maintenance of Mains		
196	864 Maintenance of Compressor Station Equipment		
197	865 Maintenance of Measuring and Regulating Station Equipment		
198	866 Maintenance of Communication Equipment		
199	867 Maintenance of Other Equipment		
200	TOTAL Maintenance (Total of lines 193 thru 199)	-	
201	TOTAL Transmission Expenses (Total of lines 191 and 200)	-	-
202	<b>4. DISTRIBUTION EXPENSES</b>		
203	Operation		
204	870 Operation Supervision and Engineering	617,763	667,100
205	871 Distribution Load Dispatching	45,038	45,064
206	872 Compressor Station Labor and Expenses		
207	873 Compressor Station Fuel and Power		

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**GAS OPERATION AND MAINTENANCE EXPENSES (Continued)**

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
208	874 Mains and Services Expenses	2,483,200	2,432,543
209	875 Measuring and Regulating Station Expenses - General	823,389	711,453
210	876 Measuring and Regulating Station Expenses - Industrial	-	1,657
211	877 Measuring and Regulating Station Expenses - City Gas Check Station	31,605	24,015
212	878 Meter and House Regulator Expenses	7,822,767	6,875,049
213	879 Customer Installations Expenses	3,289,036	2,981,110
214	880 Other Expenses	4,154,442	3,188,518
215	881 Rents	233,230	203,488
216	TOTAL Operation (Total of lines 204 thru 215)	19,500,470	17,129,997
217	Maintenance		
218	885 Maintenance Supervision and Engineering	1,258,210	1,292,247
219	886 Maintenance of Structures and Improvements	128,289	104,042
220	887 Maintenance of Mains	12,077,779	10,930,321
221	888 Maintenance of Compressor Station Equipment		
222	889 Maintenance of Measuring and Regulating Station Equipment - General	632,843	673,553
223	890 Maintenance of Meas. and Reg. Station Equipment - Industrial	282,852	250,497
224	891 Maintenance of Meas. and Reg. Station Equip. - City Gate Check Station	51,233	56,903
225	892 Maintenance of Services	1,235,053	998,876
226	893 Maintenance of Meters and House Regulators	377,508	371,485
227	894 Maintenance of Other Equipment	159,934	164,198
228	TOTAL Maintenance (Total of lines 218 thru 227)	16,203,701	14,842,122
229	TOTAL Distribution Expenses (Total of lines 216 and 228)	35,704,171	31,972,119
230	5. CUSTOMER ACCOUNTS EXPENSES		
231	Operation		
232	901 Supervision	393,453	375,446
233	902 Meter Reading Expenses	931,079	901,656
234	903 Customer Records and Collection Expenses	12,166,811	11,402,878

Name of Respondent		This Report Is:	Date of Report	Year Ending
<b>Missouri Gas Energy</b>		<input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	<b>December 31,</b>	<b>2011</b>
<b>GAS OPERATION AND MAINTENANCE EXPENSES (Continued)</b>				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
235	904 Uncollectible Accounts	7,454,506	8,504,198	
236	905 Miscellaneous Customer Accounts Expenses	41,812	52,170	
237	TOTAL Customer Accounts Expenses (Total of lines 232 thru 236)	20,987,661	21,236,348	
238	<b>6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES</b>			
239	Operation			
240	907 Supervision			
241	908 Customer Assistance Expenses	1,018,993	1,005,015	
242	909 Information and Instructional Expenses	140,735	81,093	
243	910 Miscellaneous Customer Service and Informational Expenses	534	15	
244	TOTAL Customer Service and Information Expenses (Total of lines 240 thru 243)	1,160,262	1,086,123	
245	<b>7. SALES EXPENSES</b>			
246	Operation			
247	911 Supervision			
248	912 Demonstrating and Selling Expenses	316,775	426,799	
249	913 Advertising Expenses	2,651	2,615	
250	916 Miscellaneous Sales Expenses	2,458	21,478	
251	TOTAL Sales Expenses (Total of lines 247 thru 250)	321,884	450,892	
252	<b>8. ADMINISTRATIVE AND GENERAL EXPENSES</b>			
253	Operation			
254	920 Administrative and General Salaries	7,694,505	7,481,914	
255	921 Office Supplies and Expenses	13,533,359	13,046,824	
256	(Less) 922 Administrative Expenses Transferred - Credit	(441,591)	(466,318)	
257	923 Outside Services Employed	3,852,264	4,180,723	
258	924 Property Insurance	52,314	49,527	
259	925 Injuries and Damages	3,026,345	1,641,888	
260	926 Employee Pensions and Benefits	20,647,809	19,868,720	
261	927 Franchise Requirements			
262	928 Regulatory Commission Expenses	2,397,997	2,280,580	
263	(Less) 929 Duplicate Charges - Credit			
264	930.1 General Advertising Expenses	55,364	40,313	
265	930.2 Miscellaneous General Expenses	2,115,258	2,140,563	
266	931 Rents	1,026,649	1,013,275	
267	932 Maintenance of General Plant			
268	TOTAL Operation (Total of lines 254 thru 267)	53,960,273	51,278,009	
269	Maintenance			
270	935 Maintenance of General Plant	1,817,493	1,743,903	
271	TOTAL Administrative and General Expenses (Total of lines 267 and 269)	55,777,766	53,021,912	
272	TOTAL Gas O&M Expenses (Total of lines 97, 177, 201, 229, 237, 244, 251, and 270)	474,436,352	495,483,875	

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**MISCELLANEOUS GENERAL EXPENSES (ACCOUNT 930.2)**

1. Provide the information requested below on miscellaneous general expenses.

2. For Other Expenses, show the (a) purpose, (b) recipient and (c) amount of such items. List separately amounts of \$250,000 or more however, amounts less than \$250,000 may be grouped if the number of items of so grouped is shown.

Line No.	Description (a)	Amount (in dollars) (b)
1	Industry association dues.	94,067
2	Experimental and general research expenses. a. Gas Research Institute (GRI) b. Other	- -
3	Other expenses	
4	Royalty and Licensing Agreement	2,016,658
5	Other Miscellaneous General Expenses (no items > \$250,000)	4,533
6		
7		
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23		
24	Total	2,115,258

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (ACCOUNTS 403, 404.1, 404.2, 404.3, 405)**  
*(Except Amortization of Acquisition Adjustments)*

1. Report in Section A the amounts of depreciation expense, depletion, and amortization for the accounts indicated and classified according to the plant functional groups shown.

2. Report in Section B, column (b) all depreciable or amortizable plant balances to which rates are applied and show a composite total. (If more desirable, report by plant account, subaccount or functional classifications other than those pre-printed in column (a). Indicate in a footnote the manner in which column (b) balances are

**Section A. Summary of Depreciation, Depletion, and Amortization Charges**

Line No.	Functional Classification  (a)	Depreciation Expense (Account 403)  (b)	Amortization and Depletion of Producing Natural Gas Land and Land Rights (Account 404.1) (c)	Amortization of Underground Storage Land and Land Rights (Account 404.2) (d)
1	Intangible plant	-	-	-
2	Production plant, manufactured gas	-	-	-
3	Production and gathering plant, natural gas	-	-	-
4	Environmental	-	-	-
5	Products extraction plant	-	-	-
6	Underground gas storage plant	-	-	-
7	Other storage plant	-	-	-
8	Base load LNG terminaling and processing plant	-	-	-
9	Transmission plant	-	-	-
10	Distribution plant	24,355,247	-	-
11	General plant	3,223,010	-	-
12	Common plant - gas	-	-	-
13	<b>TOTAL</b>	<b>27,578,257</b>	-	-

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (ACCOUNTS 403, 404.1, 404.2, 404.3, 405)**  
*(Except Amortization of Acquisition Adjustments) (Continued)*

obtained. If average balances are used, state the method of averaging used. For column (c) report available information for each plant functional classification listed in column (a). If composite depreciation accounting is used, report available information called for in columns (b) and (c) on this basis. Where the unit-of-production method is used

to determine depreciation charges, show in a footnote any revisions made to estimated gas reserves.

3. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state in footnote the amounts and nature of the provisions and the plant items to which related.

**Section A. Summary of Depreciation, Depletion, and Amortization Charges**

Amortization of Other Limited-term Gas Plant (Account 404.3) (e)	Amortization of Other Gas Plant (Account 405) (f)	Total (b to f) (g)	Functional Classification (a)	Line No.
	1,437,352	1,437,352	Intangible plant	1
-	-	-	Production plant, manufactured gas	2
-	-	-	Production and gathering plant, natural gas	3
-	-	-	Environmental	4
-	-	-	Products extraction plant	5
-	-	-	Underground gas storage plant	6
-	-	-	Other storage plant	7
-	-	-	Base load LNG terminaling and processing plant	8
-	-	-	Transmission plant	9
-	-	24,355,247	Distribution plant	10
178,897	-	3,401,907	General plant	11
-	-	-	Common plant - gas	12
178,897	1,437,352	29,194,506	<b>TOTAL</b>	13

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (Continued)**

4. Add rows as necessary to completely report all data. Number the additional rows in sequence as 2.01, 2.02, 3.01, 3.02, etc.

**Section B. Factors Used in Estimating Depreciation Charges**

Line No.	Functional Classification  (a)	Plant Base (thousands)  (b)	Applied Depreciation or Amortization Rates (percent) (c)
1	Production and Gathering Plant		
2	Offshore	-	
3	Onshore		
4	Underground Gas Storage Plant	-	
5	Transmission Plant		
6	Offshore	-	
7	Onshore *	-	
8	General Plant *	75,476,456	
9	Distribution Plant *	932,562,707	
10	Intangibles *	32,554,613	
11	Storage & Processing Plant		
12			
13			
14			
15			

\* See attached page 338-1.

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**DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (Continued)**

STATE OF MISSOURI  
DEPRECIATION, DEPLETION AND AMORTIZATION OF GAS PLANT  
December 31, 2011

<u>Account Number</u>	<u>Depreciable Plant Base</u>	<u>Applied Depreciation Rates</u>
Intangible Plant		
301	15,600	N/A
302	13,823	N/A
303	32,525,190	N/A
Total	<u>32,554,613</u>	1
Distribution Plant		
3741	139,604	N/A
3742	2,492,259	2.09
3751	11,448,595	1.49
3760	422,384,557	2.16
3780	12,972,497	2.86
3790	4,768,530	2.13
3800	346,184,597	3.13
3810	34,622,806	2.89
3820	83,002,680	2.86
3830	14,114,177	2.44
3850	432,405	3.33
Total	<u>932,562,707</u>	3
General Plant		
3890	1,058,065	N/A
3901	730,492	2.00
3902	2,107,996	N/A
3910	9,571,334	8.06
3920	613,870	7.83
3921	5,112,926	13.33
3922	6,885,212	7.83
3930	662,364	2.70
3940	6,294,192	5.30
3960	1,459,496	8.33
3970	4,330,301	6.25
3971	35,857,716	5.00
3980	792,492	3.85
Total	<u>75,476,456</u>	4
Grand Total	<u><u>1,040,593,776</u></u>	

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND INTEREST CHARGES ACCOUNTS**

Report the information specified below, in the order given, for the respective income deduction and interest charges accounts.

- (a) Miscellaneous Amortization (Account 425)-Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.
- (b) Miscellaneous Income Deductions-Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic, Political and Related Activities; and 426.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than \$250,000 may be grouped by classes within the above accounts.
- (c) Interest on Debt to Associated Companies (Account 430)-For each associated company that incurred interest on debt during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.
- (d) Other Interest Expense (Account 431) - Report details including the amount and interest rate for other interest charges incurred during the year.

Line No.	Item (a)	Amount (b)
1		
2	425 Miscellaneous Amortization	
3	Infinium Amortization	199,992
4	Union Negotiation Amortization	133,728
5	Total Account 425	333,720
7		
8	426 Miscellaneous Income Deductions	
9	Donations	194,660
10	Civic, Political and Related Activities	75,216
11	Other Deductions	
12	Total Account 426	269,876
13		
14		
15	430 Interest on Debt to Associated Companies	
16		
17	431 Interest on Gas Cost Undercollections	
18	Customer Deposits	258,166
19	ACA Interest	(305,763)
20	Other	(78,710)
21	Total Account 431	(126,307)
22		
23		
24		
25		
26		
27		
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29		
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32		
33		
34		
35		
36		
37		477,289

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**REGULATORY COMMISSION EXPENSES (Account 928)**

1. Report below details of regulatory commission expenses incurred during the current year (or in previous years, if being amortized) relating to formal cases before a regulatory body, or cases in which such a body was a party.

2. In column (b) and (c), indicate whether the expenses were assessed by a regulatory body or were otherwise incurred by the utility.

Line No.	Description <i>(Furnish name of regulatory commission or body, the docket number, and a description of the case.)</i>	Assessed by Regulatory Commission	Expenses of Utility	Total Expenses to Date	Deferred in Account 182.3 at Beginning of Year
	(a)	(b)	(c)	(d)	(e)
1	Missouri Commission Regulatory Assessment	1,573,758	-	1,573,758	-
2	Missouri Rate Case - 1999/2006	-	293,352	293,352	635,596
3	Professional fees - Legal and Consulting		530,887	530,887	
4				-	
5					
6					
7					
8					
9					
10					-
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25	Sub-Total	1,573,758	824,239	2,397,997	635,596

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**REGULATORY COMMISSION EXPENSES (Continued)**

3. Show in column (k) any expenses incurred in prior years that are being amortized. List in column (a) the period of amortization.  
4. identify separately all annual charge adjustments (ACA).

5. List in column (f), (g), and (h) expenses incurred during year which were charges currently to income, plant, or other accounts.  
6. Minor items (less than \$250,000) may be grouped.

EXPENSES INCURRED DURING YEAR			AMORTIZED DURING YEAR			Deferred in Account 182.3 End of Year (l)	Line No.
CHARGED CURRENTLY TO			Deferred to Account 182.3 (i)	Contra Account (j)	Amount (k)		
Department (f)	Account No. (g)	Amount (h)					
-	-	-		186	(1,442,683)		1
-	-	-	-	182	(293,352)	342,244	2
-	-	-	-			-	3
-	-	-	-			-	4
-	-	-	-			-	5
-	-	-	-			-	6
-	-	-	-			-	7
-	-	-	-			-	8
-	-	-	-			-	9
							10
							11
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							24
		-	-		(1,736,035)	342,244	25

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**Employee Pensions and Benefits (Account 926)**

Report below transactions of \$250,000 or more included in Account 495, Other Gas Revenues. Group all transactions below \$250,000 in one amount and provide the number of items.

Line No.	Expense (a)	Amount (b)
1	Pensions - defined benefits plans	14,490,326
2	Pensions - other	528,106
3	Post-retirement benefits other than pensions (PBOP)	-
4	Post-employment benefit plans	
5	Other (Specify)	
6	Medical, Dental & Vision	7,427,907
7	401K Match	1,457,142
8	Amortization of FAS 106 Transition Obligation	2,664,792
9	Life Insurance, AD&D and LTD	283,462
10	FAS 123R Stock Options	851,520
11	Tuition Reimbursement	19,825
12	Pension and Benefits Capitalized	(7,075,271)
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32	TOTAL	20,647,809

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**DISTRIBUTION OF SALARIES AND WAGES**

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals and Other Accounts, and enter such amounts in the appropriate lines and columns provided. Salaries and wages billed to the Respondent by an affiliated company must be assigned to the particular operating function(s) relating to the expenses.

In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used. When reporting detail of other accounts, enter as many rows as necessary numbered sequentially starting with 75.01, 75.02, etc.

Line No.	Classification (a)	Direct Payroll Distribution (b)	Payroll Billed by Affiliated Companies (c)	Allocation of Payroll Charged for Clearing Accounts (d)	Total (e)
1	Electric				
2	Operation				
3	Production		-	-	-
4	Transmission		-	-	-
5	Distribution		-	-	-
6	Customer Accounts		-	-	-
7	Customer Service and Informational		-	-	-
8	Sales		-	-	-
9	Administrative and General		-	-	-
10	TOTAL Operation (Total of lines 3 thru 9)		-	-	-
11	Maintenance				
12	Production		-	-	-
13	Transmission		-	-	-
14	Distribution		-	-	-
15	Administrative and General		-	-	-
16	TOTAL Maintenance (Total of lines 12 thru 15)		-	-	-
17	Total Operation and Maintenance				
18	Production (Total of lines 3 and 12)		-	-	-
19	Transmission (Total of lines 4 and 13)		-	-	-
20	Distribution (Total of lines 5 and 14)		-	-	-
21	Customer Accounts (line 6)		-	-	-
22	Customer Service and Informational (line 7)		-	-	-
23	Sales (line 8)		-	-	-
24	Administrative and General (Total of lines 9 and 15)		-	-	-
25	TOTAL Operation and Maintenance (Total of lines 18 thru 24)		-	-	-
26	Gas				
27	Operation				
28	Production - Manufactured Gas			-	-
29	Production - Natural Gas (Including Exploration and Development)		-	-	-
30	Other Gas Supply		-	-	-
31	Storage, LNG Terminaling and Processing			-	-
32	Transmission		-	-	-
33	Distribution	10,267,818		2,782,851	13,050,669
34	Customer Accounts	6,627,640		955,995	7,583,635
35	Customer Service and Informational	268,993		138,976	407,969
36	Sales	290,483		150,079	440,562
37	Administrative and General	6,451,552		2,550,208	9,001,760
38	TOTAL Operation (Total of lines 28 thru 37)	23,906,486	-	6,578,109	30,484,595
39	Maintenance				
40	Production - Manufactured Gas		-	-	-
41	Production - Natural Gas (Including Exploration and Development)		-	-	-
42	Other Gas Supply		-	-	-
43	Storage, LNG Terminaling and Processing		-	-	-
44	Transmission		-	-	-
45	Distribution	8,726,978		1,887,695	10,614,673

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**DISTRIBUTION OF SALARIES AND WAGES (Continued)**

Line No.	Classification (a)	Direct Payroll Distribution (b)	Payroll Billed by Affiliated Companies (c)	Allocation of Payroll Charged for Clearing Accounts (d)	Total (e)
46	Administrative and General				-
47	TOTAL Maint. (Total of lines 40 thru 46)	-	-	-	-
48	Gas (Continued)				
49	Total Operation and Maintenance				
50	Production - Manufactured Gas (Total of lines 28 and 40)		-	-	-
51	Production - Natural Gas (Including Expl. and Dev.)(lines 29 and 41)		-	-	-
52	Other Gas Supply (Total of lines 30 and 42)		-	-	-
53	Storage, LNG Terminaling and Processing (Total of lines 31 and 43)		-	-	-
54	Transmission (Total of lines 32 and 44)		-	-	-
55	Distribution (Total of lines 33 and 45)	18,994,796	-	4,670,546	23,665,342
56	Customer Accounts (Total of line 34)	6,627,640	-	955,995	7,583,635
57	Customer Service and Informational (Total of line 35)	268,993	-	138,976	407,969
58	Sales (Total of line 36)	290,483	-	150,079	440,562
59	Administrative and General (Total of lines 37 and 46)	6,451,552	-	2,550,208	9,001,760
60	Total Operation and Maintenance (Total of lines 50 thru 59)	32,633,464	-	8,465,804	41,099,268
61	Other Utility Departments				
62	Operation and Maintenance		-	-	-
63	TOTAL ALL Utility Dept. (Total of lines 25, 60, and 62)	32,633,464	-	8,465,804	41,099,268
64	Utility Plant				
65	Construction (By Utility Departments)				
66	Electric Plant		-	-	-
67	Gas Plant	2,150,851	-	603,715	2,754,566
68	Other	-	-	-	-
69	TOTAL Construction (Total of lines 66 thru 68)	2,150,851	-	603,715	2,754,566
70	Plant Removal (By Utility Department)				
71	Electric Plant		-	-	-
72	Gas Plant	267,056	-	64,094	331,150
73	Other	-	-	-	-
74	TOTAL Plant Removal (Total of lines 71 thru 73)	267,056	-	64,094	331,150
75					-
76	TOTAL Other Accounts	-	-	-	-
77	TOTAL SALARIES AND WAGES	35,051,371	-	9,133,613	44,184,984

Name of Respondent <b>Missouri Gas Energy</b>		This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES				
<p>1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. These services include rate, management, construction, engineering, research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered for the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation partnership, organization of any kind, or individual (other than for services as an employee or for payments made for medical and related services) amounting to more than \$250,000, including payments for legislative services, except those which should be reported in Account 426.4 Expenditures for Certain Civic, Political and Related Activities.</p> <p>(a) Name of person or organization rendering services. (b) Total charges for the year.</p> <p>2. Sum under a description "Other", all of the aforementioned services amounting to \$250,000 or less.</p> <p>3. Total under a description "Total", the total of all of the aforementioned services.</p> <p>4. Charges for outside professional and other consultative services provided by associated (affiliated) companies should be excluded from this schedule and be reported on Page 358, according to the instructions for that schedule.</p>				
Line No.	Description (a)	Amount (in dollars) (b)		
1	Armstrong Teasdale	242,709		
2	Brydon, Swearingen & England	354,909		
3	Burns & McDonnell	118,934		
4	Concentric Energy Advisors	108,265		
5	Dysart Tarlor Lay	110,316		
6	Environmental Operations	165,883		
7	Henson Hutton Mudrick	126,452		
8	Kasowitz, Benson, Torres & Friedman	960,018		
9	Ogletree Deakins Nash Smoak	142,912		
10	Premier Tech	247,731		
11	Schiff Hardin	175,978		
12	Schlee Huber McMullen & Krause	169,454		
13	Shafer Kline & Warren	298,111		
14	Sonnenschein Nath & Rosenthal	652,437		
15				
16				
17				
18				
19				
20				
21	Other: (Services under \$100,000)	1,057,625		
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39	Total	4,931,734		

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**Transactions with Associated (Affiliated) Companies**

1. Report below the information called for concerning all goods or services received from or provided to associated (affiliated) companies amounting to more than \$250,000.
2. Sum under a description "Other", all of the aforementioned goods and services amounting to \$250,000 or less.
3. Total under a description "Total", the total of all of the aforementioned goods and services.
4. Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote the basis of the allocation.

Line No.	Description of the Good or Service (a)	Name of Associated/Affiliated Company (b)	Account(s) Charged or Credited (c)	Amount Charged or Credited (d)
1	Goods or Services Provided by Affiliated Company			
2				
3	Joint and Common Costs - Capitalized	Southern Union Company	184	2,837,302
4	Joint and Common Costs - Expensed	Southern Union Company	921	7,500,573
5	Service Management Fee	Southern Union Company	921	3,024,987
6	Royalty Fee	Southern Union Company	930.2	2,016,658
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19	Total			15,379,520
20	Goods or Services Provided for Affiliated Company			
21				
22				
23				
24				
25				
26				
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28				
29				
30				
31				
32				
33				
34				
35				
36				
37				

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**GAS ACCOUNT - NATURAL GAS**

1. The purpose of this schedule is to account for the quantity of natural gas received and delivered by the respondent.
2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas.
3. Enter in column (c) the year to date Dth as reported in the schedules indicated for the items of receipts and deliveries.
4. Enter in column (d) the respective quarter's Dth as reported in the schedules indicated for the items of receipts and deliveries.
5. Indicate in a footnote the quantities of bundled sales and transportation gas and specify the line on which such quantities are listed.
6. If the respondent operates two or more systems which are not interconnected, submit separate pages for this purpose.
7. Indicate by footnote the quantities of gas not subject to Commission regulation which did not incur FERC regulatory costs by showing (1) the local distribution volumes another jurisdictional pipeline delivered to the local distribution company portion of the reporting pipeline (2) the quantities that the reporting pipeline transported or sold through its local distribution facilities or intrastate facilities and which the reporting pipeline received through gathering facilities or intrastate facilities, but not through any of the interstate portion of the reporting pipeline, and (3) the gathering line quantities that were not destined for interstate market or that were not transported through any interstate portion of the reporting pipeline.
8. Indicate in a footnote the specific gas purchase expense account(s) and related to which the aggregate volumes reported on line No. 3 relate.
9. Indicate in a footnote (1) the system supply quantities of gas that are stored by the reporting pipeline, during the reporting year and also reported as sales, transportation and compression volumes by the reporting pipeline during the same reporting year, (2) the system supply quantities of gas that are stored by the reporting pipeline during the reporting year which the reporting pipeline intends to sell or transport in a future reporting year, and (3) contract storage quantities.
10. Also indicate the volumes of pipeline production field sales that are included in both the company's total sales figure and the company's total transportation figure. Add additional information as necessary to the footnotes.

Line No.	Item  (a)	Ref. Page No. of FERC Form Nos. 2/2-a (b)	Total Amount of Mcf Year to Date (c)	Current 3 month Ended Amount of Dth Quarterly Only (d)
01	NAME OF SYSTEM			
2	<b>GAS RECEIVED</b>			
3	Gas Purchases (Accounts 800-805)		51,643,086	
4	Gas of Others Received for Gathering (Account 489.1)	303	-	
5	Gas of Others Received for Transmission (Account 489.2)	305	-	
6	Gas of Others Received for Distribution (Account 489.3)	301	22,588,308	
7	Gas of Others Received for Contract Storage (Account 489.4)		-	
8	Exchanged Gas Received from Others (Account 806)		-	
9	Gas Received as Imbalances (Account 806)		-	
10	Receipts of Respondent's Gas Transported by Others (Account 858)		-	
11	Other Gas Withdrawn from Storage (Explain)			
12	Gas Received from Shippers as Compressor Station Fuel		-	
13	Gas Received from Shippers as Lost and Unaccounted for		-	
14				
15	Total Receipts (Total of lines 3 thru 14)		74,231,394	
16	<b>GAS DELIVERED</b>			
17	Gas Sales (Account 480-484)	301	47,377,167	
18	Deliveries of Gas Gathered for Others (Account 489.1)	303	-	
19	Deliveries of Gas Transported for Others (Account 489.2)	305	-	
20	Deliveries of Gas Distributed for Others (Account 489.3)	301	22,588,308	
21	Deliveries of Contract Storage Gas (Account 489.4)	307	-	
22	Exchanged Gas Delivered to Others (Account 806)	328	-	
23	Gas Delivered as Imbalances (Account 806)	328	-	
24	Deliveries of Gas to Others for Transportation (Account 858)	332	-	
25	Other Gas Delivered to Storage (Explain)		-	
26	Gas Used for Compressor Station Fuel	509	-	
27				
28	Total Deliveries (Total of lines 17 thru 27.?)		69,965,475	
29	<b>GAS UNACCOUNTED FOR</b>			
30	Production System Losses		4,265,919	
31	Gathering System Losses		-	
32	Transmission System Losses		-	
33	Distribution System Losses		-	
34	Storage System Losses		-	
35			-	
36	Total Unaccounted For (Total of lines 30 thru 35)		4,265,919	
37	Total Deliveries & Unaccounted For (Total of lines 28 and 36)		74,231,394	

Name of Respondent <b>Missouri Gas Energy</b>	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <b>December 31,</b>	Year Ending <b>2011</b>
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**SYSTEM MAPS**

1. Furnish five copies of a system map (one with each filed copy of this report) of the facilities operated by the respondent for the production, gathering, transportation, and sale of natural gas. New maps need not be furnished if no important change has occurred in the facilities operated by the respondent since the date of the maps furnished with a previous year's annual report. If, however, maps are not furnished for this reason, reference should be made in the space below to the year's annual report with which the maps were furnished.

2. Indicate the following information on the maps:

- (a) Transmission lines.
- (b) Incremental facilities.
- (c) Location of gathering areas.
- (d) Location of zones and rate areas.
- (e) Location of storage fields.
- (f) Location of natural gas fields.

- (g) Location of compressor stations.
- (h) Normal direction of gas flow (indicated by arrows).
- (i) Size of pipe.
- (j) Location of products extraction plants, stabilization plants, purification plants, recycling areas, etc.
- (k) Principal communities receiving service through the respondents pipeline.

3. In addition, show on each map: graphic scale of the map; date of the facts the map purports to show; a legend giving all symbols and abbreviations used; designations of facilities leased to or from another company, giving name of such other company.

4. Maps not larger than 24 inches square are desired. If necessary, however, submit larger maps to show essential information. Fold the maps to a size not larger than this report. Bind the maps to the report.

System maps for the Missouri service territories were submitted with the December 31, 1996 FERC Form No. 2.

As no material changes have occurred for this service territory, system maps for the Missouri service territory is not attached.

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storage of natural gas, expenses, operating data, plant.....	512-513
Unrecovered plant and regulatory study costs.....	230

**VERIFICATION**

The foregoing report must be verified by the oath of the President, Treasurer, General Manager or Receiver of the company. The oath required may be taken before any person authorized to administer an oath (Notary Public) by the laws of the State in which the same is taken.

**OATH**

State Of Missouri }

} ss:

County Of Jackson }

John Davis  
Name of Affiant (Company Official/Representative)

makes oath and says tha

s/he is Vice President - Controller and Information Technology  
Official Title of the Affiant (Company Official/Representative)

of Missouri Gas Energy  
Exact Legal Title or Name of the Respondent (Certificated Company Name)

and is located at 3420 Broadway, Kansas City, Missouri 64111 816-360-5901  
Address and Telephone Number of the Affiant (Company Official/Representative)

that s/he has examined the foregoing report; that to the best of his or her knowledge, information, and belief, all statements of fact contained in the said report are true and the said report is a correct statement of the business and affairs of the above-named respondent.

from January 1, 2011 and including December 31, 2011  
Month/Day Year Month/Day Year

\_\_\_\_\_  
Signature of Affiant (Company Official/Representative)

Subscribed and sworn to before me, a Notary Public, in and for the State and County above named,  
this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

My Commission expires \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_  
Signature of Notary Public

**VERIFICATION**

The foregoing report must be verified by the oath of the President, Treasurer, General Manager or Receiver of the company. The oath required may be taken before any person authorized to administer an oath (Notary Public) by the laws of the State in which the same is taken.

**OATH**

State Of Missouri }

ss:

County Of Jackson }

John Davis  
Name of Affiant (Company Official/Representative)

makes oath and says tha

s/he is Vice President - Controller and Information Technology  
Official Title of the Affiant (Company Official/Representative)

of Missouri Gas Energy  
Exact Legal Title or Name of the Respondent (Certificated Company Name)

and is located at 3420 Broadway, Kansas City, Missouri 64111 816-360-5901  
Address and Telephone Number of the Affiant (Company Official/Representative)

that s/he has examined the foregoing report; that to the best of his or her knowledge, information, and belief, all statements of fact contained in the said report are true and the said report is a correct statement of the business and affairs of the above-named respondent.

from January 1, 2011 and including December 31, 2011  
Month/Day Year Month/Day Year

[Signature]  
Signature of Affiant (Company Official/Representative)

Subscribed and sworn to before me, a Notary Public, in and for the State and County above named,  
this 12<sup>th</sup> day of APRIL, 2012.

My Commission expires Feb. 22, 2015.

[Signature]  
Signature of Notary Public

Missouri Revised Statutes § 392.210 or §393.140

**KIM W. HENZI**  
Notary Public - Notary Seal  
State of Missouri  
Commissioned for Jackson County  
My Commission Expires: February 22, 2015  
Commission Number: 11424654