

**BEFORE THE PUBLIC SERVICE COMMISSION
STATE OF MISSOURI**

In the Matter of Missouri Gas Energy's)
Purchased Gas Adjustment Filing for the)
2009-2010 Actual Cost Adjustment Period.)

Case No. GR-2010-0372
Tariff File YG-2010-0742

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission, by and through the Chief Staff Counsel, and hereby advises the Commission to approve the Purchased Gas Adjustment (PGA) tariff filed herein by Missouri Gas Energy (MGE), a division of Southern Union Company, on June 23, 2010, effective July 8, 2010, in that the same is correctly calculated pursuant to MGE's Commission-approved tariff.

Staff further notes that, because MGE's PGA clause allows for PGA change filings to take effect on ten days' notice, good cause has been shown pursuant to Section 393.140(11), RSMo, to permit the tariff to become effective on less than 30 days' notice. Staff recommends that the rates be approved on an interim basis, subject to refund.

MGE is not delinquent with respect to its annual report or any PSC assessments; neither does Staff know of any other pending matter that affects, or is affected by, this filing.

WHEREFORE, Staff prays that the Commission will approve MGE's PGA tariff, effective July 8, 2010.

Respectfully submitted,

s/ Kevin A. Thompson

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Certificate of Service

I hereby certify that a true and correct copy of the foregoing was served, either electronically or by hand delivery or by First Class United States Mail, postage prepaid, on this **28th day of June, 2010**, on the parties of record as set out on the official Service List maintained by the Data Center of the Missouri Public Service Commission for this case.

s/ Kevin A. Thompson