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August 2, 2001

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Secretary/Chief Regulatory Law Judge
DANA K. JOYCE
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FILED³

AUG 02 2001

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

Missouri Public
Service Commission

RE: Case No. GR-2001-292

Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and eight (8) conformed copies of a **STAFF RECOMMENDATION**.

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,

Thomas R. Schwarz, Jr.

Thomas R. Schwarz, Jr.
Deputy General Counsel
(573) 751-5239
(573) 751-9285 (Fax)

TRS/lb
Enclosure
cc: Counsel of Record

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED³

AUG 02 2001

Missouri Public
Service Commission

In the matter of Tariff Revisions of)
Missouri Gas Energy, a Division of)
Southern Union Company, Designed to)
Increase Rates for Natural Gas Service to)
Customers in the Missouri Service Area of)
the Company.

Case No. GR-2001-292

STAFF RECOMMENDATION

COMES NOW the Staff of the Public Service Commission of Missouri and recommends:

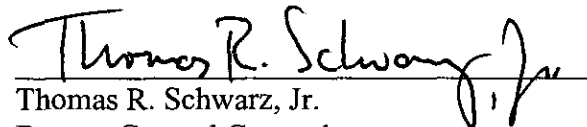
1. On June 26, 2001, Missouri Gas Energy, the Office of the Public Counsel, the Staff, Midwest Gas Users' Association, Jackson County, and the City of Riverside filed a Second Revised Stipulation and Agreement in this case. The Stipulation resolved all issues raised in the case, and the parties asked the Commission to put the stipulated rates into effect for service rendered on and after August 6, 2001.
2. On July 5, 2001, the Commission entered its order approving the Second Revised Stipulation and Agreement.
3. On July 16, 2001, MGE filed tariff sheets in compliance with the Commission's order approving the Stipulation. MGE filed substitute tariff sheets on July 31, 2001, to correct typographical errors.
4. The Commission's Energy Department Staff has reviewed the tariffs, and finds that they are in compliance with the Commission's order approving the Stipulation. The Staff's review, including a listing of the tariff sheets at issue, is attached as Attachment 1 hereto.

The Staff further finds that good cause has been shown under section 393.140(11) RSMo 2000, to approve these tariff sheets on less than 30 days notice. The Staff recommends that the Commission approve the tariff sheets, effective for service on and after August 6, 2001.

5. WHEREFORE, the Staff recommends that the Commission approve MGE's compliance tariff sheets, effective for service on and after August 6, 2001.

Respectfully submitted,

DANA K. JOYCE
General Counsel


Thomas R. Schwarz, Jr.
Deputy General Counsel
Missouri Bar No. 29645

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 2nd day of August, 2001.

Thomas R. Schwanz Jr.

**UTILITY OPERATIONS DIVISION ROUTING SLIP
BY DELEGATION**

Case No. GR-2001-292
File No. 200200040

To: Initial Chair Simmons <u>KS</u> Commissioner Murray <u>CM</u> Commissioner Lumpe <u>LL</u> Commissioner Gaw <u>AG</u> Agenda Date: <u>BY DELEGATION</u> Final Agenda: <u>August 2, 2001</u>	Assigned: July 16, 2001 From: Initial Date Revised Mr. Beck <u>DB</u> <u>7/31</u> _____ Mr. Wood <u>WW</u> <u>7/31</u> _____ Mr. Schwarz <u>TKS</u> <u>7/31</u> _____ Staff Deadline: <u>July 26, 2001</u>
Commission Action: Approve _____ Suspend _____	Staff Recommends: Approval <u>X</u> Suspension _____

Company: Missouri Gas Energy
 Received Date: July 16, 2001
 Effective Date: August 15, 2001 (Requested August 6, 2001)
 Purpose: Compliance Filing in Case No. GR-2001-292

On July 16, 2001, Missouri Gas Energy, A division of Southern Union Company (MGE or Company) filed tariff sheets bearing a proposed effective date of August 15, 2001. However, MGE requested an effective date of August 6, 2001 to comply with the Commission's Order Approving Second Revised Stipulation and Agreement. On July 31, 2001 MGE filed substitute tariff sheets to correct typographical errors.

These tariffs were filed to comply with the Commission's Order Approving Second Revised Stipulation and Agreement (Order). This Order provides that MGE should be authorized to receive a revenue increase in the amount of \$9,892,228 exclusive of funding for the experimental low-income rate proposed in the stipulation and agreement, and exclusive of gross receipts taxes or taxes or fees of a similar nature. The stipulation and agreement contains numerous other provisions to resolve disputed issues between the parties, including a provision requiring that MGE's rate increase should go into effect no later than August 6, 2001.

The Commission's Energy Department Staff has reviewed this filing and is unaware of any issue currently pending before the Commission that affects or is affected by this filing. Staff is of the opinion that good cause for approval of these tariff sheets on less than thirty (30) days notice is demonstrated by the Commission's Order which states the MGE is authorized to file tariffs "effective for services rendered on and after August 6, 2001." Staff therefore recommends approval of the following tariff sheets, as filed on July 16, 2001 and substituted on July 31, 2001 with an effective date of August 6, 2001:

P.S.C. MO. No. 1

Seventeenth Revised Sheet No. 24.7, Cancelling Sixteenth Revised Sheet No. 24.7
 Third Revised Sheet No. 24.9, Cancelling Second Revised Sheet No. 24.9
 Fourth Revised Sheet No. 24.12, Cancelling Third Revised Sheet No. 24.12

First Revised Sheet No. 24.27, Cancelling Original Revised Sheet No. 24.27
First Revised Sheet No. 24.28, Cancelling Original Revised Sheet No. 24.28
First Revised Sheet No. 24.29, Cancelling Original Revised Sheet No. 24.29
Fifth Revised Sheet No. 25, Cancelling Fourth Revised Sheet No. 25
Second Revised Sheet No. 26, Cancelling First Revised Sheet No. 26
Fifth Revised Sheet No. 28, Cancelling Fourth Revised Sheet No. 28
Fifth Revised Sheet No. 31, Cancelling Fourth Revised Sheet No. 31
Second Revised Sheet No. 40, Cancelling First Revised Sheet No. 40
Fifth Revised Sheet No. 42, Cancelling Fourth Revised Sheet No. 42
Fifth Revised Sheet No. 76, Cancelling Fourth Revised Sheet No. 76
Fourth Revised Sheet No. 77, Cancelling Third Revised Sheet No. 77
Fifth Revised Sheet No. 94, Cancelling Fourth Revised Sheet No. 94
Third Revised Sheet No. 96, Cancelling Second Revised Sheet No. 96
Second Revised Sheet No. 97, Cancelling First Revised Sheet No. 97
Second Revised Sheet No. 98, Cancelling First Revised Sheet No. 98
Second Revised Sheet No. 99, Cancelling First Revised Sheet No. 99
Third Revised Sheet No. 100, Cancelling Second Revised Sheet No. 100
Second Revised Sheet No. 101, Cancelling First Revised Sheet No. 101
First Revised Sheet No. 102, Cancelling Original Revised Sheet No. 102
Third Revised Sheet No. R-2, Cancelling Second Revised Sheet No. R-2
Third Revised Sheet No. R-4, Cancelling Second Revised Sheet No. R-4
Third Revised Sheet No. R-14, Cancelling Second Revised Sheet No. R-14
First Revised Sheet No. R-20, Cancelling Second Revised Sheet No. R-20
Second Revised Sheet No. R-21, Cancelling First Revised Sheet No. R-21
Second Revised Sheet No. R-22, Cancelling First Revised Sheet No. R-22
Second Revised Sheet No. R-23, Cancelling First Revised Sheet No. R-23
Second Revised Sheet No. R-24, Cancelling First Revised Sheet No. R-24
First Revised Sheet No. R-27, Cancelling Original Revised Sheet No. R-27
First Revised Sheet No. R-28, Cancelling Original Revised Sheet No. R-28
First Revised Sheet No. R-29, Cancelling Original Revised Sheet No. R-29
First Revised Sheet No. R-30, Cancelling Original Revised Sheet No. R-30
First Revised Sheet No. R-31, Cancelling Original Revised Sheet No. R-31
First Revised Sheet No. R-32, Cancelling Original Revised Sheet No. R-32
Second Revised Sheet No. R-33, Cancelling First Revised Sheet No. R-33
First Revised Sheet No. R-33.2, Cancelling Original Revised Sheet No. R-33.2
First Revised Sheet No. R-33.3, Cancelling Original Revised Sheet No. R-33.3
Second Revised Sheet No. R-34, Cancelling First Revised Sheet No. R-34
Second Revised Sheet No. R-52, Cancelling First Revised Sheet No. R-52
Second Revised Sheet No. R-53, Cancelling First Revised Sheet No. R-53
Second Revised Sheet No. R-87, Cancelling First Revised Sheet No. R-87
First Revised Sheet No. R-88, Cancelling Original Revised Sheet No. R-88

**Service List for
Case No. GR-2001-292
Revised: July 31, 2001 (SW)**

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