MEMORANDUM

TO: Missouri Public Service Commission Official Case File

Case No. GO-2009-0302 / File No. YG-2009-0795 – Missouri Gas Energy

FROM: Michael Ensrud, Tariffs/Rate Design - Energy

/s/ Thomas M. Imhoff 05/13/09 /s/ Robert S. Berlin 05/13/09

Project Coordinator / Date General Counsel's Office / Date

SUBJECT: Staff's Recommendation on the Tariff Sheets Filed in Compliance with Commission

Order and MGE's MOTION FOR EXPEDITED TREATMENT

DATE: May 13, 2009

On May 7, 2009 Missouri Gas Energy (MGE or Applicant), a division of Southern Union Company, filed a tariff sheet with the Missouri Public Service Commission (Commission) with a proposed effective date of June 6, 2008. This tariff sheet was "Appendix A" to MGE's MOTION FOR EXPEDITED TREATMENT (Motion) relating to Case No.GO-2009-0302. The Motion requested an effective date of "May 21, 2009, or as soon as the Commission shall find to be reasonable".

On May 7, 2009, the Commission issued an ORDER DIRECTING STAFF TO FILE RECOMMENDATION that directed the Staff to file its recommendation no later than May 15, 2009. This filing is Staff's response.

In its May 6, 2009 order, the Commission rejected the initially-filed ISRS rates that were issued under YG-2009-0604, and referenced the specific ISRS rates to be implemented. MGE's newly submitted ISRS tariff sheet (YG-2009-0795) complies with those prescribed rates that are part of the May 6, 2009 order that rejected the initially-filed rates.

The Staff has reviewed MGE's tariff sheet and MGE's Motion. The Staff's analysis indicates that the tariff sheet was filed in compliance with the Commission's May 6 and May 7, 2009 Orders in this case. Staff raises no objection to the expedited effective date of May 21, 2009.

The Staff has verified that MGE is not delinquent on any assessment. MGE has requested an extension for filing its annual report. The Staff has reviewed this filing and is not aware of any issue currently pending before the Commission that affects, or is affected by this filing.

Therefore, Staff recommends that the following tariff sheet, as filed on May 7, 2009, be allowed to go into effect on May 21, 2009, as requested by MGE.

P.S.C. MO. No. 5

Ninth Revised Sheet No. 10, CANCELLING Eighth Revised Sheet No. 10

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of the Application of)
Missouri Gas Energy, a Division of)
Southern Union Company, for Approval	Case No. GO-2009-0302
to Change its Infrastructure System) Case No. GO-2009-0302
Replacement Surcharge)

AFFIDAVIT OF MICHAEL J. ENSRUD

STATE OF MISSOURI)
COUNTY OF COLE) ss)

Michael J. Ensrud, of lawful age, on oath states: that he participated in the preparation of the foregoing Staff Recommendation in memorandum form, to be presented in the above case; that the information in the Staff Recommendation was provided to him; that he has knowledge of the matters set forth in such Staff Recommendation; and that such matters are true to the best of his knowledge and belief.

Subscribed and sworn to before me this 13^{41} day of May, 2009.

NOTARY SEAL S

SUSAN L. SUNDERMEYER My Commission Expires September 21, 2010 Callaway County Commission #06942086