



MISSOURI GAS ENERGY

3420 Broadway • Kansas City, MO • 64111-2404 • (816) 756-5261

February 17, 2005

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

RE: Case No. GR-2005-0169, Missouri Gas Energy

Dear Mr. Roberts:

Attached for filing on behalf of Missouri Gas Energy is an electronic version of P.S.C. MO. No. 1, Sixth Revised Sheet No. 24.3, canceling Fifth Revised Sheet No. 24.3. This tariff sheet bears an issue date of February 17, 2005, and a proposed effective date of March 4, 2005.

By this filing, MGE proposes to make an adjustment to the Purchased Gas Adjustment (PGA) Rate as permitted under the provisions of Sheet No. 15 of MGE's tariff. MGE is proposing to adjust the Current Cost of Gas Factor (C.C.G.).

The proposed PGA rate reflects a decrease of \$0.14449 per Ccf over the PGA Rate currently in effect of \$0.83060. The change in the PGA Rate reflects a change in the C.C.G. of \$0.14449 per Ccf, from the current amount of \$0.82304 to the proposed amount of \$0.67855. This reduction is attributable to a number of factors, including: changes in market prices for the natural gas commodity, a refund received by MGE from Enbridge due to the FERC's resolution of a Kansas Pipeline Company rate proceeding (CP96-152), and the interim rate reduction of Southern Star Central resulting from the anticipated FERC approval of the settlement of its rate proceeding (RP04-276).

The proposed adjustment has the net effect of decreasing revenues in MGE's service area by approximately \$83,618,109 annually. This represents an overall 17.40% decrease in revenues.

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

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Please forward copies of any Commission order or notice associated with this filing to:

Robert J. Hack
Vice President, Pricing &
Regulatory Affairs
Missouri Gas Energy
3420 Broadway
Kansas City, MO 64111
(816) 360-5755
(816) 360-5536 (fax)
Email : rhack@mgemail.com

Michael Noack
Director, Pricing & Regulatory
Affairs
Missouri Gas Energy
3420 Broadway
Kansas City, MO 64111
(816) 360-5560
(816) 360-5536 (fax)
Email : mnoack@mgemail.com

Thank you for bringing this matter to the attention of the Commission and the appropriate Commission personnel.

Sincerely,

By: 

Michael R. Noack

MRN/wpv
Enclosure

CC: The Office of Public Counsel
Jeff Keevil
General Counsel's Office