

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

In the Matter of the Application of Missouri Gas)	
Energy's Application for a Determination of)	Case No. GO-2002-48
Certain Matters Pertaining to its Safety Line)	
Replacement Program.)	

2008 ANNUAL LEAK SURVEY REPORT

COMES NOW Missouri Gas Energy ("MGE"), a division of Southern Union Company, in accordance with the Order Approving Application in this case, and notifies the Missouri Public Service Commission (Commission) as follows:

1. On December 22, 2005, the Commission issued its Order Approving Application to Amend Safety Line Replacement Program (Order Approving Application) in this case. The Order Approving Application, among other things, directed that "Missouri Gas Energy shall file annual leak survey reports, beginning on January 1, 2007, regarding the leak surveys it makes and any leaks it detects at the Finley River Mobile Home Park and the Heistland Mobile Home Park. The reports shall also indicate what progress is being made toward a resolution of the question of whether these parks will close or whether the mains and service lines will be replaced." MGE provides the following information as its 2008 Annual Report.

2. As indicated in last year's report, as of August 2006, all gas meters were removed from the Trailer Park known as the Finley River Mobile Home Park in Ozark, Missouri. On September 8, 2006, MGE abandoned all gas lines serving the Finley River Mobile Home Park thus eliminating a need to replace the lines or to perform leak surveys on the lines in the Park.

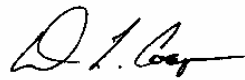
3. Leak surveys were conducted at the Malang Trailer Park (formerly known as the Heistland Mobile Home Park) on March 6, 2007 and on August 23, 2007. No leaks were detected during either survey.

4. A meter inventory conducted on December 6, 2007, revealed the following: 9 active meters; 3 inactive meters; and, 23 empty risers. MGE will continue to monitor the condition of the Park on the established leak survey frequencies. MGE plans to conduct its next leak survey prior to February 23, 2008.

5. As of January 4, 2008, the Malang Trailer Park has been sold by John Tullis to Kevin York. MGE's efforts to contact Mr. York to inquire as to his plans have been unsuccessful. MGE will seek additional information concerning the future of the Malang Trailer Park and, depending upon what information is obtained, may find it necessary to file an additional pleading concerning the extension that is the subject of this case.

WHEREFORE, MGE respectfully requests that the Commission consider this report to comply with the Commission's Order Approving Application and, thereafter, issue such orders as the Commission shall find to be reasonable and just.

Respectfully Submitted,



Dean L. Cooper #36592
Brydon, Swearngen & England P.C
312 E. Capitol Avenue
P. O. Box 456
Jefferson City, MO 65102-0456
(573) 635-7166
(573) 635-0427 (fax)
E-Mail: dcooper@brydonlaw.com

ATTORNEYS FOR MISSOURI GAS ENERGY, A
DIVISION OF SOUTHERN UNION COMPANY

Certificate of Service

I hereby certify that two, true and correct copies of the above and foregoing document was sent by electronic mail on this 14th day of January, 2008, to:

Mr. Dennis L. Frey
Missouri Public Service Commission
Governor Office Building
P.O. Box 360
Jefferson City, MO 65102
denny.frey@psc.mo.gov

Marc Poston
Governor Office Building, 6th Floor
P.O. Box 7800
Jefferson City, MO 65102-7800
marc.poston@ded.mo.gov

