

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

In the Matter of the Application of Southern)
Union Company d/b/a Missouri Gas Energy,)
Sigma Acquisition Corporation and Energy)
Transfer Equity, L.P. for an Order)
Authorizing them to Perform in Accordance)
with a Merger Agreement and to Undertake)
Related Transactions)

Case No. GM-2011-0412

**STAFF'S RECOMMENDATION
IN RESPONSE TO COMMISSION ORDER**

COMES NOW the Staff of the Commission and in response to the Commission's March 12, 2012 *Order Directing Recommendation* states:

1. Attached is Staff's Recommendation regarding MGE's P.S.C. No. 1 Fourth Revised Sheet 16.
2. As discussed in Staff's Recommendation, the Staff recommends approval of the tariff filing.
3. Staff also advises the Commission that, because this filing was made on thirty (30) days or greater notice, no order is necessary to indicate approval and the unopposed tariff may be allowed to go into effect by operation of law.

WHEREFORE the Staff recommends approval of MGE's tariff sheet as in compliance with the Commission's Order approving the Stipulation in this case.

Respectfully submitted,

/s/ Lera L. Shemwell

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to all counsel of record this 21st day of March 2012.

/s/ Lera L. Shemwell