

**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)	Case No. GM-2011-0412
Authorizing them to Perform in Accordance)	
with a Merger Agreement and to Undertake)	
Related Transactions)	
)	

STAFF'S UPDATE IN RESPONSE TO COMMISSION ORDER

COMES NOW the Staff of the Commission and in response to the Commission's November 21, 2011 *Order Directing Staff to File Recommendation* states:

1. Staff is continuing its review of the September 15 Amended Application with Amended Appendices filed on behalf of Energy Transfer Equity, LP, Missouri Gas Energy, Southern Union Company, and Sigma Acquisition Corporation (collectively the "Companies.")
2. Staff is actively pursuing discovery and, in addition, has had discussions with the Companies involved in this case, as well as the Office of the Public Counsel, and the Parties had another meeting this afternoon.
3. At this time Staff is not yet able to make an informed recommendation to the Commission.
4. As a result of recent meetings, Staff is expecting discussions to be completed soon and Staff should be able to notify the Commission of the progress of the discussions and recommend whether a procedural schedule should be established.

WHEREFORE Staff notifies the Commission it is meeting with the companies and will be able to make a recommendation to the Commission on or before January 6, 2012.

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 6th day of December 2011.