

## MEMORANDUM

TO: Missouri Public Service Commission Official Case File,  
Case No. GM-2011-0412, File No. YG-2012-0433, Missouri Gas Energy

FROM: Tom Imhoff, Energy Unit - Tariffs/Rate Design

<u>/s/ Thomas M. Imhoff 3/21/12</u> Regulatory Review Division/Date	<u>/s/ Lera Shemwell 3/21/12</u> Staff Counsel's Office/Date
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SUBJECT: Staff Recommendation for Approval of Missouri Gas Energy's Compliance Tariff Filing

DATE: March 21, 2012

On February 29, 2012, the Missouri Public Service Commission (Commission), issued its Report and Order (Order) in Case No. GM-2011-0412, directing Missouri Gas Energy (MGE or Company) to accomplish all necessary and appropriate purposes to consummate the transaction and related undertakings in accordance with the merger agreement. This Order included approval of the Non-Unanimous Stipulation and Agreement (Stipulation) filed in the case.

On March 12, 2012, MGE filed P.S.C No. 1 Fourth Revised Sheet 16 in response to the Commission's Order approving the Stipulation. The tariff sheet describes costs MGE is permitted to recover in the Purchased Gas Adjustment (PGA) or Actual Cost Adjustment (ACA), which are related to charges for performance, or surety bonds or letters of credit that have been required by commodity suppliers as a result of this merger transaction in Case No. GM-2011-0412.

On March 12, 2012, the Commission issued an ORDER DIRECTING RECOMMENDATION REGARDING TARIFF. This recommendation is in response to the March 12, 2012 Order.

The Commission's Energy Unit - Tariffs/Rate Design Staff (Staff) has reviewed the tariff sheet filed by MGE on March 12, 2012, and is of the opinion that this sheet is in compliance with the Commission's Order. Staff is also of the opinion that because this filing was made on thirty (30) days or greater notice, no order is necessary to indicate approval. Therefore, Staff recommends this tariff sheet filed on March 12, 2012, be approved to become effective on and after the requested effective date, April 11, 2012.

The Staff has verified that this company has filed its annual report and is not delinquent on any assessment. Staff is not aware of any other matter before the Commission that affects, or is affected by, this filing.

P.S.C. MO. No. 1

Fourth Revised SHEET No. 16 Canceling Third Revised SHEET No. 16

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

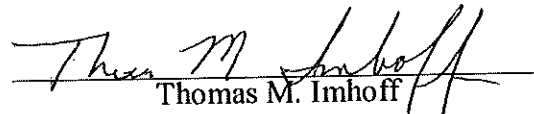
In the Matter of Southern Union )  
Company d/b/a Missouri Gas Energy, )  
Sigma Acquisition Corporation and )  
Energy Transfer Equity, L.P. for an )  
Order Authorizing them to Perform in )  
Accordance with a Merger Agreement )  
and to Undertake Related Transactions )

Case No. GM-2011-0142  
File No. YG-2012-0433

**AFFIDAVIT OF THOMAS M. IMHOFF**


STATE OF MISSOURI     )  
                                  ) ss  
COUNTY OF COLE        )

Thomas M. Imhoff, 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.

  
Thomas M. Imhoff

Subscribed and sworn to before me this 21<sup>st</sup> day of March, 2012.

LAURA HOLSMAN  
Notary Public - Notary Seal  
State of Missouri  
Commissioned for Cole County  
My Commission Expires: June 21, 2015  
Commission Number: 11203914

  
Notary Public