



MISSOURI GAS ENERGY

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

October 17, 2012

Secretary of the Commission
Missouri Public Service Commission
P.O. Box 360
200 Madison Street
Jefferson City, MO 65102-0360

RE: Case No. GR-2012-0262, Missouri Gas Energy

Attached for filing on behalf of Missouri Gas Energy is an electronic version of P.S.C. MO. No. 1, Twenty-Seventh Revised Sheet No. 24.3, canceling Twenty-Sixth Revised Sheet No. 24.3. This tariff sheet bears an issue date of October 17, 2012, and a proposed effective date of November 1, 2012.

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.) and Actual Cost Adjustment Factor (A.C.A.).

The proposed PGA Rate of \$0.60470 reflects an increase of \$0.07726 per Ccf over the PGA Rate currently in effect of \$0.52744. The change in the PGA Rate reflects an increase in the C.C.G. Factor of \$0.0342 per Ccf, from the current C.C.G Factor of \$0.52490 to the proposed amount of \$0.55910. Also, the proposed PGA Rate reflects an increase in the A.C.A. Factor of \$0.04306 per Ccf, from the current A.C.A. Factor \$0.00254 to the proposed amount of \$0.0456 as a result of extremely low gas sales last winter due to the extremely warm weather.

While the proposed adjustment has the overall net effect of increasing revenues in MGE's service area by approximately \$43,348,326 annually (a 14.65% increase in revenues), the proposed adjustment is a 1.77% decrease from the PGA rate approved at the start of the 2011-2012 heating season.

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


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

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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
General Counsel's Office

Missouri Gas Energy,
a Division of Southern Union Company
Name of Issuing Corporation

For: All Missouri Service Areas
Community, Town or City

PURCHASED GAS COST ADJUSTMENT
PGA

X. SUMMARY STATEMENT

<u>Customer Class</u>	<u>C.C.G.</u>	<u>A.C.A</u>	<u>T.O.P.</u>	<u>T.C.</u>	<u>P.G.A. Rate</u>
Residential	\$0.55910	\$0.04560	\$0.00000	\$0.00000	\$0.60470
Small General Service	\$0.55910	\$0.04560	\$0.00000	\$0.00000	\$0.60470
Large General Service	\$0.55910	\$0.04560	\$0.00000	\$0.00000	\$0.60470
Unmetered Gas Light (1)	\$0.55910	\$0.04560	\$0.00000	\$0.00000	\$0.60470
Large Volume Sales (3)	\$0.55910	\$0.04560	\$0.00000	\$0.00000	\$0.60470
Large Volume Trans. (2)(4)					\$0.00000

- 1 Each Unmetered Gaslight Unit is equal to 15 Ccf.
- 2 Demand related purchase gas costs of \$0.71251 per Ccf of contract demand and \$0.02342 per Ccf of daily demand for authorized sales in excess of the contract demand are directly chargeable to customers on this rate.
- 3 Applies to Sales Service only.
- 4 Firm transportation charges to be included in the monthly cash out reconciliation. Applies to Transportation Service, Intrastate Transportation Service and Whiteman Air Force Base.

DATE OF ISSUE: October 17, 2012
month day year

DATE EFFECTIVE: November 1, 2012
month day year

ISSUED BY: Michael R. Noack Director, Pricing and Regulatory Affairs
Missouri Gas Energy, Kansas City, Missouri 64111