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November 3, 2006

Secretary / Chief Regulatory Law Judge Missouri Public Service Commission 200 Madison Street Jefferson City, MO 65102

Re: Missouri Gas Utility, Inc. (MGU) Winter PGA Filing

Attached is the electronic copy of P.S.C. MO No.1, 2nd Revised Sheet 51, reflecting a change in the Purchased Gas Cost, the Actual Cost Adjustment, and Total PGA for each of the various Schedules listed in the MGU Purchased Gas Adjustment (PGA) Clause.

The MGU Purchased Gas Adjustment Clause requires the filing, between October 15 and Nov 4 each year, of the Regular Purchased Gas Adjustment (RPGA), which is defined on P.S.C. MO No.1, Original Sheet 47 as the Company's best estimate of the volumes and gas costs for the next period from the date of the first full billing after the filing is approved until the date of the first full billing after approval of a subsequent PGA filing. The Clause also requires filing a reconciliation of the PGA cost from the prior period with the actual costs incurred, and from that information and the projected volumes, the calculation of the annual Actual Cost Adjustment. The clause also includes provisions for Adjustments based on upstream pipeline Refunds and on Take-Or-Pay (T.O.P.) costs. MGU did not receive any Refunds or incur any T.O.P. costs during the past PGA period.

Attachment 1 is the spreadsheet used to calculate the RPGA for the next PGA period.

Attachment 2 is the spreadsheet used to calculate the Actual Cost Adjustment balance by month for the prior PGA period, along with the amortization of that balance over the next PGA period volumes.

Attachment 3 is the spreadsheet that reflects the seasonal revenue impact of the change in Total PGA between 2005/2006 and 2006/2007. The seasonal revenue impact is a decrease of \$96,160 or 21.38%.

Missouri Gas Utility, Inc. respectfully requests that these rates become effective for volumes sold on and after November 20, 2006.

Sincerely,

Tim Johnston, P.E. Senior Vice President Missouri Gas Utility, Inc. P.S.C. MO No. 1 Cancelling P.S.C. MO No. 1 2nd Revised 1st Revised Sheet No. Sheet No.

<u>51</u> 51

Missouri Gas Utility, Inc. Name of Issuing Company For:

Gallatin, Hamilton, Coffey and Adjacent Certificated Service Areas Community, Town or City

PURCHASED GAS ADJUSTMENT CLAUSE (CONT'D.)

ADJUSTMENT STATEMENT

As provided in this Purchased Gas Adjustment Clause, the following adjustment(s) per Ccf will be made to the basic natural gas service schedules:

Schedule	Purchased Gas Cost	Actual Cost Adjustment	Refunds	TOP Factor	Total PGA
GS	\$.7844+	(.0553)+	0	0	\$.7291+
GSI	\$.7844+	(.0553)+	0	0	\$.7291+
CS	\$.7844+	(.0553)+	0	0	\$.7291+
CSI	\$.7844+	(.0553)+	0	0	\$.7291+
LVS	\$.7844+	(.0553)+	0	0	\$.7291+
LVSI	\$.7844+	(.0553)+	0	0	\$.7291+
ISS	\$.7844+	(.0553)+	0	0	\$.7291+

The TOP Factor, as provided in Sheet No. 24, shall also apply to all CCfs delivered to transportation+customers.

- * Indicates New Rate or Text
- + Indicates Change

Issue Date:

November 3, 20056

Effective Date:

November 20, 2006

Month/Day/Year

Month/Day/Year

Issued By:

Timothy R. Johnston

Vice President

Name and Title of Issuing Officer

7810 Shaffer Parkway, Ste. 120

Littleton, Colorado 80127

Company Mailing Address