# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of	)		
Missouri Gas Energy, a Division of	)		
Southern Union Company, for a	)		
Certificate of Public Convenience and Necessity Authorizing it to Construct,	)	Casa Na. CA 2007 0290 at al.	
	)		
nstall, Own, Operate, Control, Manage		Case No. GA-2007-0289, et al.	
and Maintain a Natural Gas Distribution	)	YG-2008-0509	
System to Provide Gas Service in Platte	)		
County, Missouri, as an Expansion of its	)		
Existing Certified Area.	)		

# **STAFF RECOMMENDATION**

**COMES NOW** the Staff of the Missouri Public Service Commission (Staff) and for its Recommendation, states as follows:

- 1. On February 25, 2008, the Commission issued its *Order Directing Staff To File A Recommendation* (Order) directing the Staff to file a report and recommendation regarding Missouri Gas Energy's (MGE) compliance tariff filing in the above-captioned case no later than March 14, 2008.
- 2. The Staff has reviewed MGE's tariff filing, and for the reasons stated in Staff's Memorandum attached hereto as Appendix A and incorporated by reference, has determined MGE's tariff to be in compliance with the provisions of the Commission's Report and Order in this case. Accordingly, the Staff recommends the Commission approve MGE's revised tariff sheet 6.15.

- 3. In addition, for reasons stated on page 2 of Staff's Memorandum, the Staff recommends that when MGE complies with paragraph 8 of the Commission's Report and Order<sup>1</sup>, MGE should also update tariff sheet numbers 7 and 8 in their *Maps of Certificated Areas* to ensure tariff sheet Nos. 7 and 8 are also in compliance with the Report and Order.
- 4. In the course of MGE's discussions with Staff regarding tariff sheet 6.15, MGE provided to Staff an oversized "LSL (Leavenworth Supply Line) Service Map" which precisely locates the LSL and the Seven Bridges subdivision in relation to MGE's service area sections. Staff finds this Map helpful and recommends it be accepted as part of MGE's compliance with paragraph 8 of the Report and Order.

WHEREFORE, the Staff submits its report in the attached memorandum as directed by the Commission and recommends, for the foregoing reasons, the Commission issue an order approving the following proposed tariff sheet to become effective on March 23, 2008, as requested by MGE, or permit the tariff sheet to go into effect by operation-of-law: P.S.C. MO. No. 1, First Revised Sheet No. 6.15 canceling Original Sheet No. 6.15.

<sup>&</sup>lt;sup>1</sup> Ordered paragraph 8 of the Commission's Report and Order directs MGE to make a determination from past orders of the Commission which types of certificates have been issued (i.e. transport, line or service area certificates) in all of the areas in which MGE holds any type of certificate to provide any type of natural gas service.

Respectfully submitted,

# /s/ Robert S. Berlin

Robert S. Berlin Senior Counsel Missouri Bar No. 51709

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# **Certificate of Service**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or e-mailed to all counsel of record this 14<sup>th</sup> day of March 2008.

/s/ Robert S. Berlin

#### MEMORANDUM

TO: Missouri Public Service Commission Official Case File

Case No. GA-2007-0289, et al., Tariff Tracking No. YG-2008-0509 Missouri Gas Energy, a Division of Southern Union Company

HW

FROM: Henry Warren, Regulatory Economist II

<u>/s/ Thomas M. Imhoff</u> 3/14/08
Energy Department / Date

<u>/s/ Robert S. Berlin</u> 3/14/08
General Counsel's Office / Date

SUBJECT: Staff Recommendation For **Approval** of Tariff Sheet Filed To Comply With The

Commission's REPORT AND ORDER in Case No. GA-2007-0289, et al. Issued

February 14, 2008

DATE: March 14, 2008

# **Background**

On February 22, 2008, Missouri Gas Energy, a Division of Southern Union Company (MGE or Company) of Kansas City, Missouri, filed with the Missouri Public Service Commission (PSC or Commission) one (1) tariff sheet with an issue date of February 22, 2008, and a proposed effective date of March 23, 2008 to comply with the Commission in its REPORT AND ORDER (2008 Order) in Case No. GA-2007-0289, et al. On March 7 and March 12, 2008 MGE filed a substitute tariff sheets as requested by the Commission's Energy Department Staff (Staff). These tariff sheets contain revisions of the wording in the footnote to make it consistent with paragraph 7 in the Order and to correct typographical errors. This filing proposes to revise the Company's tariff in the *Index of Certificated Areas* to comply with provisions in Commission's Report and Order in Case No. GA-2007-0289, Section IT IS ORDERED THAT paragraphs 2, 3, 4 and 7. Paragraph 2 refers to the Commission's ORDERED paragraphs in the Report and Order in Case No. 12,632 (1955-56 Order). The tariff sheet is applicable in all MGE territories.

#### Description of the *Index of Certificated Areas* in the MGE Tariff and Revisions

The INDEX OF CERTIFICATED AREAS in the MGE tariff contains sixteen sheets (sheet Nos. 6.1-6.16). These sheets contain the Missouri land sections in each county identified by Township and Range which MGE has a Certificate from the PSC to serve in all or part of the section. The counties are arranged alphabetically by county name in the tariff sheets.

The revised tariff sheet No. 6.15 filed by MGE complies with paragraph 2 of the 2008 Order and paragraph 1 of the 1955-56 Order by retaining Section 12 in T52, R36W, and Sections 7, 8, 9, 10, 11, and 12 in T52N, R35W in Platte County, Missouri.

The revised tariff sheet No. 6.15 filed by MGE complies with paragraph 3 of the 2008 Order by adding Sections 13 and 14 in T52N, R35W in Platte County, Missouri; to MGE Tariff sheet No. 6.15

Tariff No. YG-2008-0509 Missouri Gas Energy Page 2 of 4

The revised tariff sheet No. 6.15 filed by MGE complies with paragraph 4 of the 2008 Order by removing Section 1 of T52, R36W, Sections 1, 2, 3, 4, 5 and 6 of T52, R35W, and Sections 1, 2, 3, 4, 5, and 6 of T52, R34W and Sections 4, and 5 of T52N, R33W; all in Platte County, Missouri, from MGE Tariff sheet No. 6.15.

The revised tariff sheet No. 6.15 filed by MGE complies with paragraph 7 of the 2008 Order by the insertion of a footnote for Sections 10, 11, and 12 of T52N, R35W, that states, "In accordance with the Report and Order in GA-2007-0289, Missouri Gas Energy will provide notice to Empire District Gas Company and the Staff of the Missouri Public Service Commission regarding any future development and expansion in these sections."

#### Related Issues

In the cover letter of the filing of February 22, 2008, MGE states, "In accordance with the provisions of paragraph 8 of the <u>Final Decision</u>, MGE will make a determination from past orders of the Commission which types of certificates have been issued (i.e. transport, line or service area certificates) in all of the areas in which MGE holds any type of certificate to provide any type of natural gas service. This search and determination will be done as soon as practicably possible. At the end of the search MGE will bring the results to the attention of the MPSC Staff and working in cooperation with the Staff will file revised tariff sheets which identify the types of certificates issued." Staff endorses this process as complying with paragraph 8.

A map on sheet No. 8 of the MGE tariff section *Maps of Certificated Areas* (attached) contains the counties in northern Missouri in which MGE has gas service and depicts the land sections in the MGE service area in northern Missouri service area including sections in Platte County. The 2008 Order did not require tariff sheet No. 8 to be revised so as to be consistent with the revisions in tariff sheet No. 6.15. Tariff sheet No. 8 was not revised by MGE in this filing and still depicts Section 1 of T52, R36W, Sections 1, 2, 3, 4, 5 and 6 of T52, R35W, and Sections 1, 2, 3, 4, 5, and 6 of T52, R34W and Sections 4, and 5 of T52N, R33W as part of the MGE service area. Staff recommends that when MGE complies with paragraph 8, they should also update tariff sheets Nos. 7 and 8 in their *Maps of Certificated Areas*.

The exact location of the Leavenworth Supply Line (LSL) was not an issue in Case No. GA-2007-0289, et al. In the exhibits submitted for evidence in the Case No. GA-2007-0289, et al. the location of the LSL was approximate. In the technical conference for held on August 23, 2007, MGE had maps of their service lines and the land section lines in the area of Seven Bridges subdivision, but the LSL was not in the areas contained in these maps. The maps in Exhibit A of Case No. 12,632 also only illustrate the location of the LSL. Staff requested that MGE furnish a LSL Service Map which also contains land section lines. On March 12, 2008, MGE furnished to Staff a 3' x 5' LSL Service Map establishing the exact location of the LSL in Sections 10, 11, and 12 in T52N, R35W. This map shows that the LSL location in Sections 10, 11, and 12 in T52N, R35W and the location of the Seven Bridges subdivision are consistent with the revisions in tariff sheet No. 6.15 and the 2008 Order. Mike Noack of MGE provided the location of three isolated MGE customers served directly from the LSL in Section10 and one customer in Section 12. The LSL Service Map will be on file with the PSC Energy Department. Staff recommends that the LSL Service Map provided by MGE to Staff be accepted as part of MGE's compliance with paragraph 8.

Tariff No. YG-2008-0509 Missouri Gas Energy Page 3 of 4

### Staff Recommendation

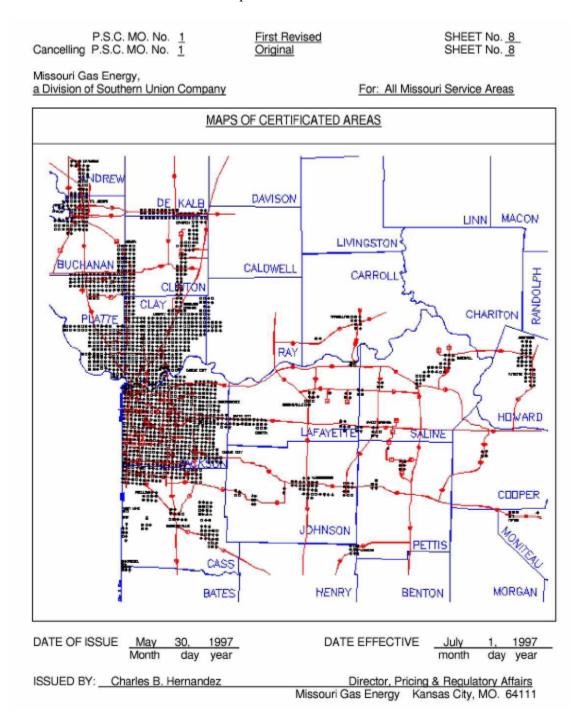
The Staff has reviewed the filed tariff sheet, and is of the opinion that it was filed in a timely manner and in compliance with the Commission's Order in Case No. GA-2007-0289. The Staff therefore recommends that the Commission issue an order approving the following proposed tariff sheet, as filed on February 22, 2008, and substituted on March 7 and March 12, 2008, to become effective on March 23, 2008, as requested by MGE, or permit the tariff sheet to go into effect by operation-of-law:

## P.S.C. MO. No. 1

First Revised Sheet No. 6.15 canceling Original Sheet No. 6.15

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

Attachment
Map in MGE Tariff Sheet No. 8



# OF THE STATE OF MISSOURI

In the matter of the application of Missouri Gas Energy, a division of	)	
Southern Union Company, for a	)	
certificate of public convenience and	)	
necessity authorizing it to construct,	)	
install, own, operate, control, manage	)	Case No. GA-2007-0289
and maintain a natural gas distribution	)	
system to provide gas service in Platte	)	
County, Missouri, as an expansion of its	)	
existing certified area.	)	

#### AFFIDAVIT OF HENRY WARREN

STATE OF MISSOURI	)
	) SS
COUNTY OF COLE	)

Henry Warren, of lawful age, on oath states: that he has participated in the preparation of the foregoing written memorandum, to be presented in the above case; that the information in the attached written report was given by Missouri Gas Energy (MGE); that he has knowledge of the matters set forth in such memorandum; and that such matters are true to the best of his knowledge and belief.

Henry Warren

Subscribed and sworn to before me this // day of March, 2008.

NOTARY SEAL S

SUSAN L. SUNDERMEYER
My Commission Expires
September 21, 2010
Callaway County
Commission #06942086

Notary Public T