

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

In the Matter of the Application of Missouri)
Gas Utility, Inc., for a Certificate of)
Convenience and Necessity Authorizing it to)
Construct, Install, Own, Operate, Control,)
Manage and Maintain a Natural Gas)
Distribution System to Provide Gas Service in)
Daviess County, Missouri, as a Further)
Expansion of Its Existing Certified Area.)

Case No. GA-2008-0348
YG-2009-0025

STAFF RECOMMENDATION

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

1. On July 7, 2008, Missouri Gas Utility, Inc. (MGU) filed tariff sheets with the Commission to comply with the Commission's *Order Granting Certificate of Public Convenience And Necessity* issued June 19, 2008. On July 11, 2008, MGU filed substitute tariff sheets that make modifications to MGU's tariff to the description of MGU's service area in the heading (the counties are listed instead of certain municipalities). Also, the map on Sheet No. 3 contains a change to better identify the location of Pattonsburg. The proposed tariff has the required 30 days notice by proposing an effective date of August 6, 2008.

2. On July 8, 2008, the Commission issued its *Order Directing Filing*, directing the Staff to file its recommendation on the tariff filing by July 28, 2008. The Staff has completed its review of MGU's tariff sheets and has determined the proposed tariff sheets comply with the Commission's Order. For the reasons stated in Staff's Memorandum, attached hereto as Appendix A and incorporated by reference, the Staff recommends MGU's tariff sheets filed on

July 8, 2008, and as substituted on July 11, 2008, be allowed to become effective on August 6, 2008.

WHEREFORE, for the above-stated reasons, Staff respectfully recommends the Commission allow MGU's tariff sheets become effective by operation of law on August 6, 2008.

Respectfully submitted,

/s/ Robert S. Berlin

Robert S. Berlin
Senior Counsel
Missouri Bar No. 51709

Attorney for the Staff of the
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
(573) 526-7779 (Telephone)
(573) 751-9285 (Fax)
email: bob.berlin@psc.state.mo.us

Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronic mail to all counsel of record 25th day of July 2008.

/s/ Robert S. Berlin

MEMORANDUM

TO: Missouri Public Service Commission Official Case File,
Case No. GA-2008-0348, File No. YG-2009-0025, Missouri Gas Utility, Inc.

FROM: James A. Gray, Energy Department - Tariffs/Rate Design

/s/ Thomas M. Imhoff 07/24/08 /s/ Robert S. Berlin 07/24/08
Energy Department/Date General Counsel's Office/Date

SUBJECT: Staff Recommendation On Tariff Sheets Filed to Comply With Commission Order.

DATE: July 24, 2008

On July 7, 2008, Missouri Gas Utility, Inc. (MGU or Company), filed tariff sheets with the Missouri Public Service Commission (Commission) to comply with the Commission's ORDER GRANTING CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY (Order), issued June 19, 2008, in this case. On July 11, 2008, MGU filed substitute tariff sheets. The substitute sheets make modifications to MGU's tariff to the description of MGU's service area in the heading (the counties are listed instead of certain municipalities), and the map on Sheet No. 3 also contains a change to better identify the location of Pattonsburg. The proposed tariff has the required 30 days notice by proposing an effective date of August 6, 2008.

The three tariff sheets were also filed in Case Nos. GA-2008-0321 and GA-2008-0322 to comply with the Commission's ORDER DIRECTING FILING in those cases.

On April 22, 2008, Missouri Gas Utility, Inc. (MGU or Company) filed an APPLICATION (Application) with the Missouri Public Service Commission (Commission). The Application requests that the Commission grant MGU a certificate of convenience and necessity (CCN) authorizing it to construct, install, own, operate, control, manage and maintain a natural gas distribution system to provide gas service in Daviess County, Missouri, as a further expansion of its existing certified area. On June 5, 2008, Staff filed its Staff Recommendation. On June 19, 2008, the Commission issued its ORDER GRANTING CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY. On July 8, 2008, the Commission issued its ORDER DIRECTING FILING, directing the Staff to file its recommendation on the tariff filing by July 28, 2008.

Staff has reviewed the tariff sheets filed by MGU and has determined that the proposed tariff sheets comply with the Commission's Order. Staff has verified that MGU has filed its annual report and is not delinquent on any assessment. Staff recommends that the following tariff sheets filed on July 8, 2008, and as substituted on July 11, 2008, be allowed to become effective on August 6, 2008:

P.S.C. MO. No. 1

2nd Revised SHEET No. 2, Cancelling 1st Revised SHEET No. 2

2nd Revised SHEET No. 3, Cancelling 1st Revised SHEET No. 3

3rd Revised SHEET No. 4, Cancelling 2nd Revised SHEET No. 4

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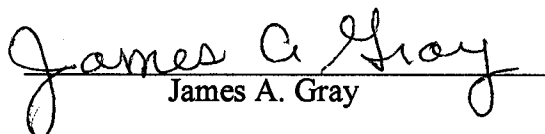
In the matter of the application of)
Missouri Gas Utility, Inc., for a certificate)
of convenience and necessity authorizing)
it to construct, install, own, operate,)
control, manage and maintain a natural)
gas distribution system to provide gas)
service in Daviess County, Missouri, as a)
further expansion of its existing certified)
area.)

Case No. GA-2008-0348

AFFIDAVIT OF JAMES A. GRAY

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

James A. Gray, of lawful age, on oath states: that he has 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 given by 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.


James A. Gray

Subscribed and sworn to before me this 24th day of July, 2008.



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


Notary Public