

**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, Install, Own, Operate, Control,)
Manage and Maintain a Natural Gas)
Distribution System to Provide Gas Service in)
Platte County, Missouri, as an Expansion of its)
Existing Certified Area.)

Case No. GA-2007-0289, et al.
YG-2008-0691

STAFF RECOMMENDATION FOR APPROVAL OF MGE'S
SUBSTITUTE TARIFF FILING

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

1. On May 20, 2008, Missouri Gas Energy, a Division of Southern Union Company (MGE or Company) of Kansas City, Missouri, filed with the Commission nineteen (19) tariff sheets with an issue date of May 20, 2008, and a proposed effective date of June 20, 2008 to be similar to Original Sheets Nos. 6, 6.1 – 6.16, 7, and 8 pursuant to the Commission's Report And Order (Order) issued February 14, 2008, effective February 24, 2008. These tariff sheets contain revisions of the Original Tariff Sheets containing *Index of Certificated Areas and Maps of Certificated Areas*. On June 20, 2008, MGE extended the requested effective date to August 1, 2008¹.

¹ MGE originally filed Tariff Tracking No. YG-2008-0691 with an issue date of May 20, 2008 and an effective date of June 20, 2008. That filing was withdrawn in compliance with ORDER GRANTING STAFF AN EXTENSION OF TIME TO EVALUATE COMPLIANCE FILINGS.

2. On July 15, 2008 the Staff recommended the tariff sheets be rejected/suspended due to non-compliance with the Commission Supplemental Order in Case No. 15,176 and other reasons. On July 28, 2008 the Commission issued its Order Granting Request For An Extension Of Time. Staff and MGE have been engaged in discussions to resolve the issues in this matter.

3. The Staff and MGE reached a settlement of all the issues identified in Staff's July 15, 2008 Recommendation and on August 25, 2008, MGE filed substitute tariff sheets resolving Staff's concerns. For reasons more fully explained in Staff's Memorandum, attached hereto as Appendix A and incorporated by reference, the Staff has determined the tariff sheets, as substituted, are in compliance with the Commission's Order in Case No. GA-2007-0289. Therefore, Staff recommends the Commission approve MGE's proposed tariff sheets as substituted.

WHEREFORE, for the above-stated reasons and for reasons more fully explained in Staff's attached Memorandum, Staff respectfully recommends the Commission issue an order approving MGE's tariff sheets, as substituted on August 25, 2008, in file tracking no. YG-2008-0691 or allow them to go into effect by operation of law.

Respectfully submitted,

/s/ Robert S. Berlin

Robert S. Berlin
Senior Counsel
Missouri Bar No. 51709

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Missouri Public Service Commission
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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 this 29th day of August 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-2008-0691
Missouri Gas Energy, a Division of Southern Union Company

FROM: Tom Imhoff, Rate & Tariff Examination Supervisor, Project Coordinator
Henry Warren, Regulatory Economist II

/s/ Thomas M. Imhoff 08/28/08 /s/ Robert S. Berlin 08/28/08
Energy Department / Date General Counsel's Office / Date

SUBJECT: Staff Recommendation For **Approval** of Tariff Sheets Filed on June 20, 2008 To
Comply With The Commission's ORDER DIRECTING FILING issued February
14, 2008, **as Substituted**

DATE: August 28, 2008

On May 20, 2008, Missouri Gas Energy, a Division of Southern Union Company (MGE or Company) of Kansas City, Missouri, filed with the Commission nineteen (19) tariff sheets with an issue date of May 20, 2008, and a proposed effective date of June 20, 2008 to be similar to Original Sheets Nos. 6, 6.1 – 6.16, 7, and 8, ordered by the Commission in its REPORT AND ORDER (Order) issued February 14, 2008, effective February 24, 2008. These tariff sheets contain revisions of the Original Tariff Sheets containing *Index of Certificated Areas and Maps of Certificated Areas*. On June 20, 2008, MGE extended the requested effective date to August 1, 2008¹.

On July 15, 2008 the Commission's Energy Department Staff (Staff) recommended that the tariff sheets be rejected/suspended due to non-compliance with the Commission Supplemental Order in Case No. 15,176 and other reasons. On July 28, 2008 the Commission issued its ORDER GRANTING REQUEST FOR AN EXTENSION OF TIME.

On August 25, 2008 MGE filed substitute tariff sheets that resolved the issues in the July 15, 2008, Staff Recommendation.

Staff Recommendation

The Commission's Energy Department Staff (Staff) has reviewed the proposed tariff sheets, and is of the opinion that they were filed in a timely manner, and the tariff sheets, as substituted, are in compliance with the Commission's Order in Case No. GA-2007-0289.

Staff agrees that the typographical error in Buchanan County has been corrected. Staff agrees that the land Section numbers listed in Howard County in the vicinity of Armstrong and Fayette are based on the Commission Ordered area certificates as specified in the footnote on the page and do not conflict with any other jurisdictional gas utility. Staff agrees that the land Section numbers in Saline County near Marshall have been removed or modified to comply with the Commission Supplemental Order in Case No. 15,176 and no longer conflict with land Sections Certificated to

¹ MGE originally filed Tariff Tracking No. YG-2008-0691 with an issue date of May 20, 2008 and an effective date of June 20, 2008. That filing was withdrawn in compliance with ORDER GRANTING STAFF AN EXTENSION OF TIME TO EVALUATE COMPLIANCE FILINGS.

The Empire District Gas Company (Empire).

The Staff has reviewed the substitute tariff sheets and recommends that the Commission issue an Order approving the following proposed tariff sheets, as filed on May 20, 2008, and substituted on August 25, 2008, to become effective on September 24, 2008, as requested in MGE's cover letter, or permit the tariff sheets to go into effect by operation of law:

P.S.C. MO. No. 1

Third Revised Sheet No. 6 canceling Second Revised Sheet No. 6
First Revised Sheet No. 6.1 canceling Original Sheet No. 6.1
First Revised Sheet No. 6.2 canceling Original Sheet No. 6.2
Fourth Revised Sheet No. 6.3 canceling Original Sheet No. 6.3
First Revised Sheet No. 6.4 canceling Original Sheet No. 6.4
First Revised Sheet No. 6.5 canceling Original Sheet No. 6.5
First Revised Sheet No. 6.6 canceling Original Sheet No. 6.6
Fourth Revised Sheet No. 6.7 canceling Third Revised Sheet No. 6.7
First Revised Sheet No. 6.8 canceling Original Sheet No. 6.8
First Revised Sheet No. 6.9 canceling Original Sheet No. 6.9
First Revised Sheet No. 6.10 canceling Original Sheet No. 6.10
First Revised Sheet No. 6.11 canceling Original Sheet No. 6.11
First Revised Sheet No. 6.12 canceling Original Sheet No. 6.12
Second Revised Sheet No. 6.13 canceling First Revised Sheet No. 6.13
Third Revised Sheet No. 6.14 canceling Second Revised Sheet No. 6.14
Second Revised Sheet No. 6.15 canceling First Revised Sheet No. 6.15
First Revised Sheet No. 6.16 canceling Original Sheet No. 6.16
First Revised Sheet No. 7 canceling Original Sheet No. 7
Second Revised Sheet No. 8 canceling First Revised Sheet No. 8

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.

cc: Roger W. Steiner
Jeffrey A. Keevil
Lewis Mills

**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,
install, own, operate, control, manage
and maintain a natural gas distribution
system to provide gas service in Platte
County, Missouri, as an expansion of its
existing certified area.


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Case No. GA-2007-0289, et al

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 28th day of August, 2008.



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


Notary Public