BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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)	Case No. GA-2008-0078
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STAFF RECOMMENDATION

COMES NOW the Staff ("Staff") of the Missouri Public Service Commission ("Commission") and respectfully states as follows:

- 1. On September 11, 2007, Missouri Gas Utility, Inc. ("MGU" or "Company") filed with the Commission, pursuant to Section 393.170 RSMo 2000, 4 CSR 240-2.060 and 4 CSR 240-3.205, an Application for a certificate of convenience and necessity ("CCN") to construct, install, own, operate, control, manage and maintain a natural gas distribution system to provide natural gas service in Harrison County, Missouri, as a further expansion of MGU's existing service area. The request will enable MGU to provide natural gas service to Maschhoffs, Inc.'s facilities located within Sections 9 and 10, Township 64 North, Range 28 West in Harrison County, and, subject to MGU's main extension tariff, to potential new customers within said Sections 9 and 10.
- 2. On September 14, 2007, the Commission issued an Order which, among other things, directed the Staff to file by October 15, 2007, either its recommendation in this case or a status report indicating the earliest date on which it intends to file its recommendation. On

October 15, Staff filed a Status Report stating its intention to file its recommendation no later than October 30, 2007, and on October 18, the Commission so ordered.

3. Based on its review of the Company's Application and its analysis as set forth in the attached Memorandum (Appendix A), the Staff is of the opinion that granting MGU's request for a CCN would be in the public interest.

WHEREFORE, for the reasons set forth in the attached Memorandum, the Staff respectfully requests that the Commission issue an Order granting MGU's request for a certificate of convenience and necessity, and requiring the Company to file within thirty (30) days, the appropriate tariff sheets incorporating the new service territory.

Respectfully submitted,

DANA K. JOYCE General Counsel

/s/ Dennis L. Frey

Dennis L. Frey Senior Counsel Missouri Bar No. 44697

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to all counsel of record this 23rd day of October 2007.

/s/ Dennis L. Frey