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

| In the matter of the Application of     | ) |                       |
|---|---|-----------------------|
| Southern Missouri Gas Company, L.P.     | ) |                       |
| d/b/a Southern Missouri Natural Gas for | ) |                       |
| Authority to Issue approximately \$10   | ) | Case No. GF-2007-0215 |
| Million in Equity Capital and           | ) |                       |
| approximately \$50 Million In Notes and | ) |                       |
| Other Forms of Indebtedness             | ) |                       |

## STAFF RESPONSE TO COMMISSION ORDER DIRECTING FILING OF STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission and in response to the Commission's December 22, 2006 Order Directing Filing of Staff Recommendation and states:

- 1. On December 6, 2006, Southern Missouri Gas Company, LP (dba) Southern Missouri Natural Gas, filed its Application for Commission authority to construct, install, own, operate, control, manage and maintain a natural gas distribution system to provide gas service in Lebanon, Missouri.
- 2. On December 12, 2006, Southern Missouri Natural Gas filed its request for financing of the Lebanon, Missouri project.
- 3. On December 22, the Commission issued its order directing Staff to file a recommendation or a status report on January 22.
- 4. Staff has submitted requests for detailed information necessary to an analysis of the feasibility of the proposed project. To date, Staff has not received data request responses that are sufficiently detailed to proceed with its examination and analysis of the feasibility of the proposed project.

5. Staff has had several discussions with Southern Missouri Natural Gas in order to

discuss the documentation that Staff believes is necessary in order to make an informed

recommendation to the Commission.

6 Until Staff receives adequate information necessary to make an informed

recommendation to the Commission, it cannot estimate when it will file its Report. Staff

proposes to file a status report or its final report on February 27 unless otherwise ordered by the

Commission.

7. Staff suggests that its report in this case be due on the same date as its report in

Case No. GA-2006-0212, as the two cases are related.

WHEREFORE, Staff requests the Commission accept this pleading in response to the

Commission's Directing Staff to File a Recommendation and direct Staff to file a status report or

its recommendation in this case on February 27, 2007.

Respectfully submitted,

/s/ Lera L. Shemwell

Lera L. Shemwell

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Missouri Public Service Commission

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| facs | simile | or elec | tronic  | mail t | to all co | ounsel of re | ecord | this 1. | 3 <sup>th</sup> day o | f February 200 | 7.            |      |

/s/ Lera L. Shemwell