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) Christian County, Missouri, as a further expansion) of its existing certified area.)

Case No.

APPLICATION

COMES NOW Missouri Gas Energy, a division of Southern Union Company ("MGE" or "Applicant"), by and through its counsel, and as its Application pursuant to §393.170, RSMo (2000), 4 CSR 240-2.060 and 4 CSR 240-3.205 for a certificate of public convenience and necessity, respectfully states as follows:

Applicant is Missouri Gas Energy, a division of Southern Union Company.
MGE's principal office is located at 3420 Broadway, Kansas City, Missouri 64111.

2. Southern Union Company is a corporation duly incorporated under the laws of the State of Delaware and conducts business in Missouri under the fictitious name of Missouri Gas Energy. A copy of a certificate from the Missouri Secretary of State that Southern Union Company is authorized to do business in Missouri as a foreign corporation was submitted in Case No. GA-2001-509 and is incorporated by reference. A copy of a certificate from the Missouri Secretary of State that Missouri Gas Energy is a registered fictitious name of Southern Union Company was submitted in Case No. GA-2001-509 and is incorporated by reference. A copy of a certificate from the Missouri Secretary of State that Missouri Gas Energy is a registered fictitious name of Southern Union Company was submitted in Case No. GA-2001-509 and is incorporated herein by reference. Other than cases that have been docketed at the Commission, MGE has no pending action or final unsatisfied judgments or decisions against it from any state or federal agency or court within the past three (3) years that involve customer service or rates. MGE has no annual report or assessment fees that are overdue.

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3. MGE conducts the business of a "gas corporation" and provides natural gas service in the Missouri counties of Andrew, Barry, Barton, Bates, Buchanan, Carroll, Cass, Cedar, Christian, Clay, Clinton, Cooper, Dade, Dekalb, Greene, Henry, Howard, Jackson, Jasper, Johnson, Lafayette, Lawrence, McDonald, Moniteau, Cedar, Pettis, Platte, Ray, Saline, Stone, and Vernon, subject to the jurisdiction of the Missouri Public Service Commission (Commission).

4. All correspondence, communications, notices, orders and decisions of the Commission with respect to this matter should be sent to the undersigned counsel and:

Michael R. Noack Manager, Pricing & Regulatory Affairs Missouri Gas Energy 3420 Broadway Kansas City, Missouri 64111 Telephone: (816) 360-5560 Facsimile: (816) 360-5536 Email: Mnoack@mgemail.com

5. Morelock Ross, a developer, has requested that MGE provide its proposed residential subdivision with natural gas service. The new subdivision is to be located within Section 35, Township 28 North, Range 21 West in Christian County. This is an area where MGE currently does not hold a certificate for natural gas service from the Commission. In addition, MGE is also requesting an order from the Commission granting it a certificate of convenience and necessity in Section 36, Township 28 North, Range 21 West and Section 12, Township 27 North, Range 21 West. These two sections will square up the MGE territory in Christian County as is indicated on **Appendix A** attached hereto.

6. Attached hereto and marked as <u>Appendix A</u> is a map of the location of the proposed service area that is Section 12, Township 27 North, Range 21 West and Sections 35 and 36, Township 28 North, Range 21 West in Christian County. MGE already has a certificate from the Commission to serve all sections in Township 27 North, Range 21 West with the

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exception of Section 12 and Sections 31,32,33 and 34 in Township 28 North, Range 21 West which are adjacent to the requested section, in addition to numerous other sections in Christian County.

7. The metes and bounds legal description of the proposed boundaries of the certificated area in Christian County are as follows:

Section 12, Township 27 North, Range 21 West in Christian County, Missouri.Section 35, Township 28 North, Range 21 West in Christian County, Missouri.Section 36, Township 28 North, Range 21 West in Christian County, Missouri.

8. Attached hereto and marked as <u>Appendix B</u> is a feasibility study and description of the plans and specifications for the project including the estimated cost of construction and estimated revenues during the first three years. No external financing is anticipated for construction related to this area. Construction methods will follow MGE's customary standards and the rules of the Commission.

9. Attached hereto and marked as <u>Appendix C</u> is a list of ten persons residing in or who are landowners within each of the proposed sections.

10. Because MGE does not have a certificate from the Commission for the area where the potential customers are located, it is necessary for MGE to obtain the requisite permission from the Commission.

11. Applicant will not require any franchises or permits from municipalities, counties, or other authorities in connection with the proposed construction other than the usual and customary state highway, railroad and county road permits which will be obtained prior to construction.

12. Applicant's existing rates and regulations for natural gas service contained in its tariff, as the same may change from time to time pursuant to law, will apply to service in the proposed area.

13. The area in which MGE is seeking to be certificated hereby is expected to develop and require natural gas service. Service from a natural gas supplier is not available in this area at

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the present time. Since MGE has the franchise and the ability to provide service in this area by construction of additions to existing facilities, MGE believes that potential new customers should be afforded the opportunity to take service from MGE if they so desire, pursuant to MGE's extension rule. These facts support a finding that the granting of the application is required by the public convenience and necessity.

14. No gas transmission lines are required to be constructed as a part of this application.

WHEREFORE, Applicant requests an order from the Commission granting it a certificate of convenience and necessity to construct, install, own, operate, control, manage, and maintain a system for the provision of natural gas service to the public pursuant to its approved rates, rules and regulations, in Section 12, Township 27 North, Range 21 West and Sections 35 and 36, Township 28 North, Range 21 West in Christian County, Missouri.

Respectfully submitted,

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Dean L. Cooper MBE #36592 BRYDON, SWEARENGEN & ENGLAND P.C. 312 East Capitol Avenue P.O. Box 456 Jefferson City, Missouri 65102-0456 Telephone: (573) 635-7166 Facsimile: (573) 635-3847 Email: Dcooper@brydonlaw.com

Attorneys for Missouri Gas Energy

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing document was sent by electronic mail to the following counsel this 266 day of August, 2004:

Office of the General Counsel Missouri Public Service Commission Governor State Office Building Jefferson City, Missouri 65101

Office of the Public Counsel Governor State Office Building Jefferson City, Missouri 65101

. (Dean L. Cooper