# 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 distribution)	Case No	
system to provide gas service in Benton, Morgan, )		
Camden and Miller Counties in Missouri, as a new )		
certificated area.		

### **APPLICATION**

COMES NOW Missouri Gas Utility, Inc. (MGU 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 convenience and necessity for a service area, respectfully states as follows:

- Applicant is Missouri Gas Utility, Inc. MGU's principal office is located at 7810
  Shaffer Parkway, Suite 120, Littleton, CO 80127.
- 2. MGU is a corporation duly incorporated under the laws of the State of Colorado. A copy of a certificate from the Missouri Secretary of State that MGU is authorized to do business in Missouri as a foreign corporation was submitted in Case No. GA-2007-0421 and is incorporated by reference in accordance with Commission Rule 4 CSR 240-2.060(1)(G). Other than cases that have been docketed at the Commission, MGU 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. MGU has no annual report or assessment fees that are overdue.
- 3. MGU conducts the business of a "gas corporation" and provides natural gas service in the Missouri counties of Harrison, Daviess and Caldwell, subject to the jurisdiction of the Missouri Public Service Commission (Commission). In accordance with the Order in Case

No. GA-2009-0264, and GA-2009-0422, MGU will also commence service in the Missouri counties of Pettis and Benton in the fall of 2009.

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

Tim Johnston, P.E. Executive Vice President and Chief Operating Officer Missouri Gas Utility, Inc. 7810 Shaffer Parkway, Suite 120 Littleton, CO 80127

Telephone: (800) 927-0787 Facsimile: (303) 979-7892

Email: tjohnston@SummitUtilitiesInc.net

### **SUMMARY**

5. MGU proposes to install a natural gas distribution system to provide natural gas sales and transportation service in Camdenton, Osage Beach and Lake Ozark, all of which are 4<sup>th</sup> Class cities located in Camden County. This system would also provide service in certain unincorporated portions of Benton and Morgan Counties, and in portions of unincorporated Camden County. Camdenton is located in parts of Sections 23, 24, 25, 26, 35 and 36 in Township 38 N, Range 17 W, and Sections 19 and 30 of Township 38N, Range 16W. Osage Beach is located in parts of Sections 1, 2, 3, 4, 9, 10, 11, 12, 13, 14, 15, 16, 21, 22, 27 and 28 in Township 39 N, Range 16 W, and in part of Section 6 in Township 39 N, Range 15 W, all in Camden County, and in part of Section 5, Township 39 N Range 15 W in Miller County. Lake Ozark is located in parts of Sections 13, 24 and 25 in Township 40 N, Range 16 W, and in parts of Sections 17, 18, 19, 20, 21, 28, 29, 30, 31 and 32 in Township 40 N, Range 15 W, all in Miller County. These are all areas where MGU currently does not hold a certificate for natural gas service from the Commission.

6. MGU will utilize a 6" steel main line to bring gas to this area. This line will begin at a tee on the existing MGU line in Section 20, Township 42 North, Range 22 West. This line will then proceed east south-east along private right-of-way for a distance of 25.6 miles, then continue south-east along private right-of-way for a distance of 5.28 miles, then south along private right-of-way for a distance of 4.23 miles. The line will then be suspended from the structure of the Hurricane Deck Bridge on State Highway 5 across the Lake of the Ozarks for a distance of 0.4 miles. South of the bridge, the line will follow the State Highway 5 right-of-way for a distance of .63 miles to the south-west, then turn to the south-east and re-enter private right-of-way and proceed 2.4 miles to the north end of the Beauty Cove Bridge on State Highway 5. The next segment of the line will be suspended beneath that bridge for a distance of 0.4 miles. South of that bridge, the line will continue in the State Highway 5 right-of-way for 0.5 miles, then turn south-west and proceed for 6.3 miles through private right-of-way to a terminus at a point along State Highway 54 approximately 1.5 miles east of Camdenton.

#### AREA CERTIFICATE

7. For the length of the 6" steel main line in Benton County, MGU is requesting an order from the Commission granting it a certificate of convenience and necessity (CCN) in the sections within 1.5 miles of the line where it lays. In the area surrounding the Lake of the Ozarks MGU requests a certificate in the areas shown on **Appendix A**. MGU has surveyed this area and believes that during initial construction, which is planned to take two years, and in subsequent expansion over the following three years, all the sections in this area will be served with natural gas. MGU has determined that either potential commercial or residential customers exist within these sections in sufficient quantity to justify building and operating a line to provide service.

MGU stands ready, if necessary, to serve any potential customers in these sections, under the terms of its Main Extension tariff, as set forth on Sheets 72 - 76.

8. The legal description of the area to be certificated, by county, is as follows:

<b>Benton County</b>		
Township	Range	Sections
39 North	20 West	Sections 1-26, and 36
39 North	21 West	Sections 1-15, and 24
39 North	22 West	Sections 1-4, 10-12
40 North	21 West	Sections 15-22, 27-35
40 North	22 West	Sections 25, and 33-36
41 North	20 West	Sections 5-11, 13-18, 21-26
41 North	21 West	Sections 1-3, 11-12
42 North	21 West	Sections 26-27, 33-36

Camden County		
Township	Range	Sections
37 North	16 West	Sections 3-10
37 North	17 West	Sections 1-4, 10-12
38 North	15 West	Sections 6 and 7
38 North	16 West	Sections 1-23, 26-35
38 North	17 West	Sections 1-36
38 North	18 West	Sections 1-3, 10-14, and 24
39 North	15 West	Sections 6, 7, 17-21, 29-32
39 North	16 West	Sections 1-36
39 North	17 West	Sections 1-36
39 North	18 West	Sections 1-30, 33-36
39 North	19 West	Sections 1-33
40 North	16 West	Sections 15-36
40 North	17 West	Sections 24, 25, 31-36
40 North	18 West	Sections 19, 20, 29-36
40 North	19 West	Sections 4-10, 15, 16, 21-28, 33-36

Miller County		
Township	Range	Sections
39 North	15 West	Sections 4, 5, 8, 9, 16, 17, 21
40 North	15 West	Sections 7-9, 15-22, 27-34
40 North	16 West	Sections 3, 10-15, 22-24
41 North	16 West	Sections 27, 34

Morgan County		
Township	Range	Sections
40 North	16 West	Sections 4-9, 16-18
40 North	17 West	Sections 1-30
40 North	18 West	Sections 1-30
40 North	19 West	Sections 1-6, 9-15, 23-27, 34-36
41 North	16 West	Sections 7, 17-21, 28-33
41 North	17 West	Sections 8-17, 20-29, 32-36
41 North	18 West	Sections 30-35
41 North	19 West	Sections 17-23, 25-36

### PROJECT INFORMATION

- 9. The proposed line certificate route and proposed service area are shown on the map attached hereto as **Appendix A**.
- 10. Attached hereto and marked as <u>Appendix B</u> is a feasibility study containing a description of the plans and specifications for the project, to include the estimated cost of construction and an estimate of the number of customers, revenues and expenses during the first three years of operations. MGU intends to use the same rate structure for this area as was approved by the Commission for the area certificated in Cases No. GA-2009-0264 and GA-2009-0422.
- 11. MGU intends to finance this project by issuing indebtedness, as evidenced by a mortgage and security agreement that will secure said indebtedness. MGU will seek

Commission approval for this financing through a separate application. It is MGU's intent to file that application with the Commission by November 1, 2009.

- 12. Construction methods will follow MGU's customary standards and the rules of the Commission. MGU plans to use the general terms and conditions of service found in MGU's currently approved tariffs.
- 13. Attached hereto and marked as **Appendix C** is a list of ten persons who reside, or own land, within the proposed service area.
- 14. MGU has not yet begun to seek commitments from potential customers in the cities or rural areas contained within the CCN requested in this filing. However, MGU does intend to begin these activities by February 1, 2010. Such commitments would be clearly conditioned upon MGU's receipt of the requested certificates, if such have not already been received.
- and Lake Ozark. Copies of those franchises are attached hereto as <u>Appendix D</u>. If MGU determines that additional franchises are necessary or desirous in regard to this project, it will supplement its filing at a later date in accordance with Commission Rule CSR 240-3-205(2). MGU will not require any other 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.
- 16. The area in which MGU is seeking to be certificated hereby is already developed. Service from a natural gas supplier is not available in this area at the present time. MGU has the ability to provide service in this area by construction of new facilities and MGU believes that potential new customers should be afforded the opportunity to take service from MGU if they so

desire. These facts support a finding that a grant of this application is required by the public convenience and necessity.

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 gas transmission line and a distribution system for the provision of natural gas service to the public pursuant to the proposed rates, and approved rules and regulations, in the Sections listed above in Benton, Morgan, Camden and Miller Counties, in the State of Missouri.

Respectfully submitted,

216-

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 Utility, Inc.

## **CERTIFICATE OF SERVICE**

The undersigned certifies that a true and correct copy of the foregoing document was sent by electronic mail to the following this  $9^{th}$  day of July, 2009:

D1.Com

Office of the General Counsel Missouri Public Service Commission Governor State Office Building Jefferson City, Missouri 65101 gencounsel@psc.mo.gov

Office of the Public Counsel Governor State Office Building Jefferson City, Missouri 65101 opcservice@ded.mo.gov