BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the matter of the application of Trigen-)	
Kansas City Energy Corporation for a)	
Certificate of Public Convenience and)	
Necessity authorizing it to construct, install,)	
own, operate, control, manage and maintain)	Case No. HA-2006-0294
a steam heat distribution system to provide)	
steam heat service in Kansas City, Missouri,)	
as an expansion of its existing certified area.)	

APPLICATION TO INTERVENE OF MISSOURI GAS ENERGY AND REQUEST FOR HEARING

COMES NOW Missouri Gas Energy ("MGE"), an operating division of Southern Union Company ("Southern Union"), by counsel, pursuant to 4 CSR 240-2.075, and for its application to intervene and request for hearing in the above-captioned proceeding states as follows to the Missouri Public Service Commission (the "Commission"):

- 1. Southern Union is a Delaware corporation and conducts business in Missouri through its MGE operating division. Through MGE, Southern Union is a "gas corporation" and "public utility" as those terms are defined in Section 386.020 RSMo and as such is subject to jurisdiction of the Commission as provided by law.
- 2. MGE's principal Missouri office is located 3420 Broadway, Kansas City, MO 64111.
- 3. Communications relating to this application and proceeding should be directed to the undersigned counsel as well as to:

Michael R. Noack Director, Pricing & Regulatory Affairs Missouri Gas Energy 3420 Broadway Kansas City, Missouri 64111 Telephone: (816)360-5560 Fax: (816)360-5536

E-mail: mike.noack@mgemail.com

- 4. On January 10, 2006, Trigen-Kansas City Energy Corporation ("Trigen") filed its application which is the subject of the captioned-case. By its application, Trigen seeks a certificate of public convenience and necessity authorizing it to construct, install, own, operate, control, manage and maintain a steam heat distribution system to provide steam heat service in Kansas City, Missouri, as an expansion of its existing certified area.
- 5. By the Commission's Order and Notice issued January 11, 2006, the Commission established an intervention deadline of February 10, 2006 and directed any party that desires to request a hearing in this matter to do so no later than February 10, 2006.
- 6. MGE should be allowed to intervene in this proceeding, because it has an interest that is different from that of the "general public" which may be adversely affected by a final order in this case. Specifically, the area which Trigen seeks to certificate overlaps the present service territory of MGE.
- 7. For purposes of 4 CSR 240-20.075(2) MGE states that although it is uncertain of the precise position it will ultimately take in this proceeding, it generally opposes Trigen's request. A more detailed statement of position and identification of issues with respect to Trigen's application may be submitted following discovery, but as a result of its preliminary assessment, MGE states the following concerns:
 - MGE serves numerous customers within the area for which Trigen seeks a certificate of public convenience and necessity. MGE is unaware of any customer in that area whose heating-related energy needs have not been met, or are not capable of being met, by MGE. Consequently, MGE does not presently believe any need exists in this area for Trigen's service.

- Because MGE has already invested in the infrastructure to serve many customers in this area, granting Trigen the certificate it has requested may cause revenue losses for MGE and result in under-utilized investment to the detriment of MGE and its customers. A cursory analysis reveals a number of MGE customers whose current gas load is significant including Truman Medical Center, Children's Mercy Hospital, and Excel Linen Supply. Loss of gas service revenue from these or other customers would have a detrimental impact on the remainder of MGE's customer base.
- In addition to detrimental financial ramifications to MGE and its customers, MGE has substantial infrastructure present in the area which is likely to be negatively affected from a physical perspective by granting Trigen the certificate it has requested. For example, MGE has nearly 3.5 miles of cast iron main located in this area; the construction work necessary to install Trigen's facilities would increase the likelihood for breaks in these mains that would not have otherwise occurred. In addition, MGE has nearly 1 mile of polyethylene ("PE") main located in this area; PE can be compromised by extreme heat, like that which is present in Trigen's facilities. Consequently, granting Trigen the certificate it has requested may have a detrimental effect on the physical condition of MGE's natural gas distribution system in this area.
- 8. In order to preserve its right herein, in accordance with the Commission's January 11, 2006, Order and Notice, MGE hereby requests a hearing in this matter.

WHEREFORE, for the reasons stated herein, MGE respectfully requests that the Commission issue an order permitting it to intervene in this case with full rights as a party hereto.

Respectfully submitted,

Vames C. Swearengen

MBE #21510

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ATTORNEYS FOR MISSOURI GAS ENERGY

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing document was hand-delivered, mailed by U.S. mail, or electronically transmitted on this <u>974</u> day of February, 2006, to all parties of record.