# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of	)		
Weber Gas Energy, LLC for a Certificate of Public	)		
Convenience and Necessity to Construct	)	Case No. GA-2007	
and Operate a Natural Gas Distribution System	)		
and Gas Utility; to Serve Portions of St. Louis	)		
County, Missouri and certain incorporated	)		
areas therein and Establishment of Utility Rates	)		

#### **APPLICATION**

COMES NOW Weber Gas Energy LLC, (hereinafter, "Applicant" or "WGE"), by and through counsel, pursuant to Section 393.170 RSMo, 4 CSR 240-2.060 and 4 CSR 240-3.205, and files this Application for a Certificate of Public Convenience and Necessity to construct, operate and maintain a natural gas distribution system hereinafter described within an authorized service territory and to establish the rates for sale of natural gas through said distribution system. In support of its Application, WGE respectfully states:

#### **Applicant**

1. WGE is a limited liability company organized under the laws of the state of Missouri. WGE's principal place of business is 2320 Creve Coeur Mill Rd., Maryland Heights, Missouri 63043-8501. Its telephone number is 314-344-0070; fax number is 314-344-0356; and email address is TPdunnejr@FredWeberinc.com. WGE has been created for the purpose of engaging in the sale and distribution of natural gas to customers. A copy of WGE's Certificate of Good Standing is attached as Exhibit A. WGE is a wholly owned subsidiary of Fred Weber, Inc.

#### **Contact Information**

2. All correspondence, communications and orders and decisions of the Commission relating to this Application should be sent to:

Mark W. Comley Newman, Comley and Ruth P.C. 601 Monroe St., Suite 301 P.O. Box 537 Jefferson City, MO 65102 573-634-2266 (Telephone) 573-636-3306 (FAX)

Derrick Standley Genesis Group of Missouri 514 Earth City Expressway, Suite 314 St. Louis, MO 63045 314-739-0906 (Telephone) 314-420-3058 (FAX) genesisds@msn.com

Dave Bryant
Fred Weber, Inc.
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314-344-0356 (FAX)
dtbryant@fredweberinc.com

#### **Jurisdiction of the Commission**

3. The Missouri Public Service Commission has jurisdiction over this matter under Sections 386.250 and 393.110 to 393.280 RSMo. To the extent the operations of WGE will require the installation, construction and erection of distribution pipeline and related facilities, the application is also filed pursuant to the requirements of Section 393.170 RSMo.

#### Source of Gas, Description of WGE's Facilities and Service Area

4. Fred Weber, Inc. (FWI) engages in diversified businesses including general contracting for highway paving and improvement. FWI is the owner and operator of a solid waste landfill located in an industrially zoned quadrant of Maryland Heights, Missouri. The

landfill has been in operation for approximately 30 years. As a natural by-product of the decomposing organic matter disposed in the landfill, a gas composed of a percentage of methane is being released. FWI is extracting and collecting this gas at the current rate of five thousand five hundred (5500) cubic feet per minute. FWI has installed facilities by which to safely flare or otherwise dispose of the methane generated including facilities that are able to provide heat energy for potential customers. FWI has organized WGE for purposes of operating the gas facilities and acquiring the necessary authority to offer retail service.

- 5. FWI has conditionally granted WGE a Subsurface Gas Lease for purposes of extracting the gas for its operations. FWI and WGE are currently engaged in negotiations on the terms of a lease by which WGE will lease from FWI the pipes, pumps, equipment and other property used or useful for the provision of gas service. Both leases are contingent upon the approval of WGE's application in this matter. Copies of the leases will be made available upon request.
- 6. WGE seeks a Certificate of Public Convenience and Necessity to permit it to construct, own and operate a natural gas distribution system and to provide retail natural gas service to customers in portions of St. Louis County, Missouri. Pursuant to 4 CSR 240-3.205 (1) (A) 3. a legal description of the proposed certificated service area will be late filed as Exhibit B. A plat map of the proposed service area is attached as Exhibit C.
- 7. WGE is in the process of obtaining franchises to serve the city of Champ, Missouri and the city of Maryland Heights, Missouri. Both municipalities have expressed support for WGE's proposal to expand gas service into their respective incorporated areas. A letter of the city of Maryland Heights expressing that support is attached as Exhibit D. A letter from the city or village of Champ expressing that support with be late filed as Exhibit E.

- 8. As mentioned in preceding paragraphs, FWI has gas facilities already in use. Facilities are in place for distribution of gas for FWI's internal demands and for use, without charge, to a local public school. An "as built" diagram of these facilities will be part of the Feasibility Study which will be late filed as Exhibit G.
- 9. Any additional distribution lines or facilities will be built in public rights-of-way in the franchised cities and in easements or other rights or interests in property acquired by or for WGE. WGE will comply with all applicable environmental and zoning laws relating to any expansion of its lines and facilities. In addition, WGE will design, construct, test and operate all pipelines in accordance with all applicable safety standards prescribed by the United States Department of Transportation and the Missouri Public Service Commission.
- 10. Upon issuance of a certificate and tariff approval, WGE anticipates that customers will be served immediately.

#### **Public Convenience and Necessity**

- 11. Pursuant to 4 CSR 240-3.205 (1) (E), Applicants state that the granting of this Application is required by the public convenience and necessity for the following reasons:
  - a. Methane is a primary constituent of landfill gas (LFG) and has been labeled a potent greenhouse gas when released to the atmosphere. By reducing those emissions through capturing the LFG from the Maryland Heights landfill, and using it as an energy source, FWI has already produced substantial energy, economic, and environmental benefits. Use of the gas released from the FWI landfill has reduced greenhouse gases and air pollutants. The LFG is an economical source of fuel for heating, and for generation of electrical energy as

- well. Granting a certificate to WGE will produce cost savings for customers of the company, create additional jobs, and help the local economies.
- b. Although the service area proposed in this application is currently within the authorized service area of Laclede Gas Company, approval of WGE's certificate will provide customers a choice of natural gas suppliers while at the same time produce environmental and economic benefits for the region.
- c. The proposed service area is the location of diverse uses of property, including residential, commercial and industrial. Irrespective of the existence of another certificated gas distribution utility in the area, WGE believes that there is a significant demand for natural gas service in the proposed service area. WGE would be able to provide natural gas service to the area at rates which would provide substantial cost savings for nearly all consumers.
- d. Initially, WGE intends to offer its service to commercial and industrial customers who have already expressed an interest in the service that would be available from the landfill source. However, WGE believes that a residential customer base can be developed within the municipalities from which it obtains a franchise or other forms of consent.
- 12. Pursuant to 4 CSR 240-3.205 (1) (A) 1., and as mentioned previously, WGE states that the area sought to be served by WGE is located within the authorized service area of Laclede Gas Company.

#### Persons and Businesses in Proposed Service Area

13. Pursuant to 4 CSR 240-3.205 (1) (A) 2., a list of ten (10) persons residing, or businesses operating, in the proposed service area is attached as Exhibit F.

#### **Feasibility Study**

14. Pursuant to 4 CSR 240-3.205 (1) (A) 5., a feasibility study with: (1) plans and specifications for the utility system; (2) estimated cost of construction of the utility system during the first three years of construction; (3) financing plans; and (4) proposed rates, estimate of number of customers, revenues and expenses for the first three years of operation will be late filed as Exhibit G.

#### **Governmental Body Approvals**

- 15. As mentioned above, pursuant to 4 CSR 240-3.205 (1) (D), WGE is presently actively pursuing franchises from the city of Champ, and city of Maryland Heights. Municipal and business leaders have expressed enthusiastic support for WGE's efforts to acquire certification.
- 16. All city or county consents or franchises will be filed with the Commission as obtained during the pendency of this Application, as will certified copies of consents or permits of any other governmental agencies that are required.

#### **Additional Information Required by Rules**

- 17. Pursuant to the requirements of 4 CSR 240-2.060(K), Applicant states that it does not have any pending or unsatisfied final judgments or decisions against it in any state or federal agency or court which involve customer service or rates, which action, judgment or decision occurred within the last three (3) years.
- 18. Pursuant to the requirements of 4 CSR 240-2.060(L), Applicant states that it has no annual report or assessment fees that are overdue.

WHEREFORE, for the foregoing reasons, Weber Gas Energy, LLC respectfully requests that the Public Service Commission of Missouri:

- (1) Issue a certificate of public convenience and necessity to Weber Gas Energy, LLC to construct, operate and maintain a natural gas distribution system;
- (2) Issue a certificate of public convenience and necessity to Weber Gas Energy, LLC to operate as a natural gas utility and provide natural gas service to customers in Missouri;
- (3) Designate certain parts of St. Louis County as the certificated service territory of Weber Gas Energy, LLC; and
- (4) Approve the rates, rules and regulations to be filed as part of this Application.

Respectfully submitted

#### /s/ Mark W. Comley

Mark W. Comley, Mo. Bar #28847 Newman, Comley & Ruth P.C. 601 Monroe Street, Suite 301 P.O. Box 537 Jefferson City, MO 65102-0537 (573) 634-2266 (voice) (573) 636-3306 (facsimile) comleym@ncrpc.com

ATTORNEYS FOR WEBER GAS ENERGY LLC

#### **CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the above and foregoing document was sent via e-mail on this 17th day of January, 2007, to General Counsel's Office at gencounsel@psc.mo.gov; and Office of Public Counsel at opcservice@ded.mo.gov.

/s/ Mark W. Comley

### **INDEX OF EXHIBITS**

Exhibit A Certificate of Good Standing for Weber Gas Energy, LLC

Exhibit B Legal description of the proposed certificated service area (to be

late filed)

Exhibit C Plat map of the proposed service area

Exhibit D Letter from the City of Maryland Heights

Exhibit E Letter from the Village of Champ (to be late filed)

Exhibit F List of ten persons residing, or businesses operating, in the

proposed service area

Exhibit G Feasibility Study (to be late filed)

## Exhibit A

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Plat map of the proposed service area

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Letter from the city of Maryland Heights

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## Exhibit G

Feasibility Study (to be late filed)