

**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 natural)
gas distribution system to provide gas service in)
Daviess County, Missouri, as a further)
expansion of its existing certified area.)

Case No. _____

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, respectfully states as follows:

1. 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).

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@cng Holdings.net

5. MGU proposes to install a natural gas distribution system to provide natural gas sales and transportation service in Pattonsburg, a 4th Class city, located in Daviess County. Pattonsburg is located in parts of Sections 13 and 24 in Township 61 N, Range 29 W, and Sections 18 and 19 of Township 61N, Range 28W, all in Daviess County. This is an area where MGU currently does not hold a certificate for natural gas service from the Commission. MGU will utilize a 4" PE line to serve Pattonsburg beginning in Section 9, Township 61 North, Range 28 West, then proceeding west along Highway B and Highway N for a distance of 1.8 miles, then turning south along 162nd Street and continuing along 1st Avenue in Pattonsburg for another 2 miles. Additional 2" PE lines will be attached to this main line and will be installed in the streets of Pattonsburg to provide service to the businesses and residences in the town.

6. For its entire east-west length, the main 4" PE line will lay along Section lines and MGU requests an order from the Commission granting it a certificate of convenience and necessity (CCN) in the sections immediately on both sides of the line where MGU does not already have an existing certificate. These sections would be Sections 5, 6, 7 and 8 in Township 61 N, Range 28 W, as shown on the map attached hereto as **Appendix A**. In addition, granting the CCN in these sections and the sections around Pattonsburg will create a cut-out of non-certificated territory north and west of these sections along both sides of Highway 69, the

secondary highway through this area. MGU requests that a CCN for this area, Sections 1 and 12 of Township 61 N, Range 29 W, to allow future expansion north of Pattonsburg along Highway 69 and to square off the CCN territory. 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.

7. MGU already has a certificate from the Commission to serve Sections 4 and 9 in Township 61 N, Range 28 W, which are immediately east of and adjacent to the requested Sections, in addition to numerous other sections in Daviess County.

8. The legal description of the area to be certificated in Daviess County is as follows:

Sections 5, 6, 7, 8, 18, 19 in Township 61 North, Range 28 West in Daviess County, Missouri.

Sections 1, 12, 13, 24 in Township 61 North, Range 29 West in Daviess County, Missouri.

9. Attached hereto and marked as **Appendix B** 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. No external financing is anticipated for the construction related to this project. Construction methods will follow MGU's customary standards and the rules of the Commission. MGU plans to use its existing rates and tariff in order to provide service to the proposed service area.

10. Attached hereto and marked as **Appendix C** is a list of ten persons who reside, or own land, within the proposed service area.

11. MGU has already begun to seek commitments from potential customers in Pattonsburg and the immediate area around the town. As of this filing, the owners of 80 residences and 12 commercial properties have committed to take natural gas if the requested CCN is granted. 2 of these 12 commercial properties are expected to be served on the Large Volume rate schedule.

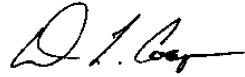
12. Applicant has obtained a franchise from the Town of Pattonsburg, which is attached hereto as **Appendix D**. Applicant will not require any other franchises or permits from municipalities, counties, or other authorities in connection with the proposed construction other than the usual and customary state highway, railroad and county road permits which will be obtained prior to construction.

13. 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. Since MGU has the ability to provide service in this area by construction of additions to existing facilities, 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 system for the provision of natural gas service to the public pursuant to its approved rates, rules and regulations, in the Sections listed above in Township 64 North, Range 28 West, in Daviess

County, Missouri.

Respectfully submitted,



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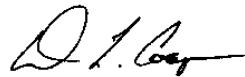
Attorneys for Missouri Gas Utility, Inc.

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing document was sent by electronic mail to the following counsel this 7th day of April, 2008:

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

VERIFICATION

STATE OF COLORADO)
)ss
COUNTY OF Jefferson)

I, Timothy R. Johnston, state that I am the Executive Vice President of Missouri Gas Utility, Inc. (MGU); that I have read the above and foregoing document; that the statements contained therein are true and correct to the best of my information, knowledge and belief; and, that I am authorized to make this statement on behalf of MGU.

[Signature]

Subscribed and sworn to before me this 4th day of April, 2008.

Janette Binkley
Janette Binkley, Notary Public

