



Commissioners
KELVIN L. SIMMONS
Chair
CONNIE MURRAY
SHEILA LUMPE
STEVE GAW

Missouri Public Service Commission

POST OFFICE BOX 360
JEFFERSON CITY, MISSOURI 65102
573-751-3234
573-751-1847 (Fax Number)
<http://www.psc.state.mo.us>

September 26, 2001

ROBERT J. QUINN, JR.
Executive Director
WESS A. HENDERSON
Director, Utility Operations
ROBERT SCHALLENBERG
Director, Utility Services
DONNA M. KOLILIS
Director, Administration
DALE HARDY ROBERTS
Secretary/Chief Regulatory Law Judge
DANA K. JOYCE
General Counsel

Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

FILED³

SEP 26 2001

**Missouri Public
Service Commission**

RE: Case No. GA-2001-509

Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and eight (8) conformed copies of a **STAFF RECOMMENDATION**.

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,

Lora L. Shemwell
Associate General Counsel
(573) 751-7431
(573) 751-9285 (Fax)

LLS:sw
Enclosure
cc: Counsel of Record

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

FILED³

SEP 26 2001

Missouri Public
Service Commission

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 Natural Gas Pipeline)
Facilities and a Gas Distribution System)
for the Public in Newton County, Missouri)
as an expansion of its existing certificated)
area.)

Case No. GA-2001-509

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission and for its recommendation states:

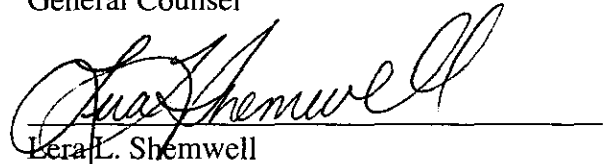
1. On March 31, 2001, Missouri Gas Energy (MGE), filed an Application pursuant to 4 CSR 240-2.060(4) with the Missouri Public Service Commission (Commission).
2. The Application requests that the Commission grant MGE a certificate of public convenience and necessity (CCN) authorizing it to construct, install, own, operate, control, manage and maintain a natural gas transmission and distribution system for the public in an area in Newton County near Neosho, Missouri.
3. In the attached Memorandum, labeled Appendix A, the Staff explains its reasons for recommending that the Commission grant the Application.
4. There were no intervenors in the case.

WHEREFORE Staff recommends that the Commission approve the Application as in the public interest and order MGE to file a revision to its tariff sheet to reflect this change in its existing certificated area.

3

Respectfully submitted,

DANA K. JOYCE
General Counsel

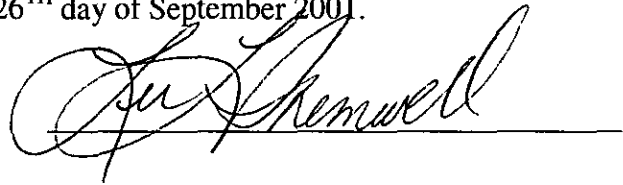


Lera L. Shemwell
Assistant General Counsel
Missouri Bar No. 43792

Attorney for the Staff of the
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
(573) 751-7431 (Telephone)
(573) 751-9285 (Fax)

Certificate of Service

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 26TH day of September 2001.



M E M O R A N D U M

TO: Missouri Public Service Commission Official Case File,
Case No. GA-2001-509, Missouri Gas Energy, a Division of Southern
Union Company

FROM: Daniel I. Beck, Energy Department - Engineering Analysis

DB WW
Wm Z. W... 9-25-01 *Thomas R. Sch...* 9/26/01

Energy Department/Date

General Counsel's Office/Date

SUBJECT: Staff Recommendation Regarding Application for a Certificate of
Convenience and Necessity in Newton County

DATE: September 25, 2001

On March 23, 2001, Missouri Gas Energy (MGE), a Division of Southern Union Company filed a Application for a Certificate of Convenience and Necessity (Application) to serve an additional portion of Newton County near Neosho, Missouri. The service area is more specifically described as Section 10 of Township 25 North, Range 32 West in Newton County which is approximately one square mile in area. On April 10, 2001, the Commission ordered that a proper party wishing to intervene in this matter do so by April 24, 2001. No parties intervened in this case.

After MGE filed the Application, the customer that MGE intended to serve in its original filing chose an alternative energy source. However, MGE expects future development in this area and the possibility that the customer could, at a later date, choose to be served by MGE.

Staff has reviewed the Application and is of the opinion that the filing complies with Commission rules. After reviewing the Application as well as additional information provided by MGE, Staff maintains that this Application is in the public interest. Therefore, Staff recommends approval of the Application for a Certificate of Convenience and Necessity to serve an additional portion of Newton County near Neosho, Missouri. Staff also recommends that the Commission order MGE to file a revision to tariff sheet No. 6.14 to reflect the addition of Section 10 of Township 25 North, Range 32 West in Newton County.

Service List for
Case No. GA-2001-509
Revised: September 26, 2001 (SW)

Office of the Public Counsel
P.O. Box 7800
Jefferson City, MO 65102

Gary W. Duffy
Brydon, Swearengen & England P.C.
P.O. Box 456
Jefferson City, MO 65102-0456