STATE OF MISSOURI PUBLIC SERVICE COMMISSION JEFFERSON CITY October 16, 2001

CASE NO: GA-2001-509

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Enclosed find certified copy of an ORDER in the above-numbered case(s).

Sincerely,

Dale Hardy Roberts

Hole Hold Roberts

Secretary/Chief Regulatory Law Judge

Uncertified copies:

STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 16th day of October, 2001.

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 a Natural
Gas Distribution System to Provide Gas Service in
Section 10 of Township 25 North, Range 32 West.
in Newton County, Missouri, as an Expansion of Its
Existing Certificated Area.

Case No. GA-2001-509

ORDER GRANTING CERTIFICATE OF CONVENIENCE AND NECESSITY

On March 31, 2001, Missouri Gas Energy (MGE) filed an application with the Missouri Public Service Commission (Commission) pursuant to Section 393.170, RSMo 2000, and 4 CSR 240-2.060, requesting that the Commission grant it a certificate of convenience and necessity to construct, install, own, operate, control, manage and maintain a natural gas service distribution system to provide gas service in Section D of Township 25 North, Range 32 West in Newton County, Missouri, as an expansion of its existing certificated area.

On April 10, 2001, the Commission issued an order and notice and directed interested parties to file an application to intervene no later than April 24, 2001. No applications to intervene were filed. Since no proper party filed an application to intervene and there are no outstanding requests for hearing, the Commission determines that a hearing is not necessary and the Applicant may submit evidence in support of its

application by verified statement. State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission, 776 S.W.2d 494, 496 (Mo. App. 1989).

On September 26, 2001, the Staff of the Commission filed its memorandum and recommendation, recommending that the Commission grant MGE's Application for a Certificate of Convenience and Necessity. Staff noted that after MGE filed its application, the customer that MGE intended to serve in its original filing chose an alternative energy source. However, MGE expects further development in this area and there is the possibility that the original potential customer could, at a later date, choose to be served by MGE. Staff has reviewed the application and has determined that it complies with Commission rules. Staff maintains that the application is in the public interest. 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.

The Commission has reviewed the application, along with the official case file, and finds that the application for a certificate of convenience and necessity is reasonable and in the public interest and should be granted.

IT IS THEREFORE ORDERED:

- 1. That Missouri Gas Energy is granted a certificate of public convenience and necessity to construct, install, own, acquire, operate, control, manage and maintain a natural gas distribution service system to provide gas service in Section 10 of Township 25 North, Range 32 West in Newton County, Missouri.
- 2. That the certificate of convenience and necessity referenced in ordered paragraph 1 shall become effective on the effective date of this order; however, Missouri Gas Energy shall not provide service to customers under this certificate until the tariffs referenced in ordered paragraph 3 herein are approved.

3. That within 30 days of the effective date of this order, Missouri Gas Energy shall file with the Commission tariff sheets consistent with this order describing the terms and conditions under which it will provide gas service. The tariff sheets shall bear an effective date that is at least 30 days after the date the tariff sheets are filed with the Commission.

4. That nothing in this order shall be considered a finding by the Commission of the reasonableness of the expenditures herein involved, nor of the value for ratemaking purposes of the properties herein involved, nor as an acquiescence in the value placed on the property.

5. That the Commission reserves the right to consider the ratemaking treatment to be afforded the expenditures and properties herein involved, and the resulting cost of capital, in any later proceeding.

6. That this order shall become effective on October 26, 2001.

BY THE COMMISSION

Hok Hard Roberts

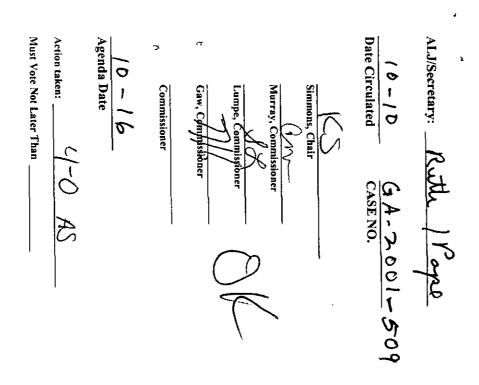
Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge

(SEAL)

Simmons, Ch., Murray, Lumpe, and Gaw, CC., concur.

Ruth, Senior Regulatory Law Judge



STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City,

Missouri, this 16th day of Oct. 2001.

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge

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