

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

In the Matter of Missouri Gas Energy's)	
Application for a Determination of Certain)	
Matters Pertaining to its Safety Line)	Case No. GO-2002-48
Replacement Program)	

STAFF RECOMMENDATION
REGARDING MGE'S MAY 27, 2008 MOTION FOR EXTENSION

COMES NOW the Staff (“Staff”) of the Missouri Public Service Commission (“Commission”), and recommends that the Commission grant the request of Missouri Gas Energy (“MGE”) in its Motion For Extension, filed May 27, 2008. In support thereof, the Staff respectfully states as follows:

1. In an order issued December 22, 2005, the Commission granted MGE an extension, until June 30, 2008, of the time in which to replace mains and service lines in two mobile home parks, *i.e.*, Finley River Mobile Home Park and Heistland/Malang Mobile Home Park. Today, only the Heistland/Malang Mobile Home Park still exists.

2. Because, however, the continued existence of the Heistland/Malang Mobile Home Park is doubtful, on May 27, 2008, MGE filed a motion requesting a two year extension of the time to complete the replacements, until June 30, 2010.

3. On May 29, 2008, the Commission issued an order directing the Staff to file a Recommendation no later than June 9, 2008.

4. As set out in the attached Memorandum (Appendix A), the Staff, following its investigation of the situation, has concluded that MGE’s request is appropriate, and recommends Commission approval.

WHEREFORE, for the reasons set forth in the attached Memorandum, the Staff respectfully recommends that the Commission issue an Order: a) granting MGE's request to extend, until June 30, 2010, the time for completion of main and service line replacements at Heistland/Malang Mobile Home Park; and b) directing MGE to continue conducting leakage surveys two times annually with annual reports submitted to the Staff.

Respectfully submitted,

/s/ Dennis L. Frey

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this **5th day of June 2008**.

/s/ Dennis L. Frey