

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

In the matter of the application of Southern Union)
Company, d/b/a Missouri Gas Energy, 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)
Lawrence County, Missouri, as an expansion of its)
existing certified area.)

File No. _____

APPLICATION

COMES NOW Southern Union Company, d/b/a Missouri Gas Energy (MGE), 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 public convenience and necessity, respectfully states as follows to the Missouri Public Service Commission (Commission):

1. Applicant is Missouri Gas Energy, a division of Southern Union Company. MGE's principal office is located at 3420 Broadway, Kansas City, Missouri 64111.
2. MGE is a division of Southern Union Company, which is duly incorporated under the laws of the State of Delaware and conducts business in Missouri under the fictitious name of "Missouri Gas Energy." MGE's principal office and place of business is located at 3420 Broadway, Kansas City, Missouri 64111. A copy of a certificate from the Missouri Secretary of State indicating that Southern Union Company is authorized to do business in Missouri as a foreign corporation was submitted in Case No. GU-2010-0015. A copy of a certificate from the Missouri Secretary of State indicating that Missouri Gas Energy is a registered fictitious name of Southern Union Company was submitted in Case No. GU-2010-0015. Both documents are incorporated herein by reference and made a part hereof for all purposes in accordance with 4 CSR 240-060(1)(G).

3. Other than cases that have been docketed at the Commission, MGE has no pending action or final unsatisfied judgments against it from any state or federal agency or court within the past three years that involve customer service. MGE has no annual report or assessment fees that are overdue. MGE currently conducts business as a “gas corporation” and provides natural gas service to approximately 500,000 customers in the Missouri counties of Andrew, Barry, Barton, Bates, Buchanan, Carroll, Cass, Cedar, Christian, Clay, Clinton, Dade, Dekalb, Greene, Henry, Howard, Jackson, Jasper, Johnson, Lafayette, Lawrence, McDonald, Moniteau, Pettis, Platte, Ray, Saline, Stone, and Vernon, subject to the jurisdiction of the Missouri Public Service Commission as provided by law.

4. All correspondence, communications, notices, orders and decisions of the Commission with respect to this matter should be sent to the undersigned counsel and:

Michael R. Noack
Director, Pricing & Regulatory Affairs
Missouri Gas Energy
3420 Broadway
Kansas City, Missouri 64111
Telephone: (816) 360-5560
Facsimile: (816) 360-5536
Email: Mike.Noack@sug.com

5. Greg Hancock Properties, a developer, has requested that MGE provide natural gas service to a new four-plex to be located within Section 1, Township 26 North, Range 25 West in Lawrence County. This is an area where MGE currently does not hold a certificate for natural gas service from the Commission.

6. Attached hereto and marked as **Appendix A** is a map of the location of the proposed service area that is Section 1, Township 26 North, Range 25 West in Lawrence County. MGE already has a certificate from the Commission to serve Section 2 in Township 26 North, Range 25 West and Sections 35 and 36 in Township 27 North, Range 25 West which are adjacent to the requested section, in addition to numerous other sections in Lawrence County.

7. The metes and bounds legal description of the proposed boundaries of the certificated area in Lawrence County:

Section 1, Township 26 North, Range 25 West in Lawrence County, Missouri.

8. Attached hereto and marked as **Appendix B** is a feasibility study and description of the plans and specifications for the project including the estimated cost of construction and estimated revenues during the first three years. No external financing is anticipated for construction related to this area. Construction methods will follow MGE's customary standards and the rules of the Commission.

9. Attached hereto and marked as **Appendix C** is a list of eleven persons residing within or who are landowners within one mile of the proposed service territory.

10. Because MGE does not have a certificate from the Commission for the area where the new customers will be located, it is necessary for MGE to obtain the requisite permission from the Commission.

11. Applicant will not require any 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.

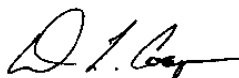
12. Applicant's existing rates and regulations for natural gas service contained in its tariff, as the same may change from time to time pursuant to law, will apply to service in the proposed area.

13. The area in which MGE is seeking to be certificated hereby is expected to develop and require natural gas service. Service from a natural gas supplier is not available in this area at the present time. Since MGE has the franchise and the ability to provide service in this area by construction of additions to existing facilities, MGE believes that potential new customers should be afforded the opportunity to take service from MGE if they so desire, pursuant to MGE's extension rule. These facts support a finding that the granting of the application is required by the public convenience and necessity.

14. No gas transmission lines are required to be constructed as a part of this application.

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 Section 1, Township 26 North, Range 25 West in Lawrence County, Missouri.

Respectfully submitted,



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ATTORNEYS FOR MISSOURI GAS ENERGY

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing document was sent by electronic mail to the following this 6th day of May, 2011:

Kevin Thompson
Office of the General Counsel
Governor Office Building
Jefferson City, MO 65101
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