# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of	)	
Ozark Energy Partners, LLC	)	
for a Certificate of Public Convenience and	)	
Necessity to Construct and Operate an	)	Case No. GA-2006-0561
Intrastate Natural Gas Pipeline and Gas Utility	)	
to Serve Portions of the Missouri Counties of	)	
Christian, Stone and Taney, and for	)	
Establishment of Utility Rates.	)	
	•	

### **APPLICATION**

COMES NOW Ozark Energy Partners, LLC (hereinafter, "Applicant" or "Ozark"), by and through counsel, pursuant to Section 393.170 RSMo, 4 CSR 240-2.060 and 4 CSR 240-3.205, and files this Application for a Certificate of Public Convenience and Necessity to construct and operate the intrastate natural gas pipeline system and natural gas distribution facilities hereinafter described and to establish the rates for sale or transportation of natural gas through said pipeline and distribution system. In support of its Application, Ozark respectfully states:

# **Applicant**

1. Ozark is a limited liability corporation organized under the laws of the State of Missouri. Ozark's principal place of business is at 136 Kessler Drive, Walnut Shade, Missouri (MO) 65771. Its telephone number is 417-561-0415; fax number is 417-561-0415; and email address is riskingdreams@tri-lakes.net. Ozark is in the business of transporting and distributing natural gas to customers. A copy of the Articles of Organization of Ozark Energy Partners, LLC is attached

hereto as **Exhibit A.** Pursuant to 4 CSR 240-2.060 (1) (B), a copy of Ozark's Certificate of Good Standing from the Missouri Secretary of State is attached hereto as **Exhibit B.** 

#### **Contact Information**

2. All correspondence, communications and orders and decisions of the Commission relating to this Application should be sent to:

William D. Steinmeier Mary Ann (Garr) Young WILLIAM D. STEINMEIER, P.C. P.O. Box 104595

Jefferson City, Missouri 65110-4595 Telephone: (573) 659-8672 Facsimile: (573) 636-2305 Email: wds@wdspc.com

MYoung0654@aol.com

Daniel L. Epps, Managing Director Ozark Energy Partners, LLC 136 Kessler Drive Walnut Shade, Missouri 65771

Telephone: (417) 561-0415

Facsimile: (417)

Email: riskingdreams@tri-lakes.net

Randy Hole, CFS 7834 Garnett Lenexa, Kansas 66214

Telephone: (913) 962-5706

Ralph B. Handlin, Chief Engineer Ozark Energy Partners, LLC 12422 N. County Road

Oronogo, Missouri 64855

Telephone: (417) 525-6335

Facsimile: (417)

Email: rhandlin@archerengineers.com

#### **Jurisdiction of the Commission**

3. The Missouri Public Service Commission has jurisdiction over this matter under Sections 386.250 and 393.110 to 393.285 RSMo, as illuminated by definitions in Section 386.020 (18), (19) and (42) RSMo. Specifically, this Application is filed pursuant to the requirements of Section 393.170 RSMo.

### **Description of Ozark's Facilities**

- 4. Ozark seeks a Certificate of Public Convenience and Necessity to permit it to construct, own and operate an intrastate natural gas pipeline initially comprised of approximately 30 miles of 20-inch, 10 miles of 16-inch, and 10 miles of 8-inch down to 4-inch steel pipelines, and more than 150 miles of plastic distribution mains, in the Missouri counties of Stone, Christian, and Taney.
- 5. Ozark also seeks a Certificate of Public Convenience and Necessity to permit it to provide retail natural gas service to customers in portions of Christian, Stone and Taney counties. Ozark is currently seeking franchises to serve the cities of Hollister, Reeds Spring, Branson, Branson West, Highlandville and Spokane.
- 6. The pipeline proposed by Ozark will originate at Southern Star Central Gas Pipeline (near Marionville, Missouri) or at Center Point Energy (near Springfield, Missouri).
- 7. Distribution systems will be built in public rights-of-way in the franchised towns and to densely-populated rural areas near the pipeline route.

- 8. Upon issuance of a certificate, Ozark anticipates that construction of the proposed facilities will commence in 2007, and that the first customers will be served approximately three months after construction begins. Ozark will comply with all applicable environmental and zoning laws relating to this project. In addition, Ozark will design, construct, test and operate all pipeline systems in accordance with all applicable safety standards prescribed by the United States Department of Transportation and the Missouri Public Service Commission.
- 9. The Ozark pipeline design is compatible with the current pipeline operating conditions of Southern Star Central Gas Pipeline and Center Point Energy, and with present and projected market requirements of the proposed service territory.

## **Public Convenience and Necessity**

- 10. Pursuant to 4 CSR 240-3.205 (1) (E), Applicants state that the granting of this Application is required by the public convenience and necessity for the following reasons:
- (a) No other gas utility is currently providing natural gas service in the area proposed by the Applicant herein. The area to be served is anchored by Hollister and the Table Rock Lake Area, an area that hosts more than 7,000,000 visitors per year and is one of the fastest-growing areas of the State of Missouri. The closest supply of natural gas is the Springfield, Missouri area, including the municipalities of Nixa and Ozark, but this area is more than thirty (30) miles from Hollister with limited supply of natural gas.

- (b) The population of the proposed service area is estimated to be in excess of 70,000, and includes not only the cities of Hollister, Reeds Spring, Branson, Branson West, Highlandville and Spokane, but other significant load centers such as Silver Dollar City, School of the Ozarks, Hollister Industrial Park, the 7,000-acre Branson Creek development, the Branson Landing waterfront project, and others.
- (c) The Branson area, with three lakes, over four dozen music and other live-entertainment theaters, and the Silver Dollar City theme park, has developed into a major regional and national tourist attraction, with activities that attract customers throughout the year. The year-around population of this area has increased because of the popularity of this region as a recreational area and the year-round employment offered by businesses that support the growing recreation and tourism industries. The College of the Ozarks, located two (2) miles south of Branson on U.S. Highway 65, is another well-known local institution. The school has over 1,200 students, who earn their tuition, working their way to a quality liberal arts education.
- (d) The proposed service area is a high-growth area. The fast growth of the area is demonstrated by the fact that, according to U.S. Census data, the population of Branson, Missouri increased by 139.2% between 1980 and 2000. The population of Hollister, Missouri increased by 168.7% during the same time period, and the overall population of Taney County increased by 94.0%. This rate of growth is expected to continue in the proposed service area. In fact, United

States Census Bureau data projects growth in the proposed service area of more than 20% annually.

- (e) The proposed service area is heavily commercialized and has been primarily served, to-date, by electricity, LPG (propane), fuel oil and solid fuels. Ozark Energy Partners, LLC believes there is a tremendous demand for natural gas service in the proposed service area, for purposes of both reliability and cost, for residential and commercial space heating, water heating and cooking, as well as for other commercial and industrial purposes. Ozark would be able to provide natural gas service to the area at rates which would provide cost savings for nearly all consumers compared to most competing forms of energy.
- (f) Ozark has identified a population of 30,000 to 40,000 people, with more than 12,500 homes and 1,600 businesses, in the populated sections of the proposed service area as potential customers for its proposed retail natural gas service. These customers would be targeted by Ozark during for the first five years of operation. These potential customers are grouped in sufficient density to make natural gas service feasible.
- (g) Ozark intends to build its customer base with residential and commercial consumers in the towns and along the settled rural roads of the counties in its proposed service area.

### **Gas Supply and Transportation**

Ozark has arranged for firm transportation service on the Southern
 Star Gas Pipeline and Center Point Energy systems to meet residential and

commercial loads. Several natural gas marketing firms have expressed interest in supplying Ozark with gas supply and transportation capacity on Southern Star Central Gas Pipeline and Center Point Energy. Final commitment to firm gas supply cannot be completed until a certificate of public convenience and necessity is granted to Ozark.

### Same or Similar Utility Service Available in Requested Service Area

- 12. Pursuant to 4 CSR 240-3.205 (1) (A) 1., Applicant states that the area sought to be served by Applicant is not presently served by a natural gas utility. A certificate of public convenience and necessity was granted to Ozark Natural Gas Co., Inc. in 1998, in Case No. GA-98-227. However, that certificate has not been exercised by Ozark Natural Gas Co., Inc., which serves no Missouri customers. Section 393.170.3, RSMo, states: "Unless exercised within a period of two years from the grant thereof, authority conferred by such certificate of convenience and necessity issued by the commission shall be null and void." Therefore, the certificate of convenience and necessity issued by this Commission to Ozark Natural Gas Co., Inc. is now null and void. Ozark Energy Partners, LLC, the Applicant herein, is not affiliated with Ozark Natural Gas Co., Inc.
- 13. Applicant does not intend to overlap the certificated service area of any other gas utility operating in Southwest Missouri, such as Missouri Gas Energy, Empire District or Southern Missouri Gas Company.

## Persons and Businesses in Proposed Service Area

14. Pursuant to 4 CSR 240-3.205 (1) (A) 2., a list of ten (10) persons residing, or businesses operating, in the proposed service area is attached as **Exhibit C.** 

### Legal Description and Plat of the Proposed Certificated Area

15. Pursuant to 4 CSR 240-3.205 (1) (A) 3. and (1) (A) 4., a legal description and plat of the proposed certificated service area will be late-filed with the Commission as **Exhibits D and E.** 

### **Feasibility Study**

16. Pursuant to 4 CSR 240-3.205 (1) (A) 5., a feasibility study with: (1) plans and specifications for the utility system; (2) estimated cost of construction of the utility system during the first three years of construction; (3) financing plans; and (4) proposed rates, estimate of number of customers, revenues and expenses for the first three years of operation, will be late-filed with the Commission as **Exhibit F**.

### **Governmental Body Approvals**

17. Pursuant to 4 CSR 240-3.205 (1) (D), Ozark is presently, actively seeking franchises from the cities of Hollister, Reeds Spring, Branson, Branson West, Highlandville and Spokane. Municipal and business leaders have

expressed enthusiastic support for Ozark's efforts to bring natural gas service to the area, to enhance the industrial and commercial potential of the area.

18. All city or county consents or franchises and will be filed with the Commission as obtained during the pendency of this Application, as will certified copies of any other governmental agencies that are required.

#### Gas Transmission Line Information

19. Pursuant to 4 CSR 240-3.205 (1) (B) 1., Ozark will provide to the Commission a description of the route of construction and a list of all electric and telephone lines of regulated and nonregulated utilities, railroad tracks or any underground facilities which the proposed construction will cross, as late-filed **Exhibit G.** Pursuant to 4 CSR 240-3.205 (1) (B) 2. and 3., Ozark will provide to the Commission the plans and specifications for the complete construction project and estimated cost of the construction project, and plans for financing, as late-filed **Exhibit H.** 

#### **Additional Information Required by Rules**

20. Pursuant to the requirements of 4 CSR 240-2.060(K), Applicant states that it does not have any pending or unsatisfied final judgments or decisions against it in any state or federal agency or court which involve customer service or rates, which action, judgment or decision occurred within the last three (3) years.

21. Pursuant to the requirements of 4 CSR 240-2.060(L), Applicant states that it has no annual report or assessment fees that are overdue.

WHEREFORE, for the foregoing reasons, Ozark Energy Partners, LLC respectfully requests that the Public Service Commission of Missouri;

- Issue a certificate of public convenience and necessity to Ozark Energy Partners, LLC, to build and operate an intrastate natural gas pipeline in Missouri;
- (2) Issue a certificate of public convenience and necessity to Ozark

  Energy Partners, LLC, to operate as a natural gas utility and provide
  natural gas service to customers in Missouri;
- (3) Designate certain parts of Christian County, Stone County and Taney County, Missouri, as the certificated service territory of Ozark Energy Partners, LLC; and
- (4) Approve the rates, rules and regulations to be filed as part of this Application.

# Respectfully submitted,

## /s/ William D. Steinmeier

William D. Steinmeier, MoBar #25689 Mary Ann (Garr) Young, MoBar #27951 WILLIAM D. STEINMEIER, P.C. 2031 Tower Drive P.O. Box 104595 Jefferson City, MO 65110-4595

Phone: 573-659-8672 Fax: 573-636-2305 Email: wds@wdspc.com

Myoung0654@aol.com

COUNSEL FOR OZARK ENERGY PARTNERS, LLC

# **CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing document has been served electronically on the General Counsel's Office and the Office of the Public Counsel this  $30^{\rm th}$  day of June 2006.

/s/ William D. Steinmeier

William D. Steinmeier

# APPLICATION OF OZARK ENERGY PARTNERS, LLC

# **EXHIBIT LIST**

Exhibit A	Articles of Organization of Ozark Energy Partners, LLC
Exhibit B	Certificate of Good Standing, Missouri Secretary of State
Exhibit C	List of Persons and Businesses in Proposed Service Area
Exhibit D	Legal Description of Proposed Service Area (To be late-filed)
Exhibit E	Plat of Proposed Service Area (To be late-filed)
Exhibit F	Feasibility Study (To be late-filed)
Exhibit G	Gas Transmission Line Information Pursuant to 4 CSR 240-3.205 (1) (B) 1. (To be late-filed)
Exhibit H	Gas Transmission Line Information Pursuant to 4 CSR 240-3.205 (1) (B) 2. and 3. (To be late-filed)

# APPLICATION OF OZARK ENERGY PARTNERS, LLC EXHIBIT A

Articles of Organization of Ozark Energy Partners, LLC



# State of Missouri Robin Carnahan, Secretary of State

File Number: 200611490801 LC0733697 Date Filed: 04/24/2006 Robin Carnahan Secretary of State

# **Articles of Organization**

1.	The name of the limited liability company is:
	OZARK ENERGY PARTNERS, LLC
2.	The purpose(s) for which the limited liability company is organized:  CONSRUCTION, DISTRIBUTION, AND SELLING PIPELINE SYSTEM AND OTHER PUBLIC SERVICES TO MUNICIPALITIES, RESIDENTIAL AND COMMERCIAL CUSTOMERS
	The transaction of any lawful business for which a limited liability company may be organized under the Missouri Limited Liability Company Act, Chapter 347 RSMo.
3.	The name and address of the limited liability company's registered agent in Missouri is:  DANIEL L EPPS 136 KESSLER DRIVE, WALNUT SHADE MO 65771
	Name Address
4.	The management of the limited liability company is:  Manager  X Member
5.	The duration (period of existence) for this limited liability company is:  12/31/2026
6.	The name(s) and street address(es) of each organizer:  DANIEL L EPPS, 136 KESSLER DRIVE, WALNUT SHADE MO 65771
	Affirmation thereof, the facts stated above are true and correct:  (The undersigned understands that false statements made in this filing are subject to the penalties provided under Section 575.040, RSMo)
	ANIEL EPPS ganizer Name)

# APPLICATION OF OZARK ENERGY PARTNERS, LLC EXHIBIT B

**Certificate of Good Standing, Missouri Secretary of State** 

# STATE OF MISSOURI



# Robin Carnahan Secretary of State

# CORPORATION DIVISION CERTIFICATE OF GOOD STANDING

I, ROBIN CARNAHAN, Secretary of the State of Missouri, do hereby certify that the records in my office and in my care and custody reveal that

#### OZARK ENERGY PARTNERS, LLC LC0733697

was created under the laws of this State on the 24th day of April, 2006, and is in good standing, having fully complied with all requirements of this office.

IN TESTIMONY WHEREOF, I have set my hand and imprinted the GREAT SEAL of the State of Missouri, on this, the 22nd day of June, 2006

Secretary of State

Certification Number: 8817515-1 Reference:

Verify this certificate online at http://www.sos.mo.gov/businessentity/verification

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# APPLICATION OF OZARK ENERGY PARTNERS, LLC EXHIBIT C

**List of Persons and Businesses in Proposed Service Area** 

## **Ozark Energy Partners, LLC**

# Exhibit C – List of Ten Persons Residing, or Businesses Operating, in the Proposed Service Area

Ken Barth Owner Hollister Industrial Park 145 Industrial Park drive Hollister, Mo. 65672 Phone: 417- 335-1506

David Booth Owner of Tri-Lakes Interior 135 South Towne Blvd Hollister, Mo. 65672 Phone: 417- 335-8494

Dr. Rick Jeffery 1273 State Hwy V Hollister, Mo. 65672 Phone: 417- 335-4630

Dr. Hal Ketter Vice President College of the Ozarks 100 Opportunity Ave. Point Lookout, Mo. 65726 Phone: 417- 334-6411

Mark Mathes 50 Stonebridge Village Branson West, Mo. 65737 Phone: 417- 332-1448 Jim Shiarto
Owner/ Developer
Indian Ridge Commercial
Development
10054 E State Hwy 76
Branson West, Mo. 65737
Phone: 417- 338-4002

Jose Nunez Manager South Towne Grill/Restaurant 165-A- South Towne Blvd. Hollister, Mo. 65672 Phone: 417- 332-0033

Cindy Hogshooter Assistant City Clerk 61 Ellingsworth Lane Highlandville, Mo. 65669 Phone: 417- 443-6252

JoAnn Reynolds City Clerk P.O. Box 83 Highlandville, Mo. 65669 Phone: 417- 443-3391

Officer Matt Kirk 1045 Ellingsworth Lane Highlandville, Mo. 65669 Phone: 417- 443-1234

# APPLICATION OF OZARK ENERGY PARTNERS, LLC EXHIBIT D

Legal Description of Proposed Service Area (To be late-filed)

# APPLICATION OF OZARK ENERGY PARTNERS, LLC EXHIBIT E

Plat of Proposed Service Area (To be late-filed)

# APPLICATION OF OZARK ENERGY PARTNERS, LLC EXHIBIT F

Feasibility Study (To be late-filed)

# APPLICATION OF OZARK ENERGY PARTNERS, LLC

# **EXHIBIT G**

Gas Transmission Line Information Pursuant to 4 CSR 240-3.205 (1) (B) 1. (To be late-filed)

# APPLICATION OF OZARK ENERGY PARTNERS, LLC EXHIBIT H

Gas Transmission Line Information
Pursuant to 4 CSR 240-3.205 (1) (B) 2. and 3.
(To be late-filed)

#### VERIFICATION

I, Dan Epps, being duly sworn according to law, depose and say that I am Managing Director of Ozark Energy Partners, LLC; that I am authorized to and do make this verification for it; and that the facts set forth in the above Application are true and correct to the best of my knowledge, information and belief.

Signed:

TITLE: Managing Partner

SUBSCRIBED AND SWORN to me this 22 day of June, 2006.

Notary Public

LORI WARD

Notary Public - Notary Seal

STATE OF MISSOURI

Taney County

My Commission Expires Oct. 16, 2007