

BEFORE THE PUBLIC SERVICE COMMISSION
STATE OF MISSOURI

In the matter of the Application of)
Southern Missouri Gas Company, L.P.)
d/b/a Southern Missouri Natural Gas)
for a certificate of public convenience)
and necessity authorizing it to construct,)
install, own, operate, control, manage) Case No.
and maintain a natural gas distribution)
system to provide gas service in)
Lebanon, Missouri.)

APPLICATION

COMES NOW Southern Missouri Gas Company, L.P. d/b/a Southern Missouri Natural Gas, ("SMNG" or "Applicant"), by and through its counsel, and for its Application pursuant to Section 393.170, RSMo 2000,¹ and 4 CSR 240-2.060(1) and 4 CSR 240-3.205 for a certificate of public convenience and necessity, respectfully states as follows:

1. Southern Missouri Gas Company, L.P. d/b/a Southern Missouri Natural Gas, a Missouri limited partnership, ("SMNG") owns and operates a natural gas transmission and distribution system located in southern Missouri which serves approximately 7,500 residential, commercial and industrial customers. SMGC is a "gas corporation" and "public utility" under the jurisdiction of the Missouri Public Service Commission, pursuant to Chapters 386 and 393, RSMo. 2000. The Company's street and mailing address is: 301 E. 17th Street, Mountain Grove, Missouri 65711. The Company's telephone number is: (417) 926-7533.

¹All statutory references are to Revised Statutes of Missouri 2000, unless otherwise indicated.

SoMoGGS
Exhibit No. 2
Date 7-27-07 Case No. GA-2007-0212
Reporter RMB GA-2007-031
GA-2007-021

2. All correspondence, pleadings, orders, and documents in this proceeding should be addressed to:

James M. Fischer
Fischer & Dority, P.C.
101 Madison Street--Suite 400
Jefferson City, Missouri 65101
Telephone: (573) 636-6758
Email: jfischerpc@aol.com

Mike Lumby, General Manager
Southern Missouri Gas Company, L.P.
301 E. 17th Street
Mountain Grove, Missouri 65711
Telephone: (417) 926-7533
Email: mlumby@smng.biz

Randal T. Maffett, President & CEO
Sendero Asset Management, LLC
1001 Fannin--Suite 550
Houston, Texas 77022
Telephone: (713) 655-0523
Email: rmaffett@sendero.biz

3. A copy of SMNG's Certificate Of Good Standing In Missouri from the Missouri Secretary of State is attached as Appendix A and is incorporated herein by reference.

4. SMNG is in the process of obtaining a franchise from the City of Lebanon, Missouri to provide natural gas service to customers in Lebanon, Missouri and various unincorporated environs. In addition, SMNG is seeking to obtain additional franchises from other municipalities in the area that may, in the future, seek to be served by SMNG.

5. Attached hereto and marked as Appendix B are maps of the location of the proposed service area. Attached hereto and marked as Appendix C is a metes and bounds legal description of the proposed boundaries of the certificated area.

6. Attached hereto as Appendix D is SMNG's Feasibility Study and a summary of the plans and specifications for the project including the estimated cost of construction (Proprietary--filed under seal).

7. Attached hereto and marked as Appendix E is a list of ten persons residing in or who are landowners with the proposed service area.

8. Applicant currently is in the process of obtaining franchise with the City of Lebanon, a certified copy will be late-filed as Appendix F. Applicant will not require any additional 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.

9. Applicant proposes to use its current rates and regulations, as approved by the Commission, for natural gas service contained in its existing tariff.

10. There is no same or similar utility service, regulated or unregulated, available in the area requested.

11. The granting of this Application is required by the public convenience and necessity since natural gas service is not presently available in the proposed certificated area, and the availability of natural gas to Lebanon, Missouri will promote the public interest since natural gas is an economical, safe, and reliable source of energy for residential, commercial, industrial, municipal and other customers.

12. The Applicant has no pending action or final unsatisfied judgments or decisions against it from any state or federal agency or court which involve customer service or rates which has occurred within three (3) years of the date of the Application.

13. The Applicant has no annual report or assessment fees that are overdue.

WHEREFORE, Southern Missouri Gas Company, L.P. d/b/a Southern Missouri Natural Gas respectfully 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 proposed rates, rules, and regulations contained in its tariff in Lebanon, Missouri, as more fully described herein.

Respectfully submitted,

/s/ James M. Fischer

James M. Fischer Mo. Bar No. 27543
Fischer & Dority, P.C.
101 Madison Street, Suite 400
Jefferson City, Missouri 65101
Telephone: (573) 636-6758
Fax: (573) 636-0383
Email: jfischerpc@aol.com

ATTORNEYS FOR
APPLICANT

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been hand-delivered, emailed or mailed, postage prepaid, by U.S. Mail, First Class, this 6th day of December, 2006, to:

Office of the Public Counsel
P.O. Box 2230
Jefferson City, MO 65102

General Counsel
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102

/s/ James M. Fischer

James M. Fischer

VERIFICATION

STATE OF TEXAS)
)
COUNTY OF HARRIS)

ss.

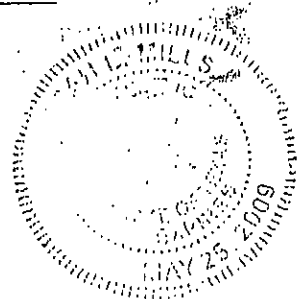
Randal T. Maffett, being first duly sworn, on his oath and in his capacity as Executive Vice President states that he is authorized to execute this Application on behalf of Southern Missouri Gas Company, L.P. d/b/a Southern Missouri Natural Gas and has knowledge of the matters stated herein, and that said matters are true and correct to the best of his knowledge and belief.

R. T. Maffett

Subscribed and sworn to before me this 5th day of December 2006.

Deborah R. Mills
Notary Public

My Commission Expires: May 25, 2009



APPENDIX A

SOUTHERN MISSOURI GAS COMPANY, L.P. D/B/A SOUTHERN MISSOURI
NATURAL GAS CERTIFICATE OF GOOD STANDING
ISSUED BY THE 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

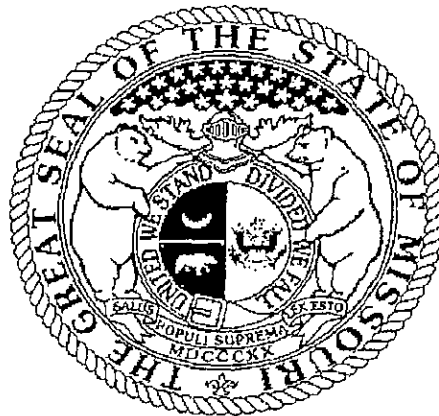
SOUTHERN MISSOURI GAS COMPANY, L.P.
LP0007788

was created under the laws of this State on the 15th day of October, 1996, 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 6th day of December, 2006

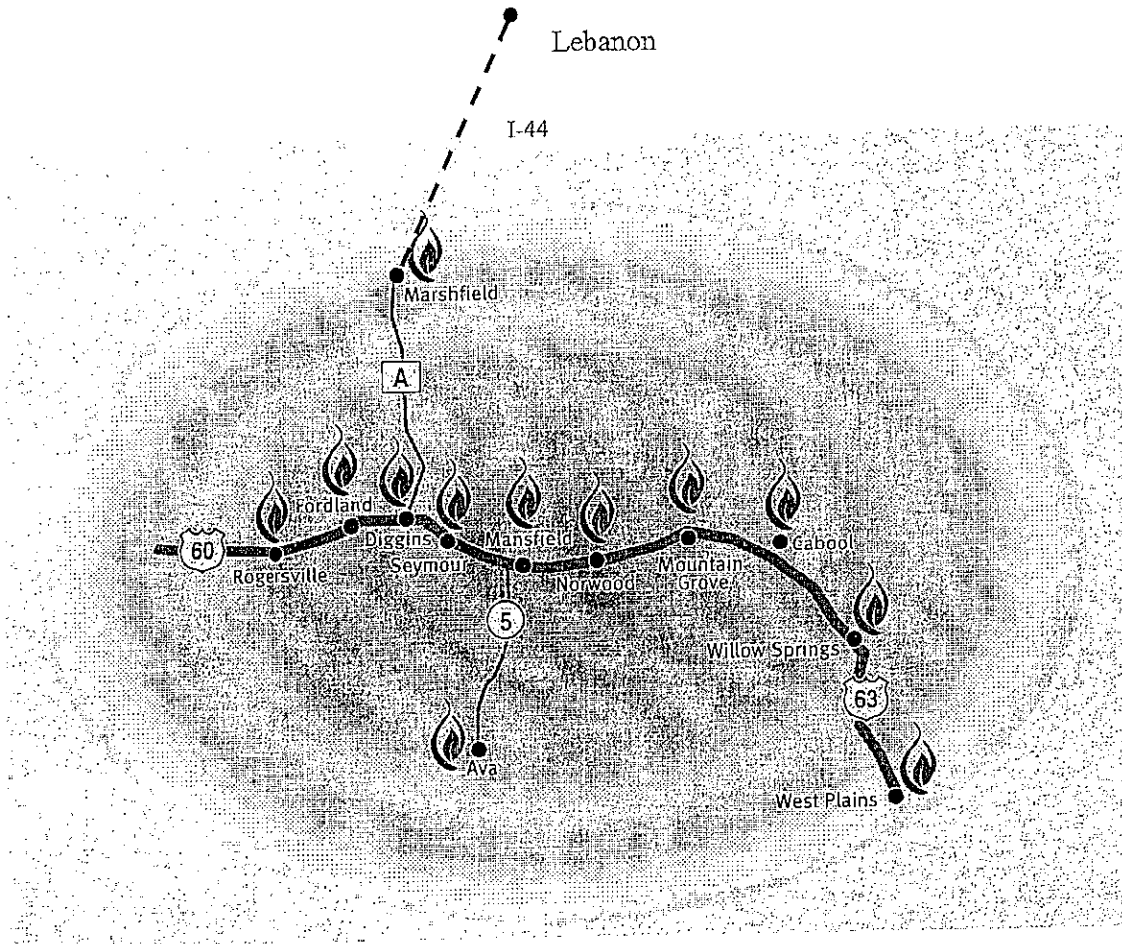
Robin Carnahan

Secretary of State



APPENDIX B

MAPS OF PROPOSED SERVICE AREA



APPENDIX C

METES AND BOUNDS DESCRIPTION OF PROPOSED SERVICE AREA

WEBSTER COUNTY, MISSOURI

<u>Township</u>	<u>Range</u>	<u>Sections</u>
T-29-N	R-18-W	25, 26
T-30-N	R-18-W	2, 3, 4, 5, 8, 9, 10, 11, 15
T-31-N	R-18-W	1, 2, 10, 11, 12, 14, 15, 21, 22, 23, 26, 27, 28, 33, 34, 35
T-32-N	R-18-W	23, 24, 25, 35, 36
T-32-N	R-17-W	5, 6, 7, 8, 9, 17, 18, 19, 20, 29, 30, 31

LACLEDE COUNTY, MISSOURI

<u>Township</u>	<u>Range</u>	<u>Sections</u>
T-33-N	R-17-W	11, 12, 13, 14, 15, 21, 22, 23, 24, 27, 28, 29, 31, 32, 33
T-33-N	R-16-W	4, 5, 6, 7, 8, 18
T-34-N	R-16-W	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 16, 22, 23, 24, 26, 32, 33, 34
T-34-N	R-15-W	6, 7, 8, 17, 18

APPENDIX D

FEASIBILITY STUDY

(PROPRIETARY INFORMATION—FILED UNDER SEAL)

APPENDIX E

LIST OF TEN (10) LANDOWNERS IN PROPOSED SERVICE AREA

Bud Allen
220 Coach Rd.
Lebanon, MO 65536

Joe Knapp
1416 Woodhill
Lebanon, MO 65536

Cathy Mustard
2836 Boardwalk
Lebanon, MO 65536

Janice Hause
2060 Osage
Lebanon, MO 65536

Sam Allen
1633 S. Tower Rd.
Lebanon, MO 65536

Dan True
120 S. Bend Rd.
Lebanon, MO 65536

Bob Brown
1507 Deadra Dr.
Lebanon, MO 65536

Dave Troutman
1211 W. Elm
Lebanon, MO 65536

Bill Wheeler
272 Donnalee
Lebanon, MO 65536

Allen Richert
518 Zachary
Lebanon, MO 65536

APPENDIX F

APPROVED FRANCHISE OF THE CITY OF LEBANON, MISSOURI

(TO BE LATE-FILED)