

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Application of Alliance Gas Energy)
Corporation for a Certificate of Public Convenience and)
Necessity Authorizing It to Construct, Install, Own,)
Operate, Control, Manage and Maintain a Natural Gas) **Case No. GA-2007-0168**
Distribution System to Provide Gas Service in Branson,)
Branson West, Reeds Spring, and Hollister, Missouri)

ORDER DIRECTING FILING AND GRANTING MOTION FOR
SUBSTITUTION OF PARTY

Issue Date: July 11, 2007

Effective Date: July 11, 2007

On October 26, 2006, Alliance Gas Energy Corporation ("AGE") filed an application with the Missouri Public Service Commission requesting that the Commission grant AGE authority to provide natural gas service to customers in four southwest Missouri communities (Branson, Branson West, Reeds Spring, and Hollister), all of which are located in either Stone or Taney County.

On November 2, 2006, the Commission issued notice of AGE's application to members of the public at large and other potentially interested parties and established an intervention deadline of December 4, 2006. On November 8 and November 30, 2006, respectively, Missouri Gas Energy and Ozark Energy Partners, LLC filed applications to intervene pursuant to Commission Rule 4 CSR 240-2.075, which governs intervention. The Commission granted those applications by order dated December 11, 2006. That order also directed Staff to promptly commence an investigation into the merits of AGE's application and to file monthly status reports informing the Commission of Staff's progress.

Staff subsequently filed a series of monthly status reports, nearly all of which emphasized that Staff had nothing new to report because Staff had requested, but not received, important additional information from AGE under Commission Rules 4 CSR 240-3.205(1)(A) and (1)(B) in order to complete its analysis and review of AGE's application.

On February 21, 2007, Southern Star Central Gas Pipeline, Inc. submitted a late-filed application to intervene in this case, which was granted by order dated March 6, 2007. On April 3, 2007, the Missouri Propane Gas Association also submitted a late-filed application to intervene, which was denied by order dated April 19, 2007.

On June 29, 2007, AGE and Southern Missouri Gas Company, L.P. d/b/a Southern Missouri Natural Gas ("SMNG") jointly moved to substitute SMNG as a party to this cause pursuant to an Asset Purchase Agreement dated June 29, 2007, under which AGE's interest in this case was effectively transferred to SMNG.¹ Ten days later, on July 9, 2007, Staff filed its response, in which Staff indicated that it "has no fundamental objection" to the joint motion but also made a number of related recommendations. No other party filed a timely response to the joint motion.

After having thoroughly reviewed and considered the pleadings, the Commission finds the motion and Staff's related recommendations to be reasonable and will grant the joint motion under the conditions specified by Staff.

¹ In their joint motion, AGE and SMNG tacitly acknowledged that the additional required information requested by Staff some six months ago had not yet been supplied. SMNG did, however, indicate that it "intends to provide the Commission in the near future with the information needed to complete the Application filed by AGE."

IT IS ORDERED THAT:

1. The joint Motion for Substitution of Party filed by Alliance Gas Energy Corporation and Southern Missouri Gas Company, L.P. d/b/a Southern Missouri Natural Gas on June 29, 2007, is granted.

2. The Commission's Data Center shall promptly modify the caption of this case to reflect the change in the applicant from Alliance Gas Energy Corporation to Southern Missouri Gas Company, L.P. d/b/a Southern Missouri Natural Gas.

3. Southern Missouri Gas Company, L.P. d/b/a Southern Missouri Natural Gas shall adhere to all requirements of an applicant for a certificate of convenience and necessity as if it were the original applicant in this matter. Southern Missouri Gas Company, L.P. d/b/a Southern Missouri Natural Gas shall also, by no later than July 20, 2007, file an appropriate pleading indicating which previous filings in this matter remain pertinent to the application originally filed by Alliance Gas Energy Corporation on October 26, 2006.

4. Southern Missouri Gas Company, L.P. d/b/a Southern Missouri Natural Gas shall, by no later than August 11, 2007, submit a status report indicating when it plans to file all the missing information required by Commission Rules 4 CSR 240-3.205(1)(A) and (1)(B). Furthermore, until that information is filed by Southern Missouri Gas Company, L.P. d/b/a Southern Missouri Natural Gas, the Staff of the Commission shall not be required to file any additional monthly status reports as originally directed by Commission order dated December 11, 2006.

5. This order shall become effective on July 11, 2007.

BY THE COMMISSION

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', written over a horizontal line.

Colleen M. Dale
Secretary

(S E A L)

Benjamin H. Lane, Regulatory
Law Judge, by delegation of authority
under Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 11th day of July, 2007.