

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE 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 and maintain a natural gas)
distribution system to provide gas)
service in Lebanon, Missouri.)**

Case No. GA-2007-0212

STAFF RECOMMENDATION

COMES NOW the Staff of the Commission and submits its recommendation concerning 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 and maintain a natural gas distribution system to provide gas service in Lebanon, Missouri. In support of its Recommendation staff states:

1. On December 6, 2006, Southern Missouri Gas Company, L.P. (SMNG or Company) d/b/a Southern Missouri Natural Gas Company of Mountain Grove, Missouri, filed an Application (Application) for a certificate of convenience and necessity (CCN) to provide natural gas service to the city of Lebanon, Missouri.

2. On February 15, 2007, the Company filed an application for a CCN to serve Houston, Licking, Lebanon, and Mountain View, Missouri, but subsequently withdrew its Application to serve Mountain View.

3. On August 16, 2007, the Commission issued its Order in the case, granting SMNG a CCN to serve the areas of Houston, Licking, and Lebanon.

4. On June 5, 2008, the Company filed proposed tariff sheets to update its tariff to reflect the CCN granted in this case. On June 16, 2008, the Company submitted substitute sheets correcting a page numbering problem and some redundant information. On June 16, 2008, the Company again submitted a substitute sheet to correct a map error.

5. The proposed tariff sheets change the map and metes and bounds description of SMNG's service territory to include the areas granted by the Commission's August 16 Order granting the CCN.

6. Staff has reviewed the proposed tariff sheets, as substituted, recommends the Commission approve them.

WHEREFORE Staff recommends the Commission approve SMNG's proposed tariff sheets as substituted.

Respectfully submitted,

/s/ Lera L. Shemwell

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to all counsel of record this 18th day of June 2008.

/s/ Lera L. Shemwell

Lera L. Shemwell