

FILE COPY

Exhibit No.:
Issue: Acquisition of Capital Stock
Of UtiliCorp Pipeline Systems
Witness: David J. Ries
Type of Exhibit: Direct
Sponsoring Party: Gateway Pipeline
Company
Case No.: GM-2001-585
Date Testimony Prepared: July 5, 2001

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

CASE NO. GM-2001-585

DIRECT TESTIMONY
OF
DAVID J. RIES

FILED²
JUL 10 2001
Missouri Public
Service Commission

Exhibit No. 4
Date 9-05-01 Case No. GM-2001-585
Reporter XF

NON-PROPRIETARY

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**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI
CASE NO. GM-2001-585
DIRECT TESTIMONY OF DAVID J. RIES
ON BEHALF OF GATEWAY PIPELINE COMPANY, INC.**

Introduction

1 Q. What is your name and position at Gateway Pipeline Company, Inc.

2 ("Gateway")?

3 A. My name is David J. Ries, and I am the President and CEO of Gateway.

4 Q. What is your educational and professional background?

5 A. I graduated from Iowa State University with a Bachelor of Science Degree in
6 Civil Engineering and am a registered professional engineer in the State of Iowa.
7 I have over 27 years of energy industry experience primarily in the natural gas
8 pipeline business, including direct management responsibilities involving
9 engineering, project development, operations, marketing, business development,
10 strategic planning and corporate development. In addition to my background in
11 the direct management of these functions I have had extensive executive
12 involvement in nearly all functional activities of the natural gas pipeline business
13 including administration, accounting, and finance, plus governmental, supplier
14 and customer relations. My previous employers have included 14 years with
15 Enron Corp. and 11 years with Kinder Morgan Inc. which are two of the largest
16 pipeline operators in the country today. Since 1999, I have been the owner and
17 president of a consulting business providing expertise in the development of
18 energy related businesses. A copy of my resume is attached to this testimony as
19 Schedule I.

1 Q. What is the purpose of your testimony in this proceeding?

2 A. It is my understanding that, in order to approve the transaction which is the
3 subject of this proceeding, the Commission must find that the transaction is not
4 detrimental to the public interest. Therefore, my testimony will address the
5 transaction which is the subject of this proceeding (witness Richard C. Kreul will
6 also address the transaction on behalf of UtiliCorp, MGC and MPC), the post-
7 transaction operations of the pipelines, and the operational, managerial and
8 financial qualifications of Gateway. In short, my testimony will show that the
9 transaction is not detrimental to the public interest.

10 **Description of Transaction**

11 Q. Please describe the proposed transaction.

12 A. Pursuant to the terms of a Stock Purchase Agreement, as amended,
13 ("Agreement")(the Agreement is attached to the direct testimony of UtiliCorp
14 witness Richard C. Kreul, and was also filed as an attachment to the Joint
15 Application) UtiliCorp United Inc. has agreed to sell and Gateway has agreed to
16 buy all of the issued and outstanding shares of the capital stock of UtiliCorp
17 Pipeline Systems, Inc. Missouri Gas Company ("MGC") and Missouri Pipeline
18 Company ("MPC"), which are both engaged in owning and operating natural gas
19 transmission pipelines in the State of Missouri and therefore subject to the
20 jurisdiction of the Commission, are wholly-owned subsidiaries of UtiliCorp
21 Pipeline Systems, Inc. After the transaction, both MGC and MPC will continue to
22 be owned by their non-regulated parent UtiliCorp Pipeline Systems, Inc., and both
23 MGC and MPC will continue to be regulated by the Commission. In other words,

1 the parent of UtiliCorp Pipeline Systems, Inc. will be changed, with no change in
2 the ownership of MGC or MPC, the regulated Missouri utilities.

3 Q. Please continue.

4 A. MGC and MPC will continue to provide services to their customers pursuant to
5 the rates, rules, regulations and other tariff provisions of MGC and MPC currently
6 on file with and approved by the Commission until such time as they may be
7 modified according to law; no changes to the rates or tariffs are being sought in
8 this proceeding. The existing customers of both MGC and MPC will continue to
9 receive quality service at approved rates and the transaction will be entirely
10 transparent to them. The Commission will retain full authority to regulate the
11 rates and terms and conditions of service rendered by MGC and MPC as provided
12 by law. As reflected in the Tax Impact Statement filed herein (attached hereto as
13 Schedule 2), the acquisition of the capital stock of UtiliCorp Pipeline Systems,
14 Inc. by Gateway will have no impact on the tax revenues of the political
15 subdivisions in which any of the structures, facilities or equipment of MGC or
16 MPC are located.

17 Q. Is Gateway requesting the Commission make any findings or conclusions
18 regarding what is commonly referred to as an "acquisition adjustment" in this
19 case?

20 A. No. As stated above, Gateway is not requesting any change to the rates, rules,
21 regulations or other tariff provisions of MGC and MPC in this case.

22 Q. Has Gateway requested expedited approval of the transaction?

1 A. Yes. We need to close the transaction by September 30, 2001, both for operational
2 reasons and because that is the closing date specified in the amended Agreement.
3 A closing by September 30, 2001, will allow sufficient time for a transition in
4 ownership prior to the onset of the winter heating season. Therefore, I would
5 request the Commission to issue an order authorizing Gateway to enter into,
6 execute and perform in accordance with the terms and conditions set out in the
7 Stock Purchase Agreement, as amended, and to take any and all other actions
8 which may be reasonably necessary and incidental to the performance of the
9 transaction described therein as quickly as possible.

10 **Description of Gateway Pipeline Company**

11 Q. Please describe Gateway.

12 A. Gateway is a Delaware corporation, in good standing, with offices at 7662 Davis
13 Peak Road, Littleton, Colorado 80127. Attached to my testimony as Schedule 3 is
14 a proof from the Office of the Secretary of State of Delaware showing that
15 Gateway is in good standing; attached as Schedule 4 is a copy of a Certificate of
16 Authority from the Missouri Secretary of State's Office; and attached as Schedule
17 5 is a copy of a Certificate of Good Standing – Foreign Corporation from the
18 Missouri Secretary of State's Office. Gateway currently conducts no business
19 operations in Missouri or elsewhere, and has no pending actions against it or final
20 unsatisfied judgments or decisions against it from any state or federal agency or
21 court which involve customer service or rates within the preceding three years. In
22 fact, Gateway was incorporated in Delaware on January 26, 2001, and authorized
23 to do business in Missouri on February 1, 2001, for the purpose of acquiring the

1 stock of UtiliCorp Pipeline Systems, Inc. Gateway conducts no operations
2 subject to the jurisdiction, control and regulation of the Commission and therefore
3 is not a "public utility" as that term is defined in section 386.020(42) RSMo, and
4 has no overdue Commission annual reports or assessment fees.

5 Q. Has the board of directors of Gateway authorized the proposed transaction?

6 A. Yes. A copy of the resolution is attached to my testimony as Schedule 6.

7 **Post-transaction Operations**

8 Q. How will MGC and MPC operate after the transaction?

9 A. As stated above, there will be no change in the operations of MGC or MPC.

10 MGC and MPC will continue to provide services to their customers pursuant to
11 the rates, rules, regulations and other tariff provisions of MGC and MPC currently
12 on file with and approved by the Commission until such time as they may be
13 modified according to law. The existing customers of both MGC and MPC will
14 continue to receive quality service at approved rates and the transaction will be
15 entirely transparent to them. The Commission will retain full authority to regulate
16 the rates and terms and conditions of service rendered by MGC and MPC as
17 provided by law. Moreover, all of the existing procedures currently used by
18 UtiliCorp as they may relate to the MGC and MPC operations will be transferred
19 at closing and will be effective upon the closing of the proposed transaction. The
20 existing O&M procedures, Welding procedures, Damage Prevention program and
21 membership in the Missouri One Call System, Operator Qualification program,
22 Public Education program and Anti-drug and alcohol misuse plans will all
23 become the plans under Gateway ownership and be administered by the same

1 individuals that currently administer and report compliance at the field operating
2 level, subject to Gateway's right to modify those procedures in the future as
3 necessary and appropriate.

4 Q. What will happen to the field employees who have been responsible for operating
5 and maintaining the pipeline assets of MGC and MPC?

6 A. The current seven field employees who have been responsible for operating and
7 maintaining these pipeline assets will be offered employment with Gateway. All
8 of their existing phone numbers and office addresses will remain the same after
9 closing of the transaction. For additional information regarding the post-
10 transaction operations of the pipelines, I have attached Gateway's responses to
11 Staff data request numbers 3201 through 3205 as Schedules 7 through 11,
12 respectively, to my testimony, which are incorporated by this reference.

13 **Qualifications of Gateway Pipeline Company**

14 Q. If Gateway is a newly-formed company, does it possess the managerial and
15 operational experience necessary to operate the pipelines?

16 A. Yes. As stated in my introduction, I will be the President and Chief Executive
17 Officer of Gateway. As such I will have day to day management responsibility
18 after the transaction is completed. I have over 27 years of experience in the
19 natural gas pipeline business. During that time I have functioned in nearly all
20 facets of the industry, with management and executive responsibilities for nearly
21 24 of those years with two of the largest natural gas pipeline operators in the
22 country today. While at Enron, I had engineering oversight responsibilities for
23 over 27,000 miles of natural gas pipelines with approximately 1,500,000

1 operating horsepower utilized for gas compression. My previous experience with
2 those companies also included extensive involvement with managing project and
3 business development efforts resulting in numerous expansions to those pipeline
4 systems. In total, this would include the construction and operation of thousands
5 of miles of new pipelines, tens of thousands of installed horsepower for gas
6 compression, multiple types of natural gas processing plants and virtually every
7 type of ancillary support requirement utilized in the pipeline business.

8 Historically, I have had supervision responsibilities for as many as 250 employees
9 and recommended to corporate management the acquisition of assets or projects
10 exceeding \$1 billion, far exceeding the expected scope of business of Gateway.

11 In addition, the current seven field employees who have been responsible for
12 operating and maintaining these pipeline assets will be offered employment with
13 Gateway. Many of these individuals have been associated with these assets since
14 they were placed into service over 10 years ago. Gateway will have the necessary
15 managerial and operational experience to continue the safe and reliable service
16 these companies have historically provided.

17 Q. Is Gateway financially viable?

18 A. Yes. Although Gateway is a newly-formed company and therefore no balance
19 sheet or income statement exists for prior years, pro forma consolidated
20 statements and balance sheets for Gateway for 2001 and 2002 are attached to my
21 testimony as HIGHLY CONFIDENTIAL Schedules 12 through 15, respectively.
22 These attachments, which are incorporated by reference, show Gateway's
23 financial viability to own and operate MGC and MPC. Furthermore, Gateway has

1 received sufficient commitments for equity and senior debt to consummate the
2 proposed transaction and effectively and efficiently operate the pipelines. As of
3 closing, Gateway will have a capital structure consisting of approximately 53%
4 debt and 47% equity, which will ensure Gateway's ability to operate efficiently
5 and effectively for the foreseeable future, and provide sufficient financial reserves
6 to maintain and, if necessary, expand the pipelines to meet the needs of its
7 customers.

8 Q. Where will the books and records of MGC and MPC be kept after the transaction?

9 A. After the transaction, the books and records of MGC and MPC will be kept at the
10 existing offices of MGC and MPC at 110 Algana Court, St. Peters, Missouri
11 63376.

12 **Conclusion**

13 Q. Please summarize your testimony.

14 A. If the proposed transaction is approved, MGC and MPC will continue to provide
15 services to their customers pursuant to the rates, rules, regulations and other tariff
16 provisions of MGC and MPC currently on file with and approved by the
17 Commission until such time as they may be modified according to law; no
18 changes to the rates or tariffs is being sought in this proceeding. The existing
19 customers of both MGC and MPC will continue to receive quality service at
20 approved rates and the transaction will be entirely transparent to them. The
21 Commission will retain full authority to regulate the rates and terms and
22 conditions of service rendered by MGC and MPC as provided by law. The
23 acquisition of the capital stock of UtiliCorp Pipeline Systems, Inc. by Gateway

1 will have no impact on the tax revenues of the political subdivisions in which any
2 of the structures, facilities or equipment of MGC or MPC are located. No
3 "acquisition adjustment" decision is being sought in this proceeding. Gateway
4 possesses all of the qualifications necessary to effectively and efficiently own and
5 operate MGC and MPC. The transaction is not detrimental to the public interest.

6 Q. Does this conclude your direct testimony?

7 A. Yes.

DAVID J. RIES
7662 Davis Peak Road
Littleton, Colorado 80127
Office: 303-904-4874
Fax: 303-933-6895

SUMMARY

Senior professional with twenty-seven years of management experience in strategic planning, business development, project management and operations, including extensive interaction with core business functions, administration, suppliers, governmental agencies and customers.

PROFESSIONAL EXPERIENCE

R2 DEVELOPMENT, INC. - Littleton, Colorado (1999- present)

President

Provide technical and business consulting regarding the acquisition, development, redeployment or divestment of assets utilized in the production, transportation, consumption or generation of energy components or products.

KINDER MORGAN INC. (successor to K N Energy, Inc.)

Senior Vice President, Corporate Development &
Vice President, Business Development - Lakewood, Colorado (1993-1999)

Responsible for identifying, developing and completing major acquisitions, mergers and divestitures of assets to achieve growth of new business for all pipeline related subsidiaries.

- Directed a staff of professionals located in three offices (Houston, Chicago, Denver) to provide screening, evaluation and implementation of asset based transactions to support aggressive growth objectives and capital expenditure initiatives of all business units.
- Initiated and negotiated the acquisition of a 1000 mile crude oil pipeline from Wyoming to Missouri for conversion to natural gas service including the completion of the sale of 100% of the available transportation capacity prior to start up. This transaction increased the scope of companies interstate pipeline business by 50%
- Identified and successfully purchased additional gathering and processing assets to double the size of companies non-regulated gathering businesses.
- Provided the integration strategy and directed the economic evaluation for the acquisition of MidCon Corp which more than doubled the size of the corporation.

Chief Engineer - Lakewood, Colorado (1988-1993)

Responsible for all project engineering and facility planning functions for the corporation and various pipeline subsidiaries with extensive involvement in acquisitions and new business development

SCHEDULE 1

- Provided company representation in the conceptualization and initial development of a \$180MM project for providing additional natural gas transportation capacity from the Rocky Mountains (TransColorado Gas Transmission).
- Initiated and sponsored a user based team to develop a better way of handling company facility records and allowing better access by all users resulting in the implementation of a Geographic Information System.
- Initiated, developed and negotiated the purchase of a gathering system, which became the first assets for the company's non-regulated gathering subsidiary.
- Provided the leadership for the development and implementation of a multi-functional strategic plan for the company's Colorado Western Slope activities.
- Provided extensive participation in negotiating a joint venture agreement with a major customer for a \$28.6MM project.

ENRON CORP

Chief Engineer - Houston, Texas (1986-1988)

Directed a staff of senior level engineers and project managers in the development, analysis, and implementation of projects on the western half of the ENRON gas pipeline system.

- Managed up to \$70MM annually in pipeline construction projects resulting in the successful attainment of marketing, supply, transportation and operating objectives
- Supervised the development of proposals for facility expansion including cost estimates while providing consultation to company negotiators, which resolved conceptual, operational, and technical concerns and resulted in the approval of several major projects.
- Investigated and interviewed engineering consulting firms and executed contracts which acquired technical design services and resulted in a 100% reduction of backlogged design projects.
- Originated a proposal and guided the development of a local area network computer system which standardized work methods and improved project status reporting.

Director of Engineering - Omaha, Nebraska (1981-1986)

Managed the engineering department for Northern Natural Gas Company consisting of 40 engineers and designers providing cost effective design of new plants, pipelines, compression, measurement, and revisions to existing facilities.

- Developed, promoted, and directed a program emphasizing market responsive engineering and construction services which accelerated several spot market projects resulting in increased sales, teamwork, and profits. (Received an executive performance award for this effort).
- Implemented the centralization of the project engineering staff from five regional offices while reducing authorized staff by 25%.
- Participated in the development of annual capital plans which provided for the orderly commitment and prioritizing of capital funds.
- Reorganized the design process and established the utilization of Computer Assisted Design (CAD) procedures which reduced project drafting requirements and improved design standardization

FILED

JUN 5 2007

Missouri Public
Service Commission

In the Matter of the Joint Application of
Gateway Pipeline Company, Inc.,
Missouri Gas Company and Missouri
Pipeline Company.

Case No. GM-2001-585

COME NOW Gateway Pipeline Company, Inc. ("Gateway"), Missouri Gas Company ("MGC") and Missouri Pipeline Company ("MPC"), (hereinafter sometimes jointly referred to as the "Joint Applicants"), and state that the acquisition of the capital stock of UtiliCorp Pipeline Systems, Inc., by Gateway will have no impact on the tax revenues of the political subdivisions in which any of the structures, facilities or equipment of MGC or MPC are located because the proposed transaction does not contemplate a change in location or ownership of any such facilities.

WHEREFORE, having fully complied with the Commission's May 24, 2001, Order
Directing Filing, the Joint Applicants hereby restate, ratify and confirm the Joint Application and
renew their request for expedited consideration of the transaction described therein.

Respectfully submitted,

James C. Swearingen.	#21510
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Paul A. Boudreau #33155

BRIDON, SWEARENGEN & ENGLAND P.C.

P O. Box 456

Jefferson City, MO 65102-0456

Telephone (573) 635-7166

Facsimile (573) 635-0427

E-44a): PaulB@brydonlaw.com

Attorneys for Gateway Pipeline Company, Inc.
Missouri Gas Company and Missouri Pipeline
Company

SCHEDULE 2

Office of the Secretary of State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "GATEWAY PIPELINE COMPANY, INC." IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE SEVENTEENTH DAY OF APRIL, A.D. 2001.

AND I DO HEREBY FURTHER CERTIFY THAT THE FRANCHISE TAXES HAVE NOT BEEN ASSESSED TO DATE.



Harriet Smith Windsor
Harriet Smith Windsor, Secretary of State

3349214 8300

AUTHENTICATION: 1083483

010184248

SCHEDULE 3

JUL 6 2001 1:02PM BRYAN CAVE

NO. 060 P. 2

STATE OF MISSOURI



Matt Blunt
Secretary of State

CORPORATION DIVISION - CERTIFICATE OF AUTHORITY

WHEREAS,
GATEWAY PIPELINE COMPANY, INC.

using in Missouri the name
GATEWAY PIPELINE COMPANY, INC.

has complied with the General and Business Corporation Law which governs Foreign Corporations; by filing in the office of the Secretary of State of Missouri authenticated evidence of its incorporation and good standing under the Laws of the State of DELAWARE.

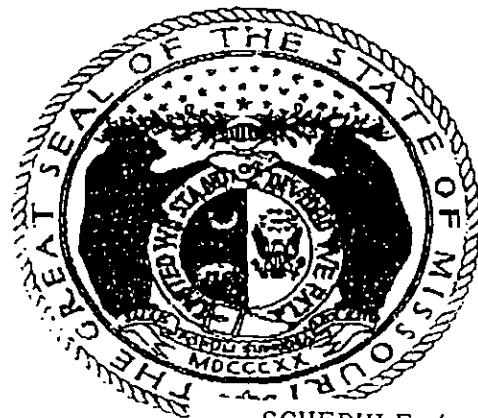
NOW, THEREFORE, I, MATT BLUNT, Secretary of State of the State of Missouri, do hereby certify that said corporation is from this date duly authorized to transact business in this State, and is entitled to all rights and privileges granted to Foreign Corporations under the General and Business Corporation Law of Missouri.

IN TESTIMONY WHEREOF, I have set my hand and imprinted the GREAT SEAL of the State of Missouri, on this, the 1st day of FEBRUARY, 2001.

Matt Blunt

Secretary of State

\$155.00



SCHEDULE 4

STATE OF MISSOURI



Matt Blunt
Secretary of State

CORPORATION DIVISION

CERTIFICATE OF CORPORATE GOOD STANDING - FOREIGN CORPORATION

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


GATEWAY PIPELINE COMPANY, INC.

using in Missouri the name

GATEWAY PIPELINE COMPANY, INC.

a DELAWARE corporation filed its Evidence of Incorporation
with this State on the 1st day of FEBRUARY, 2001, 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
17th day of APRIL, 2001.


Secretary of State



SCHEDULE 5

**ACTION BY CONSENT IN LIEU OF
SPECIAL MEETING OF THE BOARD OF DIRECTORS OF
GATEWAY PIPELINE COMPANY, INC.**

The undersigned, representing all of the Directors of Gateway Pipeline Company, Inc. (*Corporation*), hereby dispense with notice of a Directors' meeting and hereby severally and collectively consent, adopt, accept and ratify the following actions taken in lieu of a special meeting of the Stockholders and Directors of the *Corporation*.

WHEREAS, the *Corporation* proposes to cause the Stock Purchase Agreement and associated documents with UtiliCorp United Inc. and Utilicorp Pipeline Systems, Inc. (*Agreement*) to be executed.

WHEREAS, the *Corporation* has an opportunity to further its business interests by entering into said Stock Purchase Agreement.

NOW THEREFORE, be it and it is hereby resolved by this Board of Directors and Stockholders of the *Corporation*, as follows:

That the President, any Vice-President or the Treasurer of the *Corporation* be and each of them is hereby authorized, empowered and directed for, in the name of and on behalf of this *Corporation*, to enter into the *Agreement* and/or assign the *Agreement* in such form and on such terms and conditions as such officer deems proper and to execute and deliver to parties thereto the *Agreement* and exhibits thereto, if any, related documents and any other conveyances, documents, instruments and/or like necessary and/or helpful (as determined in the sole discretion of such officer) in furtherance thereof, in the forms presented to the Board of Directors or with such changes, amendments, additions, deletions and supplements to such forms, or any of them as the officer executing the same may in his sole discretion approve. The officers of the corporation are hereby authorized to execute all documents and carry out all acts, including the expenditure of funds, necessary to carry out the terms and provisions of the *Agreement*, and to take all actions necessary on behalf of the *Corporation* or as may be required in the *Agreement*.

NOW THEREFORE, be it and it is hereby resolved by this Board of Directors and Stockholders of the *Corporation*, as follows:

That the President, any Vice-President or the Treasurer of the *Corporation* be and each of them is hereby authorized, empowered and directed for, in the name of and on behalf of this

Corporation to enter into the *Agreement* and/or assign the *Agreement* in such form and on such terms and conditions as such officer deems proper and to execute and deliver to parties thereto the *Agreement* and exhibits thereto, if any, related documents and any other conveyances, documents, instruments and/or like necessary and/or helpful (as determined in the sole discretion of such officer) in furtherance thereof, in the forms presented to the Board of Directors or with such changes, amendments, additions, deletions and supplements to such forms, or any of them as the officer executing the same may in his sole discretion approve. The officers of the corporation are hereby authorized to execute all documents and carry out all acts necessary to carry out the terms and provisions of the *Agreement*, and to take all actions necessary on behalf of the *Corporation* as may be required in the *Agreement*.

Any one of the above said officers of this *Corporation* is hereby authorized, empowered and directed, in the name and on behalf of this *Corporation*, to execute (i) such further instruments or documents and to perform such further acts and things as may be by any one of them to be deemed necessary or appropriate to comply with or evidence compliance with any of the terms, provisions or conditions of the *Agreement*.

The Secretary of the *Corporation* shall deliver to said entities a certified copy of these resolutions.

Dated and consented to this 7 day of April, 2001.

DIRECTORS:


David J. Ries

Attested by:


Yvette C. Korb
Secretary of the Corporation

DATA INFORMATION REQUEST
GATEWAY PIPELINE COMPANY, INC.
CASE NUMBER GM-2001-585

No 3201

Requested From: Mr. David J. Ries, President

Date Requested: June 7, 2001

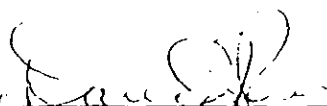
Information Requested: Please provide the following information for Missouri Gas Company and Missouri Pipeline Company if Gateway Pipeline Company acquires them. Who will own the pipelines? Who will operate and maintain the pipelines? (Please provide names, mailing addresses, telephone numbers, and any other pertinent information.) Please indicate the number and type of personnel who will operate and maintain the pipelines, including response to emergencies, odor/leak reports, and excavation notifications. Where will the personnel be located? What is the estimated response time for emergencies and leak reports?

Requested By: John Kottwitz, Energy Department - Safety/Engineering Section (573) 751-7352

Information Provided: Gateway Pipeline Company will purchase the stock of UtiliCorp Pipeline Systems which is the current parent and operator of Missouri Pipeline Company and Missouri Gas Company. The current seven field employees of UtiliCorp who have previously been responsible for operating and maintaining these pipeline assets will be offered employment with Gateway. All of their existing phone numbers and office addresses will remain the same after the closing. These employees are currently located at St. Peters and Rolla and should be able to respond to emergencies, line locates and leak reports in the same time frame and manner has been the practice under UtiliCorp ownership.

The attached information provided to the Missouri Public Service Commission Staff in response to the above data information request is accurate and complete, and contains no material misrepresentations or omissions, based upon present facts of which the undersigned has knowledge, information or belief. The undersigned agrees to immediately inform the Missouri Public Service Commission Staff if, during the pendency of Case No. GM-2001-585 before the Commission, any matters are discovered which would materially affect the accuracy or completeness of the attached information.

If these data are voluminous, please (1) identify the relevant documents and their location (2) make arrangements with requestor to have documents available for inspection in Gateway Pipeline Company Inc.'s Littleton, Colorado office, or other location mutually agreeable. Where identification of a document is requested, briefly describe the document (e.g. book, letter, memorandum, report) and state the following information as applicable for the particular document: name, title, number, author, date of publication and publisher, addresses, date written, and the name and address of the person(s) having possession of the document. As used in this data request the term "document(s)" includes publication of any format, workpapers, letters, memoranda, notes, reports, analyses, computer analyses, test results, studies or data, recordings, transcriptions and printed, typed or written materials of every kind in your possession, custody or control or within your knowledge. The pronoun "you" or "your" refers to Gateway Pipeline Company Inc. and its employees, contractors, agents or others employed by or acting in its behalf.

Signed by: 

Date Response Received: _____

Prepared by: David J. Ries

SCHEDULE 7

DATA INFORMATION REQUEST
GATEWAY PIPELINE COMPANY, INC.
CASE NUMBER GM-2001-585

No. 3202

Requested From: Mr. David J. Ries, President
Date Requested: June 3, 2001
Information Requested: Please provide the plans and procedures, to include the following list, which will be used by Missouri Gas Company and Missouri Pipeline Company if Gateway Pipeline Company acquires them.

- 1) Procedural manual for operations, maintenance, and emergencies. This manual must contain all procedures used to comply with sections 9 through 14 of the PSC pipeline safety regulations. See 4 CSR 240-40.030(12)(C).
- 2) Welding procedures for repairs, replacements, or re-routes. See 4 CSR 240-40.030(5) & (13).
- 3) Damage prevention program and membership in Missouri One Call System, Inc. This program will address the notification of the public and potential excavators in the vicinity of the pipeline about how to learn the location of the buried pipeline before excavation. See 4 CSR 240-40.030(12)(I). [Membership in Missouri One Call System, Inc. is mandatory for all underground pipeline operators as per Section 319.022 RSMo and federal amendment 192-82 to 49 CFR Part 192.]
- 4) Operator qualification program. A written qualification program must be completed ASAP, with the qualification of all individuals performing covered tasks completed by October 28, 2002. See 4 CSR 240-40.030(12)(D).
- 5) Public education program. This program will provide continuing education to the public in the vicinity of the pipeline, as well as government officials, excavators, and the customer, about how to recognize a gas pipeline emergency for the purpose of reporting it to the operator. Compliance with portions of this requirement may be combined with the notification in item 3. See 4 CSR 240-40.030(12)(F).
- 6) Anti-drug plan and alcohol misuse plan. See 4 CSR 240-40.080 [49 CFR Parts 40 & 199].

Requested By: John Kottwitz, Energy Department - Safety/Engineering Section (573) 751-7352
Information Provided: see attached

The attached information provided to the Missouri Public Service Commission Staff in response to the above data information request is accurate and complete, and contains no omissions, misrepresentations or omissions, based upon present facts of which the undersigned has knowledge, information or belief. The undersigned agrees to immediately inform the Missouri Public Service Commission Staff if, during the pendency of Case No. GM-2001-585 before the Commission, any matters are discovered which would materially affect the accuracy or completeness of the attached information.

If these data are voluminous, please (1) identify the relevant documents and their location (2) make arrangements with requestor to have documents available for inspection in Gateway Pipeline Company Inc.'s, Littleton, Colorado office, or other location mutually agreeable. Where identification of a document is requested, briefly describe the document (e.g. book, letter, memorandum, report) and state the following information as applicable for the particular document: name, title, number, author, date of publication and publisher, addresses, date written, and the name and address of the person(s) having possession of the document. As used in this data request the term "document(s)" includes publication of any format, workpapers, letters, memoranda, notes, reports, analysis, computer analyses, test results, studies or data, recordings, transcriptions and printed, typed or written materials of every kind in your possession, custody or control or within your knowledge. The pronoun "you" or "your" refers to Gateway Pipeline Company Inc. and its employees, contractors, agents or those authorized or acting in its behalf.

Signed by _____

Data Response Received _____

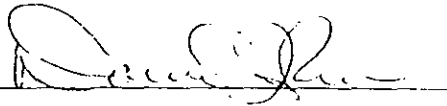
Prepared by _____

DR 3202

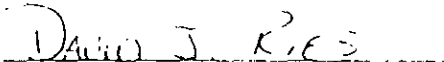
Information Provided: All of the existing procedures currently used by UtiliCorp as they may relate to the Missouri Pipeline Company and Missouri Gas Company operations will be transferred at closing and will be effective upon the closing of the proposed transaction. The existing O&M procedures, Welding procedures, Damage Prevention program and membership in the Missouri One Call System, Operator Qualification program, Public Education program and Anti-drug and alcohol misuse plans will all become the plans for Gateway Pipeline Company and be administered by the same individuals that currently administer and report compliance at the field operating level. It is the understanding of Gateway Pipeline Company that all of these procedures and plans are current, up to date and previously reviewed by the PSC staff.

Gateway Pipeline Company reserves the right to modify or change those procedures in the future as it may deem necessary and appropriate

Signed by:



Prepared by:



Date Response Received

DATA INFORMATION REQUEST
GATEWAY PIPELINE COMPANY, INC.
CASE NUMBER GM-2001-585

No. 3203

Requested From: Mr. David J. Ries, President

Date Requested: June 7, 2001

Information Requested: Please provide the following information for Missouri Gas Company and Missouri Pipeline Company if Gateway Pipeline Company acquires them. How and where will the Gas Control and SCADA monitoring functions be handled on a 24 hours/day, 7 days/week, 365 days/year basis, since they are currently provided by UtiliCorp? Who will perform these functions (If not in-house by the Company, please give the name of the contractor/consultant)? Please indicate the number and type of personnel who will perform these functions and where will the personnel be located?

Requested By John Kottwitz, Energy Department - Safety/Engineering Section (573) 751-7352

Information Provided: The current SCADA system collects and displays system data at the St. Peters office and is currently available to office personnel during business hours. System data is also relayed to UtiliCorp system control center for monitoring during and after business hours. After closing the Gas Control and SCADA monitoring activities will be moved to the St. Peters office. After hours system monitoring may be accomplished through the use of existing personnel, new personnel or potentially to an outside contractor in the business of providing these services. No decision has been made as to which approach will be pursued or any combination of these resources. Primary consideration will be given to quality of service, location, resources available and cost.

The attached information provided to the Missouri Public Service Commission Staff in response to the above data information request is accurate and complete, and contains no material misrepresentations or omissions, based upon present facts of which the undersigned has knowledge, information or belief. The undersigned agrees to immediately inform the Missouri Public Service Commission Staff if, during the pendency of Case No. GM-2001-585 before the Commission, any matters are discovered which would materially affect the accuracy or completeness of the attached information.

If these data are voluminous, please (1) identify the relevant documents and their location (2) make arrangements with requestor to have documents available for inspection in Gateway Pipeline Company Inc.'s, Littleton, Colorado office, or other location mutually agreeable. Where identification of a document is requested, briefly describe the document (e.g. book, letter, memorandum, report) and state the following information as applicable for the particular document: name, title, number, author, date of publication and publisher, addresses, date written, and the name and address of the person(s) having possession of the document. As used in this data request the term "document(s)" includes publication of any format: workpapers, letters, memoranda, notes, reports, analyses, computer analyses, test results, studies or data, recordings, transcriptions and printed, typed or written materials of every kind in your possession, custody or control or within your knowledge. The pronoun "you" or "your" refers to Gateway Pipeline Company Inc. and its employees, contractors, agents or others employed by or acting in its behalf.

Signed by [Signature]

Date Response Received _____

Prepared by [Signature]

SCHEDULE 9

DATA INFORMATION REQUEST
GATEWAY PIPELINE COMPANY, INC.
CASE NUMBER GM-2001-585

No. 3204

Requested From: Mr. David J. Ries, President

Date Requested: June 7, 2001

Information Requested: Please provide the following information for Missouri Gas Company and Missouri Pipeline Company if Gateway Pipeline Company acquires them. How and where will the Call Center and Dispatching functions be handled on a 24 hours/day, 7 days/week, 365 days/year basis, since they are currently provided by UtiliCorp after business hours? Who will perform these functions (If not in-house by the Company, please give the name of the contractor/consultant)? Please indicate the number and type of personnel who will perform these functions and where will the personnel be located?

Requested By: John Kottwitz, Energy Department - Safety/Engineering Section (573) 751-7352

Information Provided: See response to DR 3203. Call center and dispatch functions will also be moved to the St. Peters office and provided by the same personnel as those that provide the SCADA and Gas Control functions. No decision has been made at this time as to what approach or any combination will be pursued. Primary consideration will be given to resource availability, timeliness to respond, quality of service and operational safety.

The attached information provided to the Missouri Public Service Commission Staff in response to the above data information request is accurate and complete, and contains no material misrepresentations or omissions, based upon present facts of which the undersigned has knowledge, information or belief. The undersigned agrees to immediately inform the Missouri Public Service Commission Staff if, during the pendency of Case No. GM-2001-585 before the Commission, any matters are discovered which would materially affect the accuracy or completeness of the attached information.

If these data are voluminous, please (1) identify the relevant documents and their location (2) make arrangements with requestor to have documents available for inspection in Gateway Pipeline Company Inc.'s, Littleton, Colorado office, or other location mutually agreeable. Where identification of a document is requested, briefly describe the document (e.g., book, letter, memorandum, report) and state the following information as applicable for the particular document: name, title, number, author, date of publication and publisher, addresses, date written, and the name and address of the person(s) having possession of the document. As used in this data request the term "document(s)" includes publication of any format, workpapers, letters, memoranda, notes, reports, analyses, computer analyses, test results, studies or data, recordings, transcriptions and printed, typed or written materials of every kind in your possession, custody or control or within your knowledge. The pronoun "you" or "your" refers to Gateway Pipeline Company Inc. and its employees, contractors, agents or others employed by or acting in its behalf.

Signed by: [Signature]

Date Response Received: _____

Prepared by: David J. Ries

SCHEDULE 10

DATA INFORMATION REQUEST
GATEWAY PIPELINE COMPANY, INC
CASE NUMBER GM-2001-585

No. 3205

Requested From: Mr. David J. Ries, President
Date Requested: June 7, 2001
Information Requested: Please provide the following information for Missouri Gas Company and Missouri Pipeline Company if Gateway Pipeline Company acquires them. How and where will the Engineering Support functions be handled, since they are currently provided by UtiliCorp? Who will perform these functions (If not in-house by the Company, please give the name of the contractor/consultant)? Please indicate the number and type of personnel who will perform these functions and where will the personnel be located?

Requested By: John Kottwitz, Energy Department - Safety/Engineering Section (573) 751-7352
Information Provided: Engineering support will be provided and managed by David J. Ries located in Littleton, CO. Engineering consultants will be utilized on an as needed basis to provide specific expertise for a specific problem or on a project basis to provide the appropriate level of support and resources as may be required from time to time. This will not involve a single individual or consulting firm or provide for dedicated personnel and may change as dictated by performance of the individual consultants. Primary consideration will be given to location, availability of resources, specific experience and cost effectiveness.

The attached information provided to the Missouri Public Service Commission Staff in response to the above data information request is accurate and complete, and contains no material misrepresentations or omissions, based upon present facts of which the undersigned has knowledge, information or belief. The undersigned agrees to immediately inform the Missouri Public Service Commission Staff if, during the pendency of Case No. GM-2001-585 before the Commission, any matters are discovered which would materially affect the accuracy or completeness of the attached information.

If these data are voluminous, please (1) identify the relevant documents and their location (2) make arrangements with requestor to have documents available for inspection in Gateway Pipeline Company Inc.'s, Littleton, Colorado office, or other location mutually agreeable. Where identification of a document is requested, briefly describe the document (e.g., book, letter, memorandum, report) and state the following information as applicable for the particular document: name, title, number, author, date of publication and publisher, addresses, date written, and the name and address of the person(s) having possession of the document. As used in this data request the term "document(s)" includes publication of any format, workpapers, letters, memoranda, notes, reports, analyses, computer analyses, test results, studies or data, recordings, transcriptions and printed, typed or written materials of every kind in your possession, custody or control or within your knowledge. The pronoun "you" or "your" refers to Gateway Pipeline Company Inc. and its employees, contractors, agents or others employed by or acting in its behalf.

Signed by [Signature]

Date Response Received

Prepared by DAVID J. RIES

SCHEDULE 11

**SCHEDULE 12 HAS BEEN DESIGNATED
HIGHLY CONFIDENTIAL
IN ITS ENTIRETY**

SCHEDULE 13 HAS BEEN DESIGNATED
HIGHLY CONFIDENTIAL
IN ITS ENTIRETY

**SCHEDULE 14 HAS BEEN DESIGNATED
HIGHLY CONFIDENTIAL
IN ITS ENTIRETY**

SCHEDULE 15 HAS BEEN DESIGNATED

HIGHLY CONFIDENTIAL

IN ITS ENTIRETY