

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Joint Applica-)
tion of Southern Union Company)
d/b/a Missouri Gas Energy, The)
Laclede Group, Inc., and Laclede)
Gas Company for an Order Authoriz-)
ing the Sale, Transfer, and Assign-)
ment of Certain Assets and Liabili-)
ties from Southern Union Company to)
Laclede Gas Company and, in)
Connection Therewith, Certain other)
Related Transactions)

GM-2013-0254

**RESPONSE OF MIDWEST GAS USERS' ASSOCIATION
REGARDING SECOND MOTION FOR ADDITIONAL EXTENSION**

Comes now Intervenor MIDWEST GAS USERS' ASSOCIATION ("Midwest") and comments on the Motion filed on April 29, 2013 by Staff and Applicants as follows:

1. Despite being ordered by the Commission on April 22, 2013 to file a procedural schedule on April 29, 2013, these same movants filed yet another request for an extension of time to file a procedural schedule, this time through May 13, 2013.

2. Previous extensions of this deadline were submitted on March 22, 2013 and April 15, 2013. There may have been a similar request filed even earlier. In response to the April 16, 2013 extension request,^{1/} Midwest did not oppose the requested extension "this time," but suggested that the Commission bring

^{1/} The procedural schedule or a status report was due on April 15, 2013. The parties filed one day out of time and requested leave to late file, which was granted.

the matter to a conclusion by directing that a procedural schedule be filed on April 29, 2013.

3. In its April 22, 2013 Order, the Commission stated:

Midwest Gas Users' Association does not oppose the request for a short extension of time to file a proposed procedural schedule, but expresses concern that the Commission not allow the filing of further status reports to substitute for the prompt filing of a procedural schedule to keep this matter moving toward resolution. The Commission shares that concern. Therefore, the Commission will direct the parties to file a proposed procedural schedule by April 29.^{2/}

4. It would appear that the Commission has agreed with Midwest's concerns regarding the delay in filing a simple procedural schedule. Their new motion gives that Order only lip service.

5. The new Motion argues that compliance with the Commission's April 22, 2013 directive is "complicated by the fact that Laclede Gas has a rate case pending and a procedural schedule already in placed in that case . . . " and that a "possible comprehensive settlement" of the rate case was "discussed" by the "representatives of the Movants" on April 26, 2013 along with the "interplay" of the established rate case schedule.

6. Frankly, there is nothing new here. The "interplay" was arguably created by Laclede having essentially pancaked the filing dates of these two matters. Discovery in this matter

^{2/} *Order Further Extending Time to File Proposed Procedural Schedule*, April 22, 2013, pp. 1-2.

will doubtless reveal that the acquisition was moving forward well before January 14, 2013 (when the acquisition case was filed) and possibly even before the rate case was filed on December 21, 2012.^{3/} Applicants' arguments resemble those of a wife convicted of killing her husband who pleads for leniency from the court because she is a widow.

7. It now seems that the same box that Laclede carefully designed for Commission Staff has now caught Laclede as well. Now that the confines of the carefully designed box become binding on Laclede, settlement of the pending rate case may become more of a priority. But an intelligent procedural schedule in **this** case does not inhibit settlement discussions here or in the rate case. Indeed, it might even enhance them.^{4/} Pushing through either case without the opportunity for due diligence on the part of Staff certainly is not desirable. It should be plainly obvious that Laclede wants to push this acquisition case through the Commission's procedures by pinning Staff against the rate case schedule. Laclede holds in its hands the key to the box in which it finds it has become ensnared.

8. Midwest's earlier response was prophetic. In large measure the Commission has addressed this matter in its

^{3/} It will also be recalled that the rate case schedule was developed in a post-filing (therefore after December 21, 2012) early procedural conference and was filed on for Commission approval on February 27, 2013.

^{4/} Indeed, the existing procedural schedule for the pending rate case did not appear to inhibit "settlement discussions" (apparently only between Laclede and Commission Staff) on April 26, 2013.

April 22 Order. What is missing is compliance. What was it about the April 22, 2013 Order that was unclear? To be clear, Midwest has no desire to impede settlement of a rate case in which we have not intervened, but we are mystified as to why (other than a bilaterally-selected and somewhat arbitrary transactional closing date that may have been set too early) proposal of a procedural schedule that accommodates the existing rate case schedule and relieves the pressure on Commission Staff in this matter, is antithetical to the public interest. Low-cost money is desirable from a ratepayer perspective, but so is Staff's due diligence and careful review of the commitments that might be undertaken in the acquisition.

9. In the absence of any proposal from the Movants, Midwest will suggest the nucleus of a procedural schedule which is keyed off the existing rate case schedule (which ends with reply briefs on September 27, 2013) as follows:^{5/}

1/14/2013	Filing, direct and related
1/15/2014	Staff, OPC and Intervenors file rebuttal testimony
2/15/2014	Prehearing conference/settlement discussions
2/22/2014	List of Issues

^{5/} Midwest readily concedes that this proposal regarding only key dates has been assembled without input from any other party or review of the Commission's calendar regarding other cases and possible conflicting dates. We would also concede that the initial date (and thus following dates) might be moved up a bit as those things can go on while the Commission is considering a rate case Report and Order. It is put forward simply as a proposal to bring forward discussion.

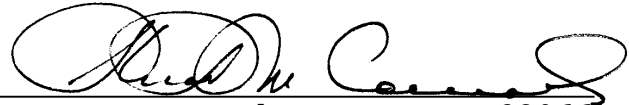
3/10/2014	Surrebuttal and Cross-Surrebuttal Testimony
3/20/2014	Statements of Position on Issues; Witness Lists; Order of Witnesses, Cross-examination and Openings
4/1/2014	Evidentiary Hearing with transcripts expected to be expedited
4/__/2014	Briefing as ordered or agreed following hearing
6/__/2014	PSC Decision, effective upon 10 day notice

Conditions, timing, and the usual agreements regarding discovery were agreed upon in the most recent Missouri Gas Energy rate case and were apparently acceptable there. They may simply be imported from that proceeding.

WHEREFORE Midwest submits its response to the Motion for Extension of Time.

Respectfully submitted,

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ATTORNEYS FOR MIDWEST GAS USERS'
ASSOCIATION

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing pleading by U.S. mail, postage prepaid, or by attachment to e-mail, addressed to all parties by their attorneys of record as disclosed by the pleadings and orders herein according to the record maintained by the Secretary of the Commission in EFIS.

A handwritten signature in black ink, appearing to read "Stuart W. Conrad", written over a horizontal line.

Stuart W. Conrad

Dated: May 8, 2013