

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 9th day of
November, 2006.

The Staff of the Missouri Public Service Commission,)	
)	
)	
Complainant,)	
)	
v.)	<u>Case No. GC-2006-0378</u>
)	
Missouri Pipeline Company, LLC; Missouri Gas Company, LLC; Mogas Energy, LLC; United Pipeline Systems, Inc.; and Gateway Pipeline Company, LLC.)	
)	
Respondents.)	

**ORDER SUSPENDING PROCEDURAL SCHEDULE AND
INDEFINITELY POSTPONING HEARING**

Issue Date: November 9, 2006

Effective Date: November 9, 2006

On October 30, 2006, the Commission's Staff filed a motion asking the Commission to hold this case in abeyance until Staff's related complaint against Missouri Pipeline Company, LLC, and Missouri Gas Company, LLC, pending in Case No. GC-2006-0491, is resolved. On October 31, the Commission ordered that any party wishing to respond to Staff's motion do so by November 3. In that order, the Commission also relieved Staff of its obligation to file direct testimony that had been due on November 1.

Staff initially filed this complaint on March 31, 2006, alleging that the earnings of Missouri Pipeline and Missouri Gas are excessive. That complaint also alleged that several

companies affiliated with Missouri Pipeline and Missouri Gas are subject to regulation by the Commission as public utilities, that those companies have violated the Commission's affiliate transaction rule, and that Missouri Gas has charged rates in excess of those allowed by its tariffs. The complaint pending in this case is set for hearing on February 26 through March 9, 2007.

On June 21, 2006, Staff filed a second complaint against Missouri Pipeline and Missouri Gas. That complaint is pending in Case No. GC-2006-0491. The second complaint alleges that Missouri Pipeline and Missouri Gas have violated their tariffs by charging a discounted rate to an affiliated shipper that was not made available to non-affiliated shippers. The complaint asks that Missouri Pipeline and Missouri Gas be ordered to reduce the rates they charge non-affiliated shippers to match the discounted rate they offer to an affiliated shipper. That complaint is set for hearing on December 13-15, 2006.

Staff's motion to hold the first complaint in abeyance explains that the second complaint alleging that Missouri Pipeline and Missouri Gas have charged rates in excess of those allowed by their tariffs largely supplants the overearnings allegations made in the first complaint. If the allegations made by Staff in the second complaint are found to be correct, and Missouri Pipeline and Missouri Gas are required to reduce their rates, then Staff indicates that the companies will no longer be overearning, and the overearning complaint can be dismissed. Staff also indicates that it has been expending substantially all of its resources to prove the allegations in the second complaint, leaving few resources available to prove the more complicated allegations in the overearnings complaint. For those reasons, Staff asks that the Commission hold the overearnings complaint in abeyance until after the second complaint alleging tariff violations is resolved.

On November 3, Missouri Pipeline and Missouri Gas filed a response concurring in Staff's recommendation that the procedural schedule in the overearnings complaint be suspended until after the Commission has resolved the second complaint. AmerenUE, one of the intervenors, filed a response on November 2 also concurring that the procedural schedule in the overearnings complaint should be suspended. No other party responded to Staff's motion.

The Commission agrees that the limited resources of the parties may best be directed toward the resolution of the complaint pending in Case No. GC-2006-0491, before considering the general overearning allegations pending in this case. As a result, this case will be held in abeyance pending the resolution of the other complaint.

IT IS ORDERED THAT:

1. The procedural schedule previously established for this case is suspended until further order of the Commission.
2. The hearing scheduled for February 26 through March 9, 2007, is indefinitely postponed.
3. This order shall become effective on November 9, 2006.

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)

Davis, Chm., Murray, Gaw, Clayton, and Appling, CC., concur.

Woodruff, Deputy Chief Regulatory Law Judge