

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of Missouri Gas Energy's)	
Purchased Gas Cost Adjustment (PGA))	
Factors to be Audited in its 2003-2004)	Case No. GR-2005-0104
Actual Cost Adjustment)	

**STAFF'S RESPONSE TO ORDER DIRECTING RESPONSE
REQUESTING CONSOLIDATION, REJOINING OF BIFURCATED CASES, AND
ASKING FOR ABEYANCE PENDING A DECISION FROM
THE MISSOURI SUPREME COURT**

COMES NOW the Staff of the Missouri Public Service Commission ("Staff") and files its Response to Order Directing Response. This filing requests consolidation of this case with cases GR-2003-0330, GR-2002-348, GR-2001-382, GR-2000-425, GR-99-304, and GR-98-167. Staff also prays the Commission to rejoin the bifurcated issues within these cases. Further, Staff requests to hold those cases in Abeyance Pending a Decision from the Missouri Supreme Court on case GR-96-450.

1. The Missouri Supreme Court currently has before it an appeal from Case No. GR-96-450 on "the Kansas Pipeline issue" (KPC) also raised in PSC cases GR-2001-382, GR-2000-425, GR-99-304, and GR-98-167 (already consolidated under GR-2001-382), and in cases GR-2003-0330, GR-2002-348 (already consolidated under 2003-0330), and this case.

2. No final order has been issued in any of the above referenced cases.

3. The Commission bifurcated the KPC issues in GR-2003-0330 and GR-2002-348 and held it in abeyance pending the appeal, to pursue a separate procedural schedule for other issues within those cases to be addressed.

4. The next Missouri Supreme Court hand down date is April 11, 2006. It is unknown whether or not the appeal will be taken up at this time. As a practical matter, a final order on all cases involving the KPC issue will not be decided until the Missouri Supreme Court

decides Case No. GR-96-450. The pending appeal precludes consideration of a portion of each case, therefore effectively halting disposition of each case. Staff is seeking the most expeditious resolution of all seven cases, as repeating issues are found throughout. At this stage, consolidating and then holding in abeyance all seven cases would be the best approach to reach this result.

5. Staff requests this case, for the 2003-2004 ACA, Case No. GR-2005-0104, be consolidated with the 2001-2002 (GR-2002-348) and 2002-2003 (GR-2003-0330) cases since it has the same excess capacity disallowance issues. Further, Staff's expects excess capacity adjustments may arise in later ACA periods as issues in future cases.

6. Staff requests consolidation of this case and all six other cases, listed above, along with rejoining the KPC issues and other individual case issues previously bifurcated.

7. At this time, Staff requests that the Commission hold in abeyance all issues in this case, along with the other six cases listed, until the appeal pending with the Missouri Supreme Court is decided. All seven cases involve the KPC issues, limiting the Commission's ability to issue ANY final order. Parties will have to readdress the cases for argument on the KPC issues. Pursuing these cases on a partial or disjointed basis with an appeals decision near is inefficient when all cases will have to be re-visited for a final order to be issued.

8. In addition to the KPC issues present in all of the above cases, other similar issues are under scrutiny. For example, issues of hedging and storage utilization disallowances are present in this case and consolidated case GR-2001-382, which has been heard and briefed, but in which the Commission has not issued an interim order on. A final order in these cases is unlikely until the appeal is decided.

9. Therefore, consolidation of all seven of the above cases, held in abeyance until

the Missouri Supreme Court decides or denies the pending appeal, allows the Commission to decide the common issues all at once, rather than sporadically.

WHEREFORE, the Staff of the Missouri Public Service Commission (“Staff”) respectfully requests consolidation of this case with cases GR-2003-0330, GR-2002-348, GR-2001-382, GR-2000-425, GR-99-304, and GR-98-167. Staff also prays the Commission to rejoin the bifurcated issues within these cases. Further, Staff requests to hold those cases in abeyance pending a decision from the Missouri Supreme Court on case GR-96-450.

Respectfully submitted,

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 28th day of March 2006.

/s/ Shelley E. Syler