

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

In the Matter of Southern Union Company)
d/b/a Missouri Gas Energy's Application)
for Waiver/Variance.)

Case No. GE-2011-0282

**STAFF'S RESPONSE TO COMMISSION ORDER
DIRECTING FILING**

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and for its Response to Missouri Public Service Commission (Commission) Order Directing Filing states:

1. On October 17, 2011 the Commission directed the Commission's Staff to "explain the reasons behind their recommended procedural schedule."
2. Staff notes that on October 14, 2011, Missouri Gas Energy (MGE) made a second filing stating that the Staff/Office of the Public Counsel (OPC) proposed schedule was acceptable to MGE.
3. The Commission's Order states that all parties are to file Direct Testimony on October 27, 2011. However, both the Staff/OPC and the MGE schedules propose that MGE file its Direct Testimony on October 27, 2011.
4. As the Applicant, MGE has the burden of proof and should file Direct Testimony supporting its request of the Commission to permit MGE to avoid future compliance with a stipulated condition.
5. Staff's concern with MGE's proposal is that there is insufficient time between the filing of Direct Testimony and the date for filing Rebuttal Testimony.

6. The Staff/OPC schedule gives the parties a better opportunity to be prepared for the evidentiary hearing. MGE's proposed schedule would limit the parties to only 15 working days to prepare for the hearing.

7. In its proposed procedural schedule, MGE states the decision may have an impact on MGE's 2011 financial statements. The Staff would need more evidence to determine whether the decision in this case would materially impact the 2011 financial statements.

8. Staff's proposed schedule is reasonable given Staff's other workload and previously set deadlines.

9. For these reasons, Staff recommends the Commission order adoption of the procedural schedule proposed by Staff and OPC.

WHEREFORE, the Staff respectfully requests that the Commission adopt the Staff/OPC procedural schedule.

Respectfully submitted,

/s/ Lera L. Shemwell

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, emailed, sent by facsimile or hand-delivered to all counsel of record this 21st day of October 2011.

/s/ Lera L. Shemwell