

STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION

TRANSCRIPT OF PROCEEDINGS  
Hearing

May 28, 2008  
Jefferson City, Missouri  
Volume 1

Beverly A. Johnson,     )  
                                  )  
                  Petitioner,   )  
                                  )  
v.                             ) Case No. GC-2008-0295  
                                  )  
Missouri Gas Energy,     )  
                                  )  
                  Respondent.   )  
                                  )

BENJAMIN H. LANE, Presiding,  
REGULATORY LAW JUDGE

REPORTED BY:  
Pamela Fick, RMR, RPR, MO CCR #447  
Midwest Litigation Services

1 APPEARANCES:

2

3 BEVERLY JOHNSON, Pro Se

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DEAN L. COOPER, Attorney at Law  
Brydon, Swearngen & England, P.C.  
312 East Capitol  
P.O. Box 456  
Jefferson City, MO 65102-0456  
(573)635-7166  
dcooper@brydonlaw.com

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FOR: Missouri Gas Energy

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13 KEVIN THOMPSON, General Counsel  
P.O. Box 360  
200 Madison Street  
Jefferson City, MO 65102  
15 (573)751-3234

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FOR: Staff of the Missouri Public  
Service Commission.

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1 P R O C E E D I N G S

2 JUDGE LANE: Good morning, everyone. My  
3 name is Benjamin Lane. I'm the regulatory law judge  
4 that's been assigned to hear this case, and this is  
5 Case Number GC-2008-0295 which is filed Beverly A.  
6 Johnson versus Missouri Gas Energy.

7 We're here today pursuant to a  
8 Commission order of May the 7th, 2008, setting this  
9 matter for a prehearing conference and also directing  
10 the filing of a proposed procedural schedule, and  
11 it's about 9:10 -- it's about 9:10 in the morning on  
12 May 28th, 2008, so we're all here and we're all  
13 timely regarding the starting date of the hearing.

14 And I think before we go any further to  
15 talk about the purpose of this prehearing conference  
16 and what could be achieved in it, I'd like to go  
17 ahead and take entries of appearance from all the  
18 parties.

19 Now, Ms. Johnson, you're representing  
20 yourself in this matter; is that correct?

21 MS. JOHNSON: Yes, sir.

22 JUDGE LANE: All right. For Staff?

23 MR. THOMPSON: Kevin A. Thompson for the  
24 Staff of the Missouri Public Service Commission, Post  
25 Office Box 360, Jefferson City, Missouri 65102. And

1 with me also is Gay Fred from the Consumer Services  
2 Department.

3 JUDGE LANE: Thank you very much. And  
4 for the Respondent, Missouri Gas Energy.

5 MR. COOPER: Dean Cooper from the  
6 law firm of Brydon, Swearngen & England, PC,  
7 P.O. Box 456, Jefferson City, Missouri 65102,  
8 appearing on behalf of Missouri Gas Energy, a  
9 division of Southern Union Company.

10 JUDGE LANE: Thank you very much for  
11 those entrances. Anyone here from the Office of  
12 Public Counsel, the other party to this case?

13 (NO RESPONSE.)

14 JUDGE LANE: Seeing none and hearing  
15 none, we can -- we can go ahead and proceed then.

16 And this is mainly for your benefit,  
17 Ms. Johnson, since you may not be familiar with  
18 Commission procedure. The other parties here are  
19 well versed in these matters and know exactly why  
20 we're here and what can be done at these conferences,  
21 so this is mainly for you.

22 At the prehearing conference, the  
23 purpose of this -- and some of this was spelled out  
24 in the Order of May 7th, 2008. But the way I see it,  
25 there are two major benefits of having a prehearing

1 conference. One of them is it give the parties one  
2 last chance to attempt to reach an amicable  
3 settlement or resolution of the matter without  
4 incurring the time and expense of going through a  
5 full evidentiary hearing.

6 And it looks like there might be some  
7 room for compromise in this case, based --  
8 Ms. Johnson, I assume that you saw Staff's  
9 recommendation and report in this matter?

10 MS. JOHNSON: Yes.

11 JUDGE LANE: All right. You've read  
12 that, and I know Mr. Cooper has also read that. And  
13 I know the parties are ready, willing and able, and  
14 we've got -- we've got people here that are ready,  
15 willing and able to have a frank and open discussion  
16 with you, Ms. Johnson, about your complaint and about  
17 what possible settlement might be -- might be  
18 achievable in this matter and in the way of  
19 compromise, possible adjustments to your bill,  
20 et cetera.

21 So -- and I know they have authority  
22 to -- to engage in those negotiations and authority  
23 to settle the matter ultimately if it -- if we can  
24 move down that road.

25 MS. JOHNSON: Yes.

1                   JUDGE LANE: So I just wanted you to  
2 know that, that you have people here that are  
3 familiar with the circumstances of your case, there's  
4 been a full Staff investigation and recommendation in  
5 this matter.

6                   MGE, of course, has also investigated  
7 the matter and looked into the facts of the matter,  
8 so that's one of the major benefits of a prehearing  
9 conference.

10                  The other major benefit and, in fact, a  
11 requirement by the Order is in case settlement  
12 doesn't look likely and this is going to have to go  
13 to an evidentiary hearing at which witnesses would be  
14 presented and subjected to cross-examination, all of  
15 the procedural protections and rights and  
16 responsibilities that are allowed under the  
17 Commission's rule, but the other thing is to attempt  
18 to establish a framework for going forward in terms  
19 of setting up a procedural schedule.

20                  And again, Staff and MGE can assist you  
21 in explaining to you exactly what that would entail,  
22 what a procedural schedule is, you know, how the case  
23 might proceed from here if it's not going to settle.

24                  So those are the two major benefits for  
25 every prehearing conference. And the order in this

1 matter of May 7, 2008, did require that the proposed  
2 procedural schedule should be filed no later than  
3 June 4th. So that's about a week away, and that  
4 should be jointly prepared and filed, so you'd be  
5 working together on that should it look as if  
6 settlement will not be possible.

7                   One other thing I want to tell you,  
8 Ms. Johnson, that you may not know -- I believe it  
9 was mentioned in the Order -- is all of these  
10 discussions that you may have today with Staff or MGE  
11 are confidential --

12                   MS. JOHNSON: Yes.

13                   JUDGE LANE: -- and privileged -- or  
14 confidential information. Nothing you say can or  
15 will be used against you in a court of law unless  
16 it's independently corroborated by other evidence.  
17 So that's the idea behind these is just to make sure  
18 that both sides can be frank and open about this  
19 matter without having to worry about anything they  
20 said or did coming back, you know, later at the  
21 hearing, and it wouldn't be admissible anyway.

22                   So I just wanted you to know that's one  
23 of the reasons that we have this confidentiality rule  
24 is to really give both parties a chance to open up,  
25 put their cards on the table, state very clearly what

1    their position is and iron out any misunderstandings  
2    that may still exist at this point in the case.

3                   MS. JOHNSON:   Okay.

4                   JUDGE LANE:   Now, because of the nature  
5    of these discussions, Ms. Johnson, I will not be here  
6    during the settlement negotiations and neither will  
7    our court reporter.  She'll also be leaving.  And so  
8    it will just be the three -- the three folks here in  
9    this room and you discussing the issues, and of  
10   course I think you understand the reason for that.

11                   The judge cannot be -- should not be  
12   privy to these settlement negotiations, shouldn't  
13   have this type of knowledge.  That's for the parties  
14   and -- to limit -- to -- so that I don't form a  
15   preopinion on the matter and because evidence of  
16   settlement negotiations is inadmissible anyway under  
17   almost all circumstances.

18                   So I'll be leaving here very soon.  
19   Ms. Johnson, is there anything -- any questions you  
20   have or anything that you don't understand about this  
21   process?

22                   MS. JOHNSON:   Well, I don't understand,  
23   but I'm gonna try to do the best I can, because like  
24   I said, it's unfair for them to charge me with  
25   something that I shouldn't be charged for.  I did



1     without gas last year because of me being foreclosed  
2     on my -- my home was foreclosed.

3                 JUDGE LANE:   Yes, ma'am.   Just keep in  
4     mind this is not an evidentiary hearing.

5                 MS. JOHNSON:   Oh, okay.   I understand.

6                 JUDGE LANE:   You don't need to go into  
7     the details.   I've read your complaints and so have  
8     the parties, and you were basically restating what  
9     you had said in your complaint.

10                MS. JOHNSON:   Okay.

11                JUDGE LANE:   And so, yeah, we're --  
12     you're not under oath, there's no testimony here.   I  
13     just wanted to make sure you understood the nature of  
14     the process that we're going through.

15                MS. JOHNSON:   I understand.   Thank you.

16                JUDGE LANE:   And if you had any  
17     questions of me before we go off the record -- and  
18     you'll have plenty of opportunity to restate your  
19     position or to talk with -- to talk with Mr. Thompson  
20     and Mr. Cooper and Ms. Fred about the circumstances  
21     of your case and about any factual disagreements that  
22     may exist or, you know, any factual disagreements, so  
23     you'll have an opportunity to do that, just not while  
24     I'm here.   Okay?

25                MS. JOHNSON:   Okay.   Thank you.

1 JUDGE LANE: All right. Well, in that  
2 case, do any of the parties see any reason for us not  
3 to go ahead and take this off the record and get this  
4 prehearing conference underway?

5 MR. COOPER: No, your Honor.

6 MR. THOMPSON: No, your Honor.

7 JUDGE LANE: Very well. I thank you all  
8 for appearing, and thank you, Ms. Johnson. I'm glad  
9 we were able to reach you by calling you directly.  
10 We had the 800 number and were waiting on you to call  
11 in, but maybe we were -- it had only been a few  
12 minutes so we weren't really too worried yet.

13 MS. JOHNSON: Okay.

14 JUDGE LANE: All righty. Well, thank  
15 you again for your participation in this, and we'll  
16 go off the record.

17 MS. JOHNSON: Thank you.

18 (WHEREUPON, the recorded portion of the  
19 prehearing conference was concluded.)  
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