

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 29<sup>th</sup> day of May, 2013.

In the Matter of the Joint Application of Southern Union Company d/b/a Missouri Gas Energy, The Laclede Group, Inc., and Laclede Gas Company for an Order Authorizing the Sale, Transfer, and Assignment of Certain Assets and Liabilities from Southern Union Company to Laclede Gas Company and, in Connection Therewith, Certain other Related Transactions )  
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**File No. GM-2013-0254**

**ORDER REGARDING MOTION FOR RECONSIDERATION OF ORDER  
ALLOWING MISSOURI INDUSTRIAL ENERGY CONSUMERS TO INTERVENE**

Issue Date: May 29, 2013

Effective Date: May 29, 2013

On May 21, 2013, the Missouri Industrial Energy Consumers (MIEC) filed an application to intervene out of time asking to be allowed to intervene in this case, which was established to consider the joint application of Southern Union Company, d/b/a Missouri Gas Energy, The Laclede Group, Inc., and Laclede Gas Company for approval of a sale in which Laclede Gas Company would acquire the entire franchise, works, and system of Southern Union's Missouri Gas Energy operating division. Based on MIEC's representation that expedited treatment was needed to facilitate possible resolution of Laclede Gas Company's on-going rate case and on MIEC's representation that "counsel for Laclede has advised counsel for the MIEC that Laclede does not oppose this motion", the Commission issued an order granting the application to intervene out of time on May 22.

Later on May 22, Southern Union Company d/b/a Missouri Gas Energy, one of the joint applicants, filed a motion asking the Commission to reconsider its order allowing MIEC to intervene. Southern Union contends MIEC has not shown good cause for its untimely application to intervene and asserts that MIEC's representation that Laclede did not oppose MIEC's application to intervene was either a half-truth or a misrepresentation by omission as counsel for Southern Union had previously informed counsel for MIEC that Southern Union would object to MIEC's request to intervene.

Upon receiving the motion for reconsideration, the Commission directed MIEC to respond by 12:00 p.m. on May 24 and offered the other parties an opportunity to respond by that time. Public Counsel responded on May 23, urging the Commission to deny Southern Union's motion for reconsideration. Public Counsel contends that since no procedural schedule has yet been established, allowing MIEC to intervene out of time will not disrupt these proceedings. MIEC responded on May 24.

MIEC explains that it delayed filing to intervene because it thought it would be able to address concerns about Laclede's capital structure in the rate case. With the rate case heading for a settlement that does not resolve its issue, MIEC now sees a need to intervene in the merger case where the capital structure concerns can also be addressed.

MIEC further explained that it did not intend to mislead the Commission when it represented that counsel for Laclede did not oppose the application to intervene. MIEC states that during negotiations in the rate case, counsel for Laclede and Southern Union both initially voiced opposition to MIEC's plan to intervene in the merger case. Subsequently, Counsel for Laclede indicated he did not oppose MIEC's planned intervention. Counsel for MIEC wrongly assumed that since Laclede and Southern Union

are joint applicants, the change in Laclede's position on intervention also meant that Southern Union had changed its position.

No other party filed a timely response.

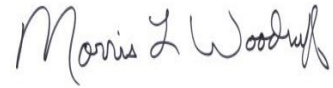
After considering the motion for reconsideration and the responses to that motion, the Commission concludes that its order allowing MIEC to intervene out of time was incorrect. MIEC has not shown good cause for its long delay in applying to intervene in this case. MIEC is a sophisticated party that is well aware of filings and proceedings at this Commission. The Commission set a February 13, 2013 deadline for applying to intervene and other parties complied with that deadline. Those parties have used the past three months to engage in discovery and to explore the issues that may be presented in this case. For MIEC to jump into this case at this late date would be disruptive. The Commission concludes that MIEC has not shown good cause for its late application to intervene. The Commission will grant the motion for reconsideration and will deny MIEC's application to intervene.

**THE COMMISSION ORDERS THAT:**

1. Southern Union Company's Motion for Reconsideration is granted.
2. The Application of the Missouri Industrial Energy Consumers to Intervene Out of Time is denied.

3. This order shall become effective upon issuance.

**BY THE COMMISSION**



Morris L. Woodruff  
Secretary

R. Kenney, Chm., Jarrett, Stoll,  
and W. Kenney, CC., concur.

Woodruff, Chief Regulatory Law Judge