

MO GAS ENERGY + 915708202401
04/05/2004 16:28
04/05/2004 TUE 17:19 FAX 510 820 2403 SOUTHERN UNION-CORP FIN

0004/004
NO. 634 DB1
0002/004

57

KASOWITZ, BENSON, TORRES & FRIEDMAN LLP

1633 BROADWAY
NEW YORK, NEW YORK 10019-8799
212-506-1700
FACSIMILE: 212-506-1800

FED. I.D. 13.3720307

Dennis Morgan, Esq.
General Counsel
Southern Union Gas Company
IV Barton Skyway
1301 So. Mopac Expressway, Suite 400
Austin, Texas 78746

Exhibit No. 51
Case No(s) CR 2004-0209
Date 7-23-04 Rptr TS

INVOICE NO.: 40936

February 23, 2004

RE: MPSC v. Southern Union

FILED

JUL 29 2004

FOR PROFESSIONAL SERVICES rendered
through the month of December 2003
as reflected on the attached printout.

Missouri Public
Service Commission

Fees	\$6,440.00
Disbursements	843.66
TOTAL AMOUNT DUE	\$7,283.66

5563
05220029

Post-It® Fax Note	7671	Date	7/6/04	# of pages	3
To	Scott G. Galt	From	Rob H. H.		
Co/Dept.		Ca.			
Phone #		Phone #			
Fax #	520/820-2401	Fax #			

KASOWITZ, BENSON, TORRES & FRIEDMAN LLP
1633 BROADWAY
NEW YORK, NEW YORK 10019-5799

Federal I.D. # 13-3720397

*MPSC staff investigation
Re: Sug Sale*

05220029
Southern Union Company
MPSC v. Southern Union

*New Account
MPSC vs. Sug W/D
(Def. Amt) - MPSC-SUG Sale W/D
(Other denied)*

DECEMBER 31, 2003
Reserve CR 180923
Debit 42103-7820
990

DATE	ATTORNEY OR ASSISTANT	HOURS
12/01/03	ERIC HERSCHMANN Review MPSC draft statement; e-mails and telephone calls with DM re same.	1.30
12/03/03	ERIC HERSCHMANN Telephone calls with DM.	.80
12/04/03	ERIC HERSCHMANN Review SUG response to staff; revise same; review e-mails re same.	1.60
12/19/03	ERIC HERSCHMANN Meeting with DM, RH et al re case strategy; meeting with DM; review documents.	5.50
12/29/03	ERIC HERSCHMANN Review info from Brydon Swearengcn; telephone calls with DM re same; conference call with JS and RH.	2.00
TOTAL HOURS		11.20

*2004
Rate Case*

MGE Accty. Story

7/06

023 000000 1860 8804 000 000000 R0029

04/05/2004 16:28 MO GAS ENERGY + 915708202401
04/05/2004 16:19 FAX 570 820 2403 Southern Union-CORP FIN

0003/004
NO. 634 003
0004/004

Southern Union Company
FILE NUMBER: 05220029
INVOICE NO.: 40936

Dec 31, 2003 PAGE 2

PARTNER
ERIC HERSCHMANN

HOURS
11.20

AMOUNT
6,440.00

TOTAL FEES

\$6,440.00

TRAVEL EXPENSES
DOCUMENT DELIVERY

828.50
15.16

TOTAL COSTS

\$843.66

TOTAL FEES AND COSTS

\$7,283.66

* Missouri * \$515 per hour x 7.5 hours = 4312.50

expenses

+ 843.66

interco MGE :

5156.16

Corp:

2127.50

KASOWITZ, BENSON, TORRES & FRIEDMAN LLP

1633 BROADWAY

NEW YORK, NEW YORK 10019-6799

FFD. I.D. 13-3720397

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Dennis Morgan, Esq.
General Counsel
Southern Union Company
1301 S. Mopac Expressway, Suite 400
Austin, TX 78746

INVOICE NO.: 43187

May 12, 2004

RE: Missouri Public Service Commission Rate Case

FOR PROFESSIONAL SERVICES rendered
through the month of March 2004
as reflected on the attached printout.

Fees	\$81,171.00
Disbursements	2,648.87
TOTAL AMOUNT DUE	\$83,819.87

5563
05220034

KASOWITZ, BENSON, TORRES & FRIEDMAN LLP
1633 BROADWAY
NEW YORK, NEW YORK 10019-6799

Federal I.D. # 13-3720397

MARCH 31, 2004

05220034

Southern Union Company

Missouri Public Service Commission Rate Case

DATE	ATTORNEY OR ASSISTANT	HOURS
12/12/03	ERIC HERSCHMANN Telephone calls with R. Hack; review documents.	4.00
12/15/03	ERIC HERSCHMANN Begin review of new materials from R. Hack; prep case strategy; telephone calls with DM re same.	6.00
12/16/03	ERIC HERSCHMANN Email TQF re Schallanberg and Bible; telephone calls with DM re same.	.50
12/17/03	ERIC HERSCHMANN Telephone calls with R. Hack, P. Boudreau, DM re case strategy; continue review of info; telephone calls with GL re same.	5.40
12/18/03	ERIC HERSCHMANN Prep. for meeting; meeting with DM; meeting with RH et al re case strategy; meeting with DM; telephone calls with GL re same.	8.50
01/07/04	ERIC HERSCHMANN Telephone call with R. Hack; review email re same.	.50
01/09/04	ERIC HERSCHMANN Review Murry testimony on Aquila.	2.40
02/03/04	ERIC HERSCHMANN Review Stamm testimony; prior Bible/Schallenberg testimony.	4.40
02/04/04	ERIC HERSCHMANN Review new MoPSC filings and prior testimony.	2.40

Southern Union Company

Mar 31, 2004

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FILE NUMBER: 05220034

INVOICE NO.: 43187

02/16/04	ERIC HERSCHMANN Review testimony from Aquila case.	3.40
02/25/04	ERIC HERSCHMANN Prep. for meeting; review materials.	6.70
02/26/04	ERIC HERSCHMANN Prep. for meeting with client and experts; attend same.	5.30
03/01/04	ERIC HERSCHMANN Telephone calls with RH.	.75
03/02/04	ERIC HERSCHMANN Review info from R. Hack; telephone calls with RH re same.	2.30
03/03/04	ERIC HERSCHMANN Review info from RH; review decision from PB; telephone calls with DM.	1.50
03/04/04	MICHAEL M. FAY Review Daubert case law and regulatory opinions re cap structure, ROC.	4.30
03/05/04	MICHAEL M. FAY Review Daubert case law and regulatory opinions re cap structure, ROC; t/c with EDH.	1.60
03/08/04	MICHAEL M. FAY Work w/r/t in limine motions; review case law and precedents for same.	4.10
03/08/04	SEAN K. O'SHEA Review files for information concerning Missouri Rates matter at the request of E. Herschmann.	3.50
03/22/04	ERIC HERSCHMANN Prep. for meeting.	5.30
03/23/04	MICHAEL M. FAY Review Missouri Commission testimony in Aquila.	1.20
03/23/04	ERIC HERSCHMANN Telephone calls with R. Hack; prep. for meeting; telephone calls with DM; review docs from CD.	3.00

Southern Union Company
FILE NUMBER: 05220034
INVOICE NO.: 43187

Mar 31, 2004 PAGE 3

03/24/04	MICHAEL M. FAY	2.70
	Review testimony of D. Murray and schedules thereto; t/c with EDH re Daubert challenge; review caselaw re ratemaking.	
03/24/04	ERIC HERSCHMANN	4.00
	Prep. for meeting; telephone calls with MF re Daubert re experts; review testimony rec'd. RH re same.	
03/25/04	MICHAEL M. FAY	2.40
	Meeting with MGE representatives re rate case; review prior commission testimony; review literature re regulatory finance.	
03/25/04	ERIC HERSCHMANN	9.10
	Prep. for and attend meeting with clients, co-counsel re case prep.	
03/26/04	MICHAEL M. FAY	2.30
	T/c with A. Mani; review literature re ROE, cap structure; review Commission testimony.	
03/26/04	ERIC HERSCHMANN	7.50
	Meeting with clients and co-counsel re prep; work re same.	
03/29/04	MICHAEL M. FAY	4.70
	Work w/r/t in limine motions; review testimony, caselaw review MGE direct testimony.	
03/30/04	MICHAEL M. FAY	6.90
	Review testimony of Dunn, Noack and Oglesby; review Murray cross outline; review Daubert research; read literature re utilities cost of capital.	
03/30/04	ERIC HERSCHMANN	2.40
	Work re expert testimony.	
03/31/04	MICHAEL M. FAY	3.50
	Conf. with EDH re limine issues; review cost of capital literature; correspondence with C. Dodd re MGE rate strategies; review Morin textbook.	

TOTAL HOURS

122.55

Southern Union Company
FILE NUMBER: 05220034
INVOICE NO.: 43187

Mar 31, 2004

PAGE 4

	HOURS	AMOUNT
PARTNER		
MICHAEL M. FAY	33.70	23,253.00
ERIC HERSCHMANN	85.35	57,305.50
PARALEGAL		
SEAN K. O'SHEA	3.50	612.50

TOTAL FEES \$81,171.00

TRAVEL EXPENSES	472.03
BUSINESS MEALS	1,786.30
DOCUMENT REPRODUCTION	367.40
DOCUMENT DELIVERY	20.82
TELEPHONE	1.72
MAILING CHARGES	.60

TOTAL COSTS \$2,648.87

TOTAL FEES AND COSTS \$83,819.87

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Dennis Morgan, Esq.
General Counsel
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1301 S. Mopac Expressway, Suite 400
Austin, TX 78746

INVOICE NO.: 45411

July 19, 2004

RE: Missouri Public Service Commission Rate Case

FOR PROFESSIONAL SERVICES rendered
through the month of April 2004 as
reflected on the attached computer
printout.

Fees	\$ 128,232.00
Disbursements	2,484.13
TOTAL AMOUNT DUE	<u>\$ 130,716.13</u>

5563
05220034

KASOWITZ, BENSON, TORRES & FRIEDMAN LLP
1633 BROADWAY
NEW YORK, NEW YORK 10019-6799

Federal I.D. # 13-3720397

APRIL 30, 2004

05220034
Southern Union Company
Missouri Public Service Commission Rate Case

DATE	ATTORNEY OR ASSISTANT	HOURS
04/01/04	MICHAEL M. FAY Review Missouri commission testimony; review FERC decisions re DCF; conf. with EDH.	3.50
04/02/04	MICHAEL M. FAY Review FERC decisions re DCF models; review Dunn schedules; confs. with CD; work w/r/t adjustments to ROE.	4.40
04/02/04	ERIC HERSCHMANN Telephone calls with MMF re Daubert; review emails; telephone calls with CD & DM re same; case strategy.	1.20
04/05/04	MICHAEL M. FAY Work w/r/t motion to exclude Murray testimony.	2.10
04/05/04	MICHAEL M. FAY Work w/r/t motion to exclude Murray testimony; review Brealey's principles of Corp. Finance.	1.40
04/07/04	MICHAEL M. FAY Review Morin testimony in United Electric.	1.50
04/07/04	ERIC HERSCHMANN Review testimony; prepare for conference calls; review memos from CD & emails from RH.	5.30
04/08/04	MICHAEL M. FAY Conf. call re rate hearings, motion to strike; review Bible deposition testimony.	3.70
04/08/04	ERIC HERSCHMANN Conference call with client and co-counsel; telephone calls with co-counsel.	2.80

Southern Union Company
FILE NUMBER: 05220034
INVOICE NO.: 45411

Apr 30, 2004

PAGE 2

04/09/04	MICHAEL M. FAY Review caselaw re Daubert and DCF testimony.	1.80
04/12/04	MICHAEL M. FAY Work w/r/t motion to exclude Murray; review relevant Sep. Ct. cases.	3.10
04/14/04	MICHAEL M. FAY Conf. with EDH; review literature re cost of capital; review prior Murray/Bible testimony.	3.30
04/14/04	ERIC HERSCHMANN Review new docs; telephone calls with RH; prep. cross.	4.20
04/15/04	MICHAEL M. FAY Review Commission testimony; work w/r/t motion to exclude Murray testimony.	2.90
04/15/04	ERIC HERSCHMANN Telephone calls with RH, DM; review new docs; prep. for case; telephone calls with RH.	5.70
04/16/04	MICHAEL M. FAY Work w/r/t motion to exclude Murray; review Bernsen testimony.	2.80
04/16/04	ERIC HERSCHMANN Begin review of staff testimony.	4.50
04/18/04	MICHAEL M. FAY Review testimony and schedules of D. Murray and Dunn; work w/r/t comp groups and DCF data; review financial literature for motion to exclude.	3.70
04/19/04	MICHAEL M. FAY Work w/r/t Murray deposition; work w/r/t motion to exclude Murray; conf. with EDH re same.	3.70
04/19/04	ERIC HERSCHMANN Review staff materials; telephone calls with RH, CD, MMF, conference call with DM; telephone calls with RH, GL, DK.	2.30
04/20/04	MICHAEL M. FAY T/c re MPSC testimony; prepare for Murray deposition; work w/r/t motion to exclude.	4.60

Southern Union Company
FILE NUMBER: 05220034
INVOICE NO.: 45411

Apr 30, 2004

PAGE 3

04/20/04	ERIC HERSCHMANN Telephone calls with co-counsel, clients; conference call with RM, CD, JD, RH, MMF re staff submission; telephone calls with GL; review DR's; work re cross.	4.60
04/21/04	ERIC HERSCHMANN Review staff testimony; multiple telephone calls with DM, GL, RH, JB, MMF re same.	7.70
04/22/04	ERIC HERSCHMANN Telephone calls with RH..	.80
04/23/04	MICHAEL M. FAY T/c re Murray deposition; work w/r/t motion to exclude.	2.90
04/23/04	ERIC HERSCHMANN Work re reviewing documents and preparing for conference call; telephone calls with MMF, CD, DM, RH re same; conference call with co-counsel and client; review emails.	5.50
04/24/04	ERIC HERSCHMANN Work re Murray cross.	2.60
04/25/04	ERIC HERSCHMANN Prep. for rate case; work re Murray, Allene cross; telephone calls with RH, DM, RM.	7.80
04/26/04	MICHAEL M. FAY Work w/r/t Murray deposition and motion to exclude.	4.70
04/26/04	ERIC HERSCHMANN Prep. for and attend meeting with clients & witnesses re case strategy; work re outline for crosses.	9.70
04/27/04	MICHAEL M. FAY Meeting re MGE officials re Murray and Commission rate case; work w/r/t motion to exclude.	4.10
04/27/04	ERIC HERSCHMANN Prep. for and attend meeting with clients & experts; multiple telephone calls with clients; work re case strategy.	14.50

Southern Union Company
FILE NUMBER: 05220034
INVOICE NO.: 45411

Apr 30, 2004

PAGE 4

04/28/04	MICHAEL M. FAY Work w/r/t motion to exclude; edit draft motion; review Morin textbooks for same.	5.70
04/28/04	ERIC HERSCHMANN Prep. for depo; telephone calls with MMF, CD, RH; review docs; conference call with D. Farr & CD re admissibility of expert testimony.	10.80
04/29/04	MICHAEL M. FAY Edit draft motion to exclude; review caselaw and literature re same.	4.10
04/29/04	ERIC HERSCHMANN Conference call with RH & CD; review docs on testimony; conference call with CD & L. Racker re exhibits; review new info from client; telephone calls with JS, RM; conference call with RH, M. Noach, CD; prep. case.	16.70
04/29/04	ELIZABETH OLACIO Review and organize documents related to Missouri Deposition.	8.10
04/30/04	MICHAEL M. FAY Edit and circulate draft motion to, exclude; conf. with C. Dodd re same.	5.00
04/30/04	ERIC HERSCHMANN Prep. for depo/hearings; multiple telephone calls with RH, RM, DM re same.	8.50
TOTAL HOURS		192.30

Southern Union Company
FILE NUMBER: 05220034
INVOICE NO.: 45411

Apr 30, 2004 PAGE 5

	HOURS	AMOUNT
PARTNER		
MICHAEL M. FAY	69.00	47,610.00
ERIC HERSCHMANN	115.20	79,488.00
PARALEGAL		
ELIZABETH OLACIO	8.10	1,134.00
TOTAL FEES		\$128,232.00
TRAVEL EXPENSES		1,437.80
BUSINESS MEALS		603.08
DOCUMENT REPRODUCTION		246.51
DOCUMENT DELIVERY		177.64
TELEPHONE		10.05
FACSIMILE TRANSMISSION		9.05
TOTAL COSTS		\$2,484.13
TOTAL FEES AND COSTS		\$130,716.13

KASOWITZ, BENSON, TORRES & FRIEDMAN LLP

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NEW YORK, NEW YORK 10019-6799

FED. I.D. 13-3720397

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Dennis Morgan, Esq.
General Counsel
Southern Union Company
1301 S. Mopac Expressway, Suite 400
Austin, TX 78746

INVOICE NO.: 45455

July 20, 2004

RE: Missouri Public Service Commission Rate Case

FOR PROFESSIONAL SERVICES rendered
through the month of May 2004
as reflected on the attached printout.

Fees	\$142,921.50
Disbursements	5,092.40
TOTAL AMOUNT DUE	\$148,013.90

5563
05220034

KASOWITZ, BENSON, TORRES & FRIEDMAN LLP
1633 BROADWAY
NEW YORK, NEW YORK 10019-6799

Federal I.D. # 13-3720397

MAY 31, 2004

05220034
Southern Union Company
Missouri Public Service Commission Rate Case

DATE	ATTORNEY OR ASSISTANT	HOURS
05/02/04	ERIC HERSCHMANN Prep. for depos; telephone calls with RM, DM.	10.20
05/03/04	MICHAEL M. FAY Work w/r/t motion to exclude testimony of David Murray; review Valueline data; work w/r/t Murray deposition preparation; t/c with EDH re same.	2.40
05/03/04	ERIC HERSCHMANN Prep. for depos; meeting with clients; telephone calls with clients.	13.30
05/04/04	MICHAEL M. FAY Work w/r/t motion to exclude Murray; t/cs with EDH re Murray deposition.	2.30
05/04/04	ERIC HERSCHMANN Murray depo; meeting with clients; prep Quain, prep Dunn; legal research; telephone calls with clients.	11.60
05/05/04	MICHAEL M. FAY T/cs with EDH re Morin; review prior Morin testimony; work w/r/t motion to exclude.	2.10
05/05/04	ERIC HERSCHMANN Meeting with clients; prep. for Quain, Dunn; telephone calls with clients; review GAAP standards.	4.00
05/06/04	MICHAEL M. FAY T/c with R. Morin; t/c with EDH; work w/r/t Morin rebuttal testimony; work w/r/t capitalization issues.	1.20

Southern Union Company
FILE NUMBER: 05220034
INVOICE NO.: 45455

May 31, 2004 PAGE 2

05/06/04	ERIC HERSCHMANN Work re demonstrative exhibits.	2.10
05/07/04	MICHAEL M. FAY Review Murray transcript and incorporate into motion to exclude; t/c with R. Morin re MGE and Commission proceeding.	4.80
05/07/04	ERIC HERSCHMANN Telephone calls with RH, JS re case strategy; work re DR's.	1.20
05/08/04	ERIC HERSCHMANN Review Murray transcript.	3.80
05/10/04	MICHAEL M. FAY Review Missouri caselaw re motion to exclude; review caselaw re witnesses; t/c with EDH; t/c with R. Morin.	4.10
05/10/04	ERIC HERSCHMANN Telephone calls with RH; review Dunn testimony; review DR's.	3.30
05/11/04	MICHAEL M. FAY Work w/r/t motion to exclude and rebuttal testimony.	1.50
05/11/04	ERIC HERSCHMANN Telephone calls with RH; review testimony; work re Murray cross for hearing.	2.00
05/12/04	MICHAEL M. FAY Work w/r/t rate case; review OPC testimony; t/c with R. Morin, EDH; review Daubert caselaw; edit and circulate memorandum in support of motion to exclude.	5.40
05/12/04	ERIC HERSCHMANN Work re Daubert motion; telephone calls with MMF, CD, RH re same; telephone calls with TK, DM, GL; work re rebuttal testimony.	3.90
05/13/04	MICHAEL M. FAY Edit memo re motion to exclude; t/cs with R. Hack, J. Dunn, EDH; review accounting standards.	2.30

Southern Union Company
FILE NUMBER: 05220034
INVOICE NO.: 45455

May 31, 2004

PAGE 3

05/13/04	ERIC HERSCHMANN Work re Daubert motion; telephone calls with DM, TK, RH, CD, GL; work re outline for cross for hearing.	4.40
05/14/04	MICHAEL M. FAY T/cs with R. Morin; edit and circulate revised draft memo in support of motion to exclude; t/c with R. Hack, t/cs with EDH.	4.70
05/14/04	ERIC HERSCHMANN Telephone calls with CD, RH re brief and hearing strategy; work re brief; review J. Dunn testimony.	2.90
05/14/04	JOSEPH R. HAWRY Assist attorneys with work re Memorandum of Law of MGE in Support of Its Motion to Exclude Certain Testimony and Opinions of David Murray.	2.30
05/16/04	MICHAEL M. FAY Edit papers in support of motion to exclude Murray; work w/r/t cap structure issues; review utility finance authorities.	3.70
05/16/04	ERIC HERSCHMANN Telephone calls with RM; review research memo; work re Daubert motion; telephone calls with MP.	2.70
05/16/04	JOSEPH R. HAWRY Assist attorneys with work re Memorandum of Law in Support of Its Motion to Exclude Certain Testimony and Opinions of David Murray.	3.40
05/17/04	MICHAEL M. FAY Finalize motion to exclude; review motion to exclude Noack; t/cs with R. Hack, J. Dunn, EDH.	6.70
05/17/04	ERIC HERSCHMANN Telephone calls with RH, CD; review staff motion to strike Noack; work re Daubert motion; emails; review research memo; demonstrative exhibits.	3.90
05/18/04	MICHAEL M. FAY Review Dunn rebuttal; review response to motion to strike; t/c with R. Morin.	4.80
05/18/04	ERIC HERSCHMANN Review proposed rebuttal testimony.	2.00

Southern Union Company
FILE NUMBER: 05220034
INVOICE NO.: 45455

May 31, 2004

PAGE 4

05/19/04	MICHAEL M. FAY Review draft Dunn rebuttal testimony; t/c with R. Hack; work w/r/t Morin rebuttal.	2.70
05/19/04	ERIC HERSCHMANN Telephone calls with DM re Dunn testimony; review/revise same.	1.60
05/20/04	MICHAEL M. FAY Review testimony and schedules re Dunn; t/cs with EDH, R. Hack.	3.60
05/20/04	ERIC HERSCHMANN Telephone calls with SG; DM.	1.10
05/20/04	ERIC HERSCHMANN Telephone calls with MMF, CD, RH re Dunn & Morin testimony; work re same; prep. for depositions.	4.00
05/21/04	MICHAEL M. FAY Confs. with R. Morin re rebuttal testimony; review Noack response; t/cs with EDH re strategy.	3.80
05/21/04	ERIC HERSCHMANN Telephone calls with RH re case strategy; telephone calls with CD re demonstratives exhibits & Dunn; work re same.	2.10
05/22/04	ERIC HERSCHMANN Review Dunn testimony; work re demonstratives; telephone calls with RH.	4.30
05/23/04	MICHAEL M. FAY Review draft Morin and Gillen rebuttal testimony.	5.40
05/23/04	ERIC HERSCHMANN Review RH edits to demonstratives; review issue list, schedule of proceedings; telephone calls with RH re same.	2.70
05/24/04	MICHAEL M. FAY Work w/r/t draft Morin rebuttal testimony; t/cs with R. Morin, R. Hack, EDH; review responses to motion to exclude Murray; draft reply.	6.70
05/24/04	ERIC HERSCHMANN Work on rebuttal brief; telephone calls with RH, RM, CD, MMF; review Morin, Gillen testimony; legal research re OPC standing.	5.00

Southern Union Company
FILE NUMBER: 05220034
INVOICE NO.: 45455

May 31, 2004

PAGE 5

05/25/04	MICHAEL M. FAY Work w/r/t reply memo on motion to exclude Murray; t/cs with R. Morin, EDH.	8.30
05/25/04	ERIC HERSCHMANN Review OPC and staff opp. brief re motion to exclude; outline reply brief; telephone calls with RH, MF re same.	3.70
05/26/04	MICHAEL M. FAY Work w/r/t reply memo on motion to exclude Murray; review Allen, Murray rebuttal testimony.	5.40
05/26/04	ERIC HERSCHMANN Review filings; telephone calls and emails with clients and co-counsel; review Murray, Allen rebuttal testimony.	3.30
05/27/04	MICHAEL M. FAY T/cs with R. Hack, Dr. Morin; review Murray and Allen rebuttals; edit reply memo; work w/r/t deposition and discovery issues; t/c with EDH re same; review request for oral argument.	5.90
05/28/04	MICHAEL M. FAY Finalize and file reply memo on motion to exclude; work w/r/t Morin and hearing testimony and deposition.	4.20
05/28/04	ERIC HERSCHMANN Prep. for Allen depo; review emails; telephone calls with CD, RH work re reply memo and strategy.	5.90
05/30/04	ERIC HERSCHMANN Review rebuttal testimony.	1.80
05/31/04	ERIC HERSCHMANN Prep. for Allen depo; telephone calls with RH; review DTE order.	5.20
05/31/04	LANA Z. RAFAEL Research all the referenced citations from the Memorandum of Law; consolidate binders with the research materials; duplicate same.	7.50

TOTAL HOURS

217.20

Southern Union Company
FILE NUMBER: 05220034
INVOICE NO.: 45455

May 31, 2004 PAGE 6

	HOURS	AMOUNT
PARTNER		
MICHAEL M. FAY	92.00	63,480.00
ERIC HERSCHMANN	112.00	77,280.00
PARALEGAL		
JOSEPH R. HAWRY	5.70	1,111.50
LANA Z. RAFAEL	7.50	1,050.00

TOTAL FEES \$142,921.50

TRANSCRIPTS	647.50
TRAVEL EXPENSES	3,461.97
LOCAL TRANSPORTATION	224.40
BUSINESS MEALS	210.54
AUTOMATED RESEARCH	438.01
DOCUMENT REPRODUCTION	19.10
DOCUMENT DELIVERY	80.82
TELEPHONE	9.75
FACSIMILE TRANSMISSION	.31

TOTAL COSTS \$5,092.40

TOTAL FEES AND COSTS \$148,013.90

KASOWITZ, BENSON, TORRES & FRIEDMAN LLP

1633 BROADWAY

NEW YORK, NEW YORK 10019-6799

FED. I.D. 13-3720397

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Dennis Morgan, Esq.
General Counsel
Southern Union Company
1301 S. Mopac Expressway, Suite 400
Austin, TX 78746

INVOICE NO.: 45574

July 21, 2004

RE: Missouri Public Service Commission Rate Case

FOR PROFESSIONAL SERVICES rendered
through the month of June 2004
as reflected on the attached printout.

Fees	\$235,614.00
Disbursements	5,181.69
TOTAL AMOUNT DUE	\$240,795.69

5563
05220034

KASOWITZ, BENSON, TORRES & FRIEDMAN LLP
1633 BROADWAY
NEW YORK, NEW YORK 10019-6799

Federal I.D. # 13-3720397

JUNE 30, 2004

05220034
Southern Union Company
Missouri Public Service Commission Rate Case

DATE	ATTORNEY OR ASSISTANT	HOURS
06/01/04	MICHAEL M. FAY Work w/r/t Allen testimony and conf. with R. Morin, EDH; review Allen rebuttal; work w/r/t 3/3 argument.	4.50
06/01/04	ERIC HERSCHMANN Prep. for T. Allen depo; telephone calls with RH, MF, CD; prep. for Daubert argument; telephone calls with RH; conference call with RH and co-counsel; work re demonstratives; conference call with RH & RM; review PB email re oral argument; telephone calls with RH, RM, CD.	7.80
06/01/04	LANA Z. RAFAEL Work re organizing materials cited in brief per EDH.	4.00
06/01/04	SHIRIN SHAKIR Work re compiling and organizing materials cited in brief.	3.60
06/02/04	MICHAEL M. FAY Work w/r/t Murray bullet points and T. Allen deposition questions; review Murray rebuttal; t/cs with EDH; assist in preparation for argument.	5.50
06/02/04	ERIC HERSCHMANN Prep. for Murray, Daubert hearing; meeting with clients re same.	16.20

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06/02/04	LANA Z. RAFAEL Work on Memorandum of Law; duplicate various articles, legal research; forward same to James Swearengen; update "citation" binder.	4.00
06/03/04	MICHAEL M. FAY T/cs with EDH, R. Morin.	.70
06/03/04	ERIC HERSCHMANN Prep. for and attend Daubert hearing; meeting and telephone calls with client re hearing and strategy.	14.30
06/03/04	LANA Z. RAFAEL Update binder with the "citation" materials; duplicate missing pages and fax same to EDH.	3.00
06/04/04	MICHAEL M. FAY Work w/r/t response to queries from Missouri Commission; t/c with R. Morin; review case law re expert qualifications; review Whitnell testimony; work w/r/t Allen motion to exclude.	5.10
06/04/04	ERIC HERSCHMANN Work re post hearing brief.	5.40
06/05/04	MICHAEL M. FAY Edit response memo to MPSC queries.	3.50
06/06/04	MICHAEL M. FAY Work w/r/t supplemental filing re Commission queries.	9.70
06/06/04	ERIC HERSCHMANN Work re supp. brief.	2.40
06/07/04	MICHAEL M. FAY Finalize and file supplemental filing re commission inquiries; conf. with EDH re same; t/c with R. Hack; review 6/3 transcript.	6.10
06/07/04	ERIC HERSCHMANN Finalize brief; telephone call with RH; telephone call with GL; review hearing transcript; conference call with RH & MF.	5.30
06/07/04	ERIC HERSCHMANN Telephone calls with DM, TK; conference call with clients and GE; work re letter to Enron; conference call with clients; conference call	4.20

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with clients and GE; conference call with RH & PB.

06/07/04	LANA Z. RAFAEL Work re Memorandum in Response to 6/3/04 Queries of the MPS Commission; legal research.	4.00
06/08/04	MICHAEL M. FAY Review order re Murray motion to strike; t/cs with R. Hack, EDH, M. Noack re same; work w/r/t motion for reconsideration; t/c with R. Morin.	3.70
06/08/04	ERIC HERSCHMANN Telephone calls with RH; conference call with RH & RM; telephone calls with RH; conference call with RH & D. Farr; conference call with co-counsel and clients; telephone call with DM; telephone calls with TK; review notes and order; conference call with RH & CD; conference call with JS, RH and CD; conference call with TK, DM, RH, RM, DK.	6.20
06/09/04	MICHAEL M. FAY Work w/r/t motion for reconsideration; prepare for R. Morin deposition; t/c with EDH, R. Hack.	5.30
06/09/04	ERIC HERSCHMANN Telephone call with RH; review transcript re post hearing brief; work re motion to reconsider.	2.30
06/10/04	MICHAEL M. FAY Deposition of R. Morin; prepare for same; work w/r/t motion for reconsideration; t/cs with J. Dunn, R. Hack and EDH.	10.10
06/10/04	ERIC HERSCHMANN Telephone calls with RH, DM; revise motion re DR; telephone calls with TK re same; telephone calls with RH, MF re Morin depo; work re same.	2.30
06/11/04	MICHAEL M. FAY Finalize and file motion for reconsideration; work w/r/t Dunn surrebutall, and CAPM and risk premium analysis.	5.20
06/11/04	ERIC HERSCHMANN Telephone calls with RH, GL, TK re case; conference call with RH and D. Micheel; telephone calls with RH & TK; work re motion to reconsider.	3.70

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06/13/04	ERIC HERSCHMANN Telephone calls with RH.	.50
06/14/04	MICHAEL M. FAY Finalize and file motion for reconsideration; work w/r/t Morin data requests.	2.30
06/14/04	ERIC HERSCHMANN Telephone calls with RH re potential settlement; prep. for hearing.	3.40
06/15/04	MICHAEL M. FAY Review Murray, Dunn and Tuck surrebuttal testimony; t/c with R. Morin.	2.30
06/15/04	ERIC HERSCHMANN Prep. for hearing; review testimony; telephone calls with RH, DM re same; conference call with client and co-counsel; multiple telephone calls with RH; work re opening.	5.40
06/16/04	MICHAEL M. FAY T/c with R. Morin; work w/r/t data request; work w/r/t Tuck, Allen motions to exclude; review MPSC rules re submitted testimony.	3.60
06/16/04	ERIC HERSCHMANN Prep. for hearing; work re RH opening; telephone calls with RH, JS re Allen depo and DR's; review surrebuttal testimony; telephone calls with MF re Morin; work re motion to strike.	10.70
06/17/04	MICHAEL M. FAY Work w/r/t motion to strike Tuck; motion to exclude Allen; review Tuck, Murray, Allen surrebutals; t/cs with EDH.	6.70
06/17/04	ERIC HERSCHMANN Prep. for trial; telephone calls with RH, D. Farr, PB, GL, TK, RM, DM, JS, CD re trial prep.; work re same.	9.80
06/18/04	MICHAEL M. FAY Finalize and file motion to exclude Tuck and Allen; t/cs with R. Hack, J. Dunn, EDH, R. Morin.	6.80

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06/18/04	ERIC HERSCHMANN Prep. for trial; telephone calls with RH; conference calls with RH & JS; telephone calls with RM, TK; work re motions to exclude Tuck & Allen; conference with MF and RH re same; conference call with RH, TQF, AB re video depos.	10.90
06/19/04	MICHAEL M. FAY Work w/r/t questions for Allen cross-examination.	2.80
06/19/04	ERIC HERSCHMANN Prep. for trial; multiple telephone calls with RH, RM re same.	16.80
06/20/04	ERIC HERSCHMANN Prep. for trial; telephone calls with and meetings with client and co-counsel.	20.20
06/21/04	MICHAEL M. FAY T/cs with EDH re hearing; review submitted testimony from Dunn, Tuck; work w/r/t Allen cross exam.	2.60
06/21/04	ERIC HERSCHMANN Attend trial; meeting with clients; prep. witnesses; telephone calls with clients.	18.70
06/22/04	MICHAEL M. FAY Confs. with EDH re R. Morin testimony.	.80
06/22/04	ERIC HERSCHMANN Trial; telephone calls and meetings with clients co-counsel.	18.90
06/23/04	MICHAEL M. FAY Review rate of return testimony and schedules in preparation for Morin testimony.	2.90
06/23/04	ERIC HERSCHMANN Attend trial; meeting with clients.	16.40
06/24/04	MICHAEL M. FAY Review 6/21 and 6/22 transcripts; t/c with EDH.	2.60
06/24/04	ERIC HERSCHMANN Review trial transcript; telephone calls with clients/co-counsel re same.	2.70

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06/25/04	MICHAEL M. FAY Review trial exhibits and Allen CAPM analysis; confs. with R. Morin re 6/28 testimony; review literature re CAPM and risk premium; review Damoradan website.	3.50
06/25/04	ERIC HERSCHMANN Telephone calls with MF re prep. of Morin; review trial transcript; work re post trial brief; telephone calls with GL.	3.80
06/27/04	MICHAEL M. FAY Prepare for Morin testimony; review 6/21-6/22 transcript; meeting with R. Hack, M. Noack.	8.20
06/27/04	ERIC HERSCHMANN T/c's with MMF re Morin prep.; review trial transcript re same.	3.00
06/28/04	MICHAEL M. FAY Attend MPSC hearing; meeting with R. Hack, R. Morin re testimony	10.10
06/28/04	ERIC HERSCHMANN T/c's with RH, MMF; attend Morin testimony; telephone calls with MF re same and post-hearing brief; conference call with RH, CD & JS; telephone calls with MF, DM, RH re post trial brief and potential settlement.	6.40
06/29/04	MICHAEL M. FAY Review 6/23-6/24 transcripts.	1.60
06/29/04	ERIC HERSCHMANN Telephone calls with RM, MF, GL; review trial transcript.	3.20
06/30/04	MICHAEL M. FAY Review MPSC transcripts; t/c with R. Morin.	.70

TOTAL HOURS

356.40

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	HOURS	AMOUNT
PARTNER		
MICHAEL M. FAY	116.90	80,661.00
ERIC HERSCHMANN	220.90	152,421.00
PARALEGAL		
LANA Z. RAFAEL	15.00	2,100.00
SHIRIN SHAKIR	3.60	432.00
 TOTAL FEES		 \$235,614.00
TRANSCRIPTS		295.50
TRAVEL EXPENSES		52.70
BUSINESS MEALS		176.22
AUTOMATED RESEARCH		1,375.09
DOCUMENT REPRODUCTION		3,212.35
DOCUMENT DELIVERY		46.06
TELEPHONE		17.26
FACSIMILE TRANSMISSION		6.51
 TOTAL COSTS		 \$5,181.69
 TOTAL FEES AND COSTS		 \$240,795.69