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March 28, 2003

VIA HAND DELIVERY

Mr. Dale Hardy Roberts Secretary/Chief Regulatory Law Judge Missouri Public Service Commission P.O. Box 360 Jefferson City, MO 65102

Re: Southern Union Company Missouri PSC Case No. GO-2003-0354 FILED³ MAR 2 8 2003

Missouri Public Service Commission

Dear Mr. Roberts:

On behalf of Southern Union Company, I deliver herewith an original and eight (8) copies of a <u>Motion of Southern Union Company d/b/a Missouri Gas Energy for Additional</u> <u>Time to Respond to Staff's Motion to Open a Case to Investigate Certain of the Company's</u> <u>Business Transactions</u>, for filing with the Commission in the referenced matter. I would appreciate it if you would see that the copies are distributed to the appropriate Commission personnel. Service copies have been mailed or hand-delivered this date.

I have also enclosed an extra copy which I request that you stamp "Filed" and return to the person delivering them to you.

Thank you for your attention in this matter.

Sincerely,

BRYDON, SWEARENGEN & ENGLAND P.C. By: Paul A. Boudreau

PAB/ccp Enclosures cc: All parties of record

FILED³ MAR 2 8 2003

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

Missouri Public Service Commission

In the Matter of the Transfer of Assets, including much of Southern Union's gas supply department to EnergyWorx, a wholly owned subsidiary.

Case No. GO-2003-0354

MOTION OF SOUTHERN UNION COMPANY d/b/a MISSOURI GAS ENERGY FOR ADDITIONAL TIME TO RESPOND TO STAFF'S MOTION TO OPEN A CASE TO INVESTIGATE CERTAIN OF THE COMPANY'S ACTIVITIES

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COMES NOW, Southern Union Company ("Southern Union") d/b/a Missouri Gas Energy ("MGE"), and for an order granting it additional time to respond to Staff's motion to open a case to investigate certain matters. In support thereof, Southern Union states as follows:

1. On March 21, 2003, the Staff of the Missouri Public Service Commission ("Commission") filed <u>Staff's Motion to Open a Case to Investigate Southern Union's</u> <u>Transfer of its Gas Supply Department to a Wholly Owned Subsidiary</u> (the "Motion"). The case was docketed by the Commission as Case No. GO-2003-0354.

2. Simultaneously, the Commission's Staff ("Staff") filed a Complaint with the Commission requesting that the Commission authorize its General Counsel to seek penalties of \$2,000 per day, apparently concerning the same alleged conduct or activity the Staff purports to be interested in investigating herein. The Commission docketed Staff's Complaint as Case No. GC-2003-0348.¹ It is unclear to the undersigned counsel

¹ Staff of the Missouri Public Service Commission v. Southern Union Company. [See, Notice Regarding Style of Case and Confidential Information issued March 24, 2003.]

whether the Commission's <u>Notice of Complaint</u> has yet been duly served upon Southern Union.

3. By delegation order dated March 24, 2003, the Commission directed that responses to Staff's Motion be filed no later than Monday, March 31, 2003.

4. Southern Union requests additional time to file its response to Staff's Motion. As the Commission is likely aware, representatives of Southern Union, including its MGE operating division, have been involved in extensive negotiations in an effort to resolve by settlement Southern Union's application for approval to acquire the equity interests of Panhandle Eastern Pipeline Company, in Commission Case No. GM-2003-0238.² In fact, the hearing to take up the stipulation and agreement concerning Southern Union's Application in that case was held on March 26, 2003. Consequently, representatives of Southern Union have not been readily available to consult with counsel about how to respond to Staff's Motion.

5. Additionally, as noted above, Staff apparently has filed a Complaint apparently with respect to the same subject matter as has been addressed by Staff's Motion. Southern Union needs to determine why a Complaint has been filed when Staff is still of the view that the matters about which Staff has expressed its reservations apparently need further investigation. Given the differing procedures invoked by Staff, there also is a resulting procedural anomaly concerning the filing of a response to the Motion well before an Answer to the Complaint is due to be filed. <u>See</u>, 4 CSR 240-2.070(7)

² In the Matter of the Application of Southern Union Company d/b/a Missouri Gas Energy For Authority to Acquire Directly or Indirectly, Up to and Including One Hundred Percent (100%) of the Equity Interests of Panhandle Eastern Pipeline Company, Including Its Subsidiaries, and to Take All Other Actions Reasonably Necessary to Effectuate Said Transaction

that provides for the filing of an answer to a formal complaint no later than thirty (30) days after due service of the Commission's notice of complaint on the respondent.

6. Southern Union is requesting that the time for filing its response to Staff's Motion be extended and that Southern Union be allowed to respond at the same time as its Answer to the Complaint may be required to be filed. No party will be prejudiced by this extension. Staff has not identified any critical date by which the Commission is being requested to rule on the Motion. Furthermore, the additional time requested herein will allow Southern Union sufficient time to make such inquiries as may be necessary to formulate an informed and meaningful response to the Motion.

7. Southern Union's request for additional time in which to respond to Staff's Motion is not being made to cause undue delay. To the contrary, there is no compelling reason that a response to the Motion should be filed substantially in advance of the time within which Southern Union's Answer to Staff's Complaint in Case No. GC-2003-0348.

8. By filing this motion for additional time in which to respond to Staff's Motion, Southern Union is not conceding that the Commission has subject matter jurisdiction over the matter or matters that Staff is requesting the Commission to investigate. Southern Union specifically reserves the right to make any and all responses, and to assert any and all defenses and claims with respect to the Motion, or the underlying subject matter thereof, including, without limitation, that the Commission has no statutory to direct, limit, prohibit, condition or otherwise restrict the manner in which MGE obtains necessary materials, labor, supplies or services in order to render service to the public.

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WHEREFORE, for good cause shown, Southern Union requests that it be permitted

an extension of time within which to file its response to Staff's Motion in this case to such

time as its Answer to Staff's Complaint may become due.

Respectfully submitted,

Paul A. Boudreau MO #33155 BRYDON, SWEARENGEN & ENGLAND, P.C. 312 East Capitol Avenue P.O. Box 456 Jefferson City, MO 65102 (573) 635-7166

Attorneys for Southern Union Company

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was delivered by first class mail or by hand delivery, on this 28th day of March 2003 to the following:

Ms. Lera L. Shemwell Office of the General Counsel Missouri Public Service Commission 200 Madison Street, Suite 800 P.O. Box 360 Jefferson City, MO 65102-0360 Mr. Douglas Micheel Deputy Public Counsel Office of the Public Counsel 200 Madison Street, Suite 650 P.O. Box 7800 Jefferson City, MO 65102