

1 STATE OF MISSOURI  
2 PUBLIC SERVICE COMMISSION

3  
4  
5 PREHEARING CONFERENCE

6 January 28, 2003  
7 Jefferson City, Missouri  
8 Volume 1

9 In the Matter of the )  
10 Application of Southern )  
Union Company d/b/a Missouri )  
11 Gas Energy for Authority to )  
Acquire Directly or )  
12 Indirectly, Up to and )  
Including One Hundred Percent) Case No. GM-2003-0238  
13 (100%) of the Equity )  
Interests of Panhandle )  
14 Eastern Pipeline Company, )  
Including its Subsidiaries, )  
15 and to Take All Other Actions)  
Reasonably Necessary to )  
16 Effectuate Said Transaction. )

17  
18 MORRIS L. WOODRUFF, Presiding,  
19 SENIOR REGULATORY LAW JUDGE.

20  
21 REPORTED BY:

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1 APPEARANCES:

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9 FOR: Southern Union Company.

10 JEFFREY A. KEEVIL, Attorney at Law  
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12 1001 Cherry Street, Suite 302  
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15 FOR: Enbridge Pipelines (KPC).

16 RONALD MOLTENI, Assistant Attorney General  
17 Missouri Attorney General's Office  
18 207 West High Street  
19 Jefferson City, Missouri 65101

20 FOR: The State of Missouri.

21 SUSAN B. KNOWLES, Attorney at Law  
22 One Ameren Plaza  
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FOR: Union Electric Company d/b/a AmerenUE.

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FOR: Laclede Gas Company.

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1 APPEARANCES (CONTINUED):

2 STUART CONRAD, Attorney at Law  
3 Finnegan, Conrad & Peterson  
3100 Broadway  
4 1209 Penntower Office Center  
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6 FOR: Midwest Gas Users Association.

7 DOUGLAS E. MICHEEL, Senior Public Counsel  
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8 Jefferson City, Missouri 65102  
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10 FOR: Office of the Public Counsel  
and the Public.

11 THOMAS R. SCHWARZ, JR., Deputy General Counsel  
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14  
15 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 (Written Entries of Appearance filed.)

3 JUDGE WOODRUFF: We're here for a prehearing  
4 conference in Case No. GM-2003-0238, which is the  
5 Application of Southern Union Company for Authority to  
6 Acquire the Equity Interests of Panhandle Eastern  
7 Pipeline Company.

8 And we'll begin by taking entries of  
9 appearance.

10 And for Southern Union MGE?

11 MR. BOUDREAU: Thank you.

12 Let the report reflect the appearance of  
13 Paul A. Boudreau and Sondra B. Morgan of Brydon,  
14 Swearengen and England, Post Office Box 456, Jefferson  
15 City 65102, on behalf of Applicant, Southern Union  
16 Company.

17 Also here today on behalf of Missouri Gas  
18 Energy is Robert J. Haack, vice president of pricing  
19 and regulatory affairs and assistant secretary Missouri  
20 Gas Energy, 3420 Broadway, Kansas City, Missouri 64111.

21 JUDGE WOODRUFF: Thank you.

22 And before we go on, I notice that we do have  
23 the system up to broadcast over the internet, so I'm  
24 gonna go ahead and turn that on in case anybody is  
25 upstairs wanting to watch this or anyone out in the

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1 world.

2 Okay. I believe we are broadcasting now.

3 Then continue with entries of appearance.

4 For Staff?

5 MR. FRANSON: Robert Franson, Tim Schwarz and  
6 Bob Berlin, Staff of the Missouri Public Service  
7 Commission, P. O. Box 360, Jefferson City, Missouri  
8 65102.

9 JUDGE WOODRUFF: Thank you.

10 And for Public Counsel?

11 MR. MICHEEL: Douglas E. Micheel, appearing on  
12 behalf of the Office of Public Counsel and the Public,  
13 P. O. Box 7800, Jefferson City, Missouri 65102-7800.

14 JUDGE WOODRUFF: Okay. Now, we received a  
15 number of applications to intervene, and we'll go  
16 through those also.

17 First on my list is Municipal Gas Comp--  
18 Commission of Missouri. Duncan Kingsler (phonetic sp.)  
19 called me yesterday and asked for permission to be  
20 excused from today and I granted that.

21 I believe someone is here -- a non-attorney is  
22 here from -- from that party to discuss these things.

23 Then we'll go on to Enbridge Pipelines.

24 MR. KEEVIL: Yes, appearing on behalf of  
25 Enbridge Pipelines (KPC), Jeffrey Keevil of the law

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1 firm of Stewart and Keevil, L.L.C., 1001 Cherry Street,  
2 Suite 302, Columbia, Missouri 65201.

3 JUDGE WOODRUFF: Okay. And for the Attorney  
4 General?

5 MR. MOLTENI: Ronald Molteni, Assistant  
6 Attorney General, Office of the Attorney General,  
7 Supreme Court Building, P. O. Box 899, Jefferson City,  
8 Missouri 65102.

9 JUDGE WOODRUFF: Okay.

10 And for AmerenUE?

11 MS. KNOWLES: Susan Knowles, K-N-O-W-L-E-S,  
12 for Union Electric Company doing business as AmerenUE.  
13 The mailing address One Ameren Plaza, 1901 Chouteau  
14 Avenue, P. O. Box 66149, Mail Code 1310, St. Louis,  
15 Missouri 63166.

16 JUDGE WOODRUFF: Thank you.

17 And for Laclede?

18 MR. ZUCKER: Rick Zucker, Z-U-C-K-E-R, here on  
19 behalf of Laclede Gas Company, 720 Olive, Suite 1524,  
20 St. Louis, Missouri 63101.

21 JUDGE WOODRUFF: Thank you.

22 And for Pace Local 5348?

23 Is anyone here for the Union?

24 (No response.)

25 JUDGE WOODRUFF: And for Midwest Gas Users

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1 Association.

2 MR. CONRAD: Your Honor, Stuart Conrad of  
3 Finnegan, Conrad and Peterson, Kansas City. I'll be  
4 happy to give the reporter the rest of the address, but  
5 if you want it on the record, that's fine.

6 JUDGE WOODRUFF: All right. Thank you.

7 And I -- that's all I have on my list here.  
8 Is there anyone else here I've missed?

9 (No response.)

10 JUDGE WOODRUFF: Okay. Well, let's deal with  
11 the applications to intervene, since we're on kind of a  
12 short time schedule. I just realized there hasn't been  
13 that opportunity for anyone to respond to those.

14 Does anyone have any objection to any of these  
15 applications to intervene?

16 MR. BOUDREAU: If I might?

17 JUDGE WOODRUFF: You may.

18 MR. BOUDREAU: Some of this is driven by  
19 the -- the -- the speed of the process that the fact  
20 we're responsible for up to this point.

21 We haven't had an opportunity to -- to  
22 internally review all of these things and determine  
23 what the interests of the various parties are.

24 Hopefully today we'll be able to -- I think  
25 we're gonna get a lot of questions from the other

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1 parties about what's being proposed, and -- and  
2 hopefully be able to enlighten them about what the  
3 transactions are about and hopefully find out what  
4 their interests are.

5 We may have some objections, depending on what  
6 the interest asserted or -- or -- is asserted to be.  
7 But we probably won't know that until perhaps the end  
8 of day.

9 So what I'd like to do if it -- if it works  
10 for the Commission is to reserve our right to object  
11 and -- and just defer a ruling on the applications to  
12 intervene until we all have a better understanding  
13 about what's going on here.

14 JUDGE WOODRUFF: Okay. That -- that's  
15 acceptable.

16 What we'll do, then, is I'll -- I'll expect  
17 you to -- if you do have any objections, file a written  
18 objection tomorrow.

19 MR. BOUDREAU: Well, either that or if -- if  
20 we might -- if it's -- it's not too much of an  
21 imposition on you is to maybe reconvene later in the  
22 day, go back on the record and maybe we can deal with  
23 some of those.

24 One way or the other we'll -- we'll do it  
25 fairly quickly.



1 JUDGE WOODRUFF: If -- if you do have  
2 objections, I don't believe I have the authority  
3 to -- to rule on it from the Bench.

4 It would have to be -- if there are  
5 objections, it would have to be a Commission decision.

6 MR. BOUDREAU: Very good.

7 JUDGE WOODRUFF: If there are no objections, I  
8 can go ahead and grant them --

9 MR. BOUDREAU: Very good.

10 JUDGE WOODRUFF: -- because it's not a  
11 controversial issue.

12 MR. BOUDREAU: Very good.

13 JUDGE WOODRUFF: So file something tomorrow  
14 either way. If you -- you know, just a pleading  
15 indicating that you do have objections, or if there are  
16 no objections, file a pleading indicating that there  
17 are no objections and I'll make a ruling -- or the  
18 Commission will make a ruling or I'll make a ruling  
19 depending upon -- on what you file.

20 MR. BOUDREAU: We will do that.

21 JUDGE WOODRUFF: For purposes of -- of the  
22 prehearing conference today -- our technical  
23 conference, whatever you want to term it, certainly  
24 everyone here has an opp-- has the right and  
25 opportunity to participate.

1           MR. BOUDREAU: Absolutely.

2           JUDGE WOODRUFF: And we'll make a ruling on  
3 the motions later.

4           MR. BOUDREAU: Very good. Thank you.

5           JUDGE WOODRUFF: Okay. Any other matters  
6 anyone wants to bring up while we're on the record?

7           MR. CONRAD: Your Honor, just --

8           JUDGE WOODRUFF: Mr. Conrad?

9           MR. CONRAD: -- to clarify what -- what my  
10 colleague at the bar has indicated, surely he is not  
11 suggesting that the Applicant or the Applicants'  
12 decisions as to whether or not to pose applications to  
13 intervene will be determined on the position with the  
14 Applicant by -- or the Applicant for intervention might  
15 take with respect to the application.

16           JUDGE WOODRUFF: Well, I can't speak for what  
17 his intention might be. Certainly that's not something  
18 that's going to be relevant to the Commission as to  
19 what positions the parties might take in the -- in the  
20 proceeding.

21           I'll let Mr. Boudreau decide that himself  
22 what -- what he wants to ask for.

23           Any other matters anyone wants to bring up?

24           (No response.)

25           JUDGE WOODRUFF: All right. Then I'll leave

1 you to your discussions. Obviously if you can work  
2 everything out today, that would be acceptable to the  
3 Commission, to put it mildly. If not, I'll expect a  
4 proposed procedural schedule from you.

5 I'm not going -- at -- at the latest I'd want  
6 the procedural schedule by this Friday the 31st. If  
7 you can get it to me sooner than that -- and I'm  
8 assuming it's gonna be an expedited procedural  
9 schedule, so get it to me as soon as possible if there  
10 are any issues that need to be resolved by the  
11 Commission.

12 Any other matters anyone wants to bring up?

13 Mr. Micheel?

14 MR. MICHEEL: I have a question about the  
15 expedited schedule. Is that -- are -- are you  
16 directing us to follow the expedited schedule that --  
17 that the Applicant's have requested?

18 I know I filed an -- a -- a pleading opposing  
19 that expedited schedule.

20 JUDGE WOODRUFF: I -- I understand that. And  
21 I -- I -- I've -- I'm not making a ruling on that at  
22 this time.

23 I want to parties to go ahead and tell me what  
24 is reasonable. And if you can't agree upon something,  
25 you can give me a minority report, a majority report or

1 five different reports that you want. Just give me  
2 some idea of what you want to do.

3 Okay. Any other matters?

4 (No response.)

5 JUDGE WOODRUFF: All right. With that we're  
6 off the record then. I'll be up in my office all day  
7 if you do need to ask any questions.

8 WHEREUPON, the on-the-record portion of the  
9 prehearing conference was concluded.

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