

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Missouri Gas)
Energy's Tariffs to Implement) Case No. GR-2004-0209
a General Rate Increase for)
Natural Gas Service)

PREHEARING CONFERENCE
TRANSCRIPT OF PROCEEDINGS

December 8, 2003
Public Service Commission
200 Madison Street, Suite 305
Jefferson City, MO 65102

MORRIS WOODRUFF, Presiding
SENIOR REGULATORY LAW JUDGE

REPORTED BY: Monnie S. VanZant, CCR, CSR, RPR
 Associated Court Reporters
 714 W. High Street
 Jefferson City, MO 65102
 (573) 636-7551

1 A P P E A R A N C E S

2

For Missouri Gas Energy:

3

Mr. James L. Swearengen
Brydon, Swearengen & England
312 E. Capitol
P.O. Box 456
Jefferson City, MO 65102
(573) 635-7166

7

Robert J. Hack
Attorney at Law
3420 Broadway
Kansas City, MO 64111

9

For Office of Public Counsel and Public:

10

Mr. Douglas E. Micheel
Office of the Public Counsel
P.O. Box 7800
200 Madison Street, Suite 650
Jefferson City, MO 65102-7800
(573) 751-5560

14

For Jackson County, Missouri, Central Missouri State
University and University of Missouri-Kansas City:

16

Mr. Jeremiah Finnegan
Finnegan, Conrad & Peterson
1209 Penntower, 3100 Broadway
Kansas City, MO 64111
(816) 753-1122

19

For State of Missouri Public Service Commission:

20

Mr. Robert Franson
Public Service Commission
200 Madison Street
P.O. Box 360
Jefferson City, MO 65102
(573) 751-6651

24

25

1 For Midwest Gas Users' Association:

2 Mr. Stuart W. Conrad
3 Finnegan, Conrad & Peterson
4 1209 Penntower
5 3100 Broadway
6 Kansas City, MO 64111
7 (816) 753-1122

8
9 For City of Kansas City, Missouri:

10 Mr. Mark W. Comley
11 Newman, Comley & Ruth
12 601 Monroe Street, Suite 301
13 P.O. Box 537
14 Jefferson City, MO 65102-0537
15 (573) 634-2266

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

1 TRANSCRIPT OF PROCEEDINGS

2 JUDGE WOODRUFF: Let's begin then.

3 We're here for a pre-hearing conference in
4 Case No. GR-2004-0209, which concerns Missouri
5 Gas Energy's tariffs to implement a general
6 rate increase for its natural gas service.
7 We'll begin by taking entries of appearance.
8 MGE?

9 MR. HACK: Robert Hack and James
10 Swearengen appearing for Missouri Gas Energy.
11 Our addresses are on the forms.

12 JUDGE WOODRUFF: And for staff?

13 MR. FRANSON: Robert Franson
14 representing State of Missouri Public Service
15 Commission. My address is on the form. I
16 gave it as P.O. Box 360, Jefferson City,
17 Missouri, 65102.

18 JUDGE WOODRUFF: For public counsel?

19 MR. MICHEEL: Douglas E. Micheel,
20 appearing on behalf of the Office of Public
21 Counsel and the public, P.O. Box 2230,
22 Jefferson City, Missouri, 65102-2230.

23 JUDGE WOODRUFF: Thank you. And for
24 Midwest Gas Users?

25 MR. CONRAD: Stuart Conrad of the

1 law firm of Finnegan, Conrad & Peterson, 3100
2 Broadway, Suite 1209, Kansas City, Missouri,
3 64111.

4 JUDGE WOODRUFF: Thank you very
5 much. And for UMKC, CMSU and Jackson County?

6 MR. FINNEGAN: Appearing -- Jeremiah
7 D. Finnegan, 3100 Broadway, Suite 1209, Kansas
8 City, Missouri, 64111.

9 JUDGE WOODRUFF: And for City of
10 Kansas City?

11 MR. COMLEY: Mark W. Comley, Newman,
12 Comley & Ruth, 601 Monroe, Jefferson City,
13 Missouri.

14 JUDGE WOODRUFF: Thank you very
15 much. And I believe that's all the parties.
16 The primary purpose in coming to bring you
17 today was to discuss the proposed procedural
18 schedule. And by previous order, that is due
19 one week from today on the 15th. And we also
20 need to discuss the proposed test year. Part
21 -- the company proposed a test year ending
22 December 31st of 2003. And the parties were
23 given an opportunity to respond to that. And
24 I believe all parties indicated they would
25 prefer a test year ending June 31st -- June

1 30th of 2003, which is actually the test year
2 that was used in the company's initial direct
3 testimony. Now, I want to get the --

4 MR. HACK: Judge, I think -- we
5 haven't had a chance to -- to discuss the
6 pleadings as to the test year item, but -- at
7 least broadly among all the parties. But I
8 think basically what they propose is what we
9 intended so far as the test year goes.
10 So we may have to have a little more
11 conversation to understand what is meant by an
12 update. But I think -- I think it's what we
13 did last time. And if that's what it is, then
14 I think we're probably comfortable with that.
15 And -- and hopefully we can let -- let you
16 know that today.

17 JUDGE WOODRUFF: So there's -- may
18 not be any controversy?

19 MR. HACK: As to the test year,
20 correct.

21 JUDGE WOODRUFF: Okay. Good. You
22 may have noticed that an order regarding the
23 test year is on the agenda for tomorrow.

24 MR. HACK: Okay.

25 JUDGE WOODRUFF: I wanted to put

1 that on because the Commission doesn't have an
2 agenda on Thursday of this week.

3 MR. HACK: We will let you know
4 today before we leave.

5 JUDGE WOODRUFF: I appreciate that.
6 And just come upstairs and tell me. Or if you
7 need to file something, go ahead and file it.

8 MR. HACK: Okay.

9 JUDGE WOODRUFF: Any other matters
10 anyone wants to bring up while we're on the
11 record?

12 MR. FRANSON: Yes, Judge. In the
13 event we need to consult with you, are you
14 available this morning?

15 JUDGE WOODRUFF: I will be here all
16 day.

17 MR. FRANSON: Thank you.

18 MR. HACK: Perhaps two anticipatory
19 questions before you leave. One, we have
20 circulated some alternative procedural
21 schedules among the parties, and it seems like
22 the -- the hearing date -- dates are causing
23 some -- some squeezing of everyone or
24 perceiving squeezings of everybody. How --
25 how fixed in stone are those dates?

1 JUDGE WOODRUFF: Well, they're --
2 they're on the calendar at the moment. But
3 everything's subject to change.

4 MR. HACK: Okay.

5 JUDGE WOODRUFF: The problem I have
6 is the third week of June, the -- the
7 Commissioners won't be here. There's a
8 conference or something that takes up that
9 block. But working around that, if -- if the
10 parties want to propose something else, we'll
11 consider it.

12 MR. HACK: Okay.

13 JUDGE WOODRUFF: Of course --

14 MR. HACK: It will be considered and
15 that's it.

16 JUDGE WOODRUFF: It will be
17 considered and not necessarily granted.
18 Obviously, there are time frames for the
19 Commission as well.

20 MR. HACK: I understand. Right.
21 The other question I had was that in, I guess,
22 the initial order that came out, the
23 Commission asked the parties to make true op.
24 recommendations. And for the most part, the
25 true op. recommendations of everybody that

1 have been filed other than MGE says we'd like
2 to wait to make our true op. recommendation.
3 And I just wondered where the Commission was
4 or where you were in terms of what you
5 expected from the parties regarding a true op.
6 recommendation at this point in time.

7 JUDGE WOODRUFF: I was aware of what
8 the other parties have suggested. And the
9 true op. is currently on the calendar for two
10 days in July, I believe. And if -- if you all
11 don't need a true op., that's fine. And I
12 don't necessarily need to have a
13 recommendation today as far as the true op.
14 The orders that's on agenda for tomorrow is
15 only regarding the test year.

16 MR. HACK: Okay.

17 JUDGE WOODRUFF: Anything else
18 anyone wants to bring up? All right. Then
19 I'll leave you to your discussions. And with
20 that, we're off the record. Thank you.

21

22

23

24

25