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Robert W. Hedrick 1918-1988

September 24, 2004

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

RE: Case No. GT-2005-0069

Dear Mr.Hardy:

Please find enclosed an original and eight copies of MOTION TO SUSPEND TARIFF along with an original and eight copies of MOTION TO INTERVENE in the above referenced case.

Sincerely,

Pamela Henrickson

Encl.

BEFORE THE PUBLIC SERVICE COMMISSION SEP 2 4 2004

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In the Matter of the Application to Intervene	)	سرس م	16/10
in Union Electric Company d/b/a	)	Case No. GT-2005-0069	NO/On
AmerenUE Proposed Tariff filed under	)	Tariff File No. JG-2005-0145	/
Tariff No. JG-2005-0145	)		

#### **MOTION TO SUSPEND TARIFF**

COMES NOW Seminole Energy Services L.L.C. ("Seminole") by and through its counsel of record, and pursuant to 4 CSR 240.2.065 and 4 CSR 240-2.080 submits this Motion to Suspend Tariff and states as follows:

- 1. On August 31, 2004, Union Electric Company d/b/a AmerenUE filed proposed revisions to the Company's Schedule No. 2, Schedule of Rates for Gas Service, as reflected in the tariff sheets it filed; 1<sup>st</sup> Revised Sheet No. 13.1, 5<sup>th</sup> Revised Sheet No. 14, 4<sup>th</sup> Revised Sheet No. 15, 4<sup>th</sup> Revised Sheet No. 16, and 1<sup>st</sup> Revised Sheet No. 16.12 attached hereto as Attachment No. 1.
- 2. Seminole has filed its Application to Intervene pursuant to 4 CSR 230-2.075 in conjunction with this Motion to Suspend Tariff.
- 3. AmerenUE's proposed tariff revisions, include a new "Group Balance" to take the place of the "Burner Tip Balancing" provided by PEPL and requires its Missouri transportation customers who do not receive "Burner Tip Balancing" from their interstate pipeline company to comply with AmerenUE's methods set forth in their revised tariffs attached hereto as Attachment No. 1.
  - 4. Seminole is a privately held energy marketing company based in Tulsa, Oklahoma

which currently serves over 150 customers in the State of Missouri and delivers gas through interstate pipelines on behalf of its Missouri customers. Seminole's customers assume title to the gas on the customer's side of the city gate meter and gas is delivered to the customer's facility through the distribution system owned by the local distribution company ("LDL").

- 5. AmerenUE states in its transmittal letter of August 30, 2004 that the "proposed tariff sheets are being submitted based on changes being adopted by Panhandle Eastern Pipeline Company ("PEPL") to "stop performing the administrative function of burner tip balancing for most of (AmerenUE's) gas transportation customers." As a result, "AmerenUE Missouri gas customers, who will not longer be balanced by PEPL, will have to be balanced by AmerenUE."
- 6. Although AmerenUE states that the proposed tariff changes will allow AmerenUE's Missouri gas transportation customers to continue receiving group balancing service from AmerenUE, AmerenUE proposes to perform balancing based on daily imbalances of 5%. Daily negative imbalances of greater than 5% accumulated throughout the month would be billed at the applicable service area's firm sales service PGA factor plus 10% as set forth in proposed 4<sup>th</sup> Revised Sheet No. 15. Daily positive imbalances greater than 5% will be accumulated throughout the month and purchased at 90% of the indexed commodity price quoted in the publication "Inside FERC's Gas Market Report."
- 7. The proposed tariff revisions proposed by AmerenUE are unjust, unreasonable and unreasonably discriminatory for the following reasons: (a) the proposed 5% daily imbalance factor and 10% penalty charges is difficult and inferior than the "burner tip balancing" utilized by PEPL and effectively changes the rate and charges imposed on gas transportation customers; (b) some customers will continue to benefit from PEPL's superior "burner tip balancing" approach while other similar situated customers will be denied that approach; (c) AmerenUE's proposed

tariff does not reimburse the customer for charges resulting from the transportation of excess gas so that AmerenUE will receive delivered gas supplies at a wellhead market price; (d) the daily tolerance of 5% is too small and has a punitive effect on smaller customers; (e) penalties are on a daily basis and do not consider the total volume delivered during the month or whether AmerenUE incurs penalties as a result of the customers actions; and (f) AmerenUE's proposed tariff imposes penalties on customers who use a monthly amount of gas equal to the volume delivered if the customer is out of balance on a daily basis.

WHEREFORE, Seminole Energy Services respectfully requests that the Commission is suspend the proposed tariff sheets and revisions submitted by AmerenUE, conduct an investigation and establish a hearing at which evidence may be presented as to whether investigation and establish are just, reasonable and non-discriminatory.

Respectfully submitted,

Paul H. Gardner

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ATTORNEYS FOR

Seminole Energy Services, L.L.C.

### CERTIFICATE OF SERVICE

I hereby certify that a correct copy of the Motion to Intervene was sent via U.S. Mail on 24<sup>th</sup> day of September, 2004, to parties of record herein.

Pamela Henrickson

Steve Sullivan AmerenUE 1 Ameren Plaza 1901 Chouteau Ave. St. Louis, MO 63103 Cancelling P.S.C. Mo. No. 2

Original SHEET No. 13.1

## UNION ELECTRIC COMPANY **GAS SERVICE**

Applying to \_

MISSOURI SERVICE AREA

#### NATURAL GAS TRANSPORTATION SERVICE

- E. Gas delivered under this schedule shall not be resold by the customer.
- F. Except as otherwise provided herein, gas transported for all current and future customers hereunder shall be metered by an electronic recording device with remote monitoring features for the recording of the customer's daily gas usage and real time flow data. The Company will install and the customer will pay for said mater at the monthly charge indicated in Section G. Miscellaneous Charges, Sheet No. 20.1. In addition, the customer shall arrange and pay for the installation and monthly costs of a commercial telephone line and 120 volt AC electrical power source, at a location designated by the Company, to facilitate the remote interrogation of the electronic recording meter by the Company.
- G. In addition to collection of the rates and charges provided for in Section 2. above, the Company shall retain two percent (2%) of the quantities of natural gas received from the customer for reimbursement in kind from the customer for shrinkage or line losses.
- \* H. Nominations At least by 11:30 a.m. prior to the first Gas Day (9:00 a.m. to 9:00 a.m. Central Clock Time) of each month, the customer or its designee shall furnish to the Company a schedule, on a form acceptable to the Company, showing the daily nominated quantities of gas the customer desires the Company to receive and transport for each day during such month. The customer shall give the Company at least 21.5 hours advance notice prior to the Gas Day of any nomination change. Such notice may be by facsimile transmission or by telephone, confirmed in writing within twenty-four (24) hours. Any change in the customer's nominations shall only pertain to the remaining days in the then current month. Each customer may submit one intra-day nomination per Gas Day effective upon confirmation with the upstream interstate pipeline. The intra-day nomination is effective for one Gas Day only. The customer and the Company shall immediately inform the other of any other changes of receipts or deliveries.

\* Indicates Reissue.

DATE OF ISSUE August 31, 2004

DATE EFFECTIVE October 1, 2004

ISSUED BY G. L. Rainwater Chairman, President & CEO St. Louis, Missouri



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Cancelling P.S.C. Mo. No. 2

3rd Revised SHEET No. 15

# UNION ELECTRIC COMPANY GAS SERVICE

Applying to \_\_\_\_\_ MISSOURI SERVICE AREA

#### NATURAL GAS TRANSPORTATION SERVICE

- The Customer Group will be considered as one customer for purposes of calculating the daily balancing and cash-out provisions of this Section I. The Group Manager will be billed and is responsible for any such imbalance, Unauthorized Use Charges, and all intrastate and/or interstate pipeline penalties and other charges incurred by the Company which are attributable to a Customer Group's unauthorized use. All other transportation service tariff charges will be billed to the individual customer accounts, including but not limited to Customer Charges, Transportation Charges, Administrative Charges, and where applicable, Meter Equipment Charges and Transportation Charge Adder.
- \* New Eligible School Entities', using less than one hundred thousand Ccfs annually, positive and negative imbalances will be netted and cashed-out on a monthly basis in accordance with the appropriate pricing provision under this Section I.

A negative imbalance is created when the customer's gas delivered to the Company as adjusted by the loss factor is less than the quantities of gas used by the customer. A negative imbalance during periods of Company interruption of any sales service will be considered unauthorized use and billed at the Unauthorized Gas Use Charge set forth in Section 2. herein. A negative imbalance during other times will be considered balancing use and will be billed at the following tiers and referred to as the "Balancing Gas Use Charge":

Daily negative imbalances of 5% or less will be accumulated throughout the month and billed at the applicable service area's firm sales service PGA factor.

Daily negative imbalances greater than 5% will be accumulated throughout the month and billed at the applicable service area's firm sales service PGA factor plus 10%.

A positive imbalance is created when the customer's gas delivered to the Company as adjusted by the loss factor exceeds the quantities of gas used by the customer. The Company will purchase positive imbalances at the following tiers:

Daily positive imbalances of 5% or less will be accumulated throughout the month and will be purchased at the indexed commodity price as quoted in the publication "Inside PERC's Gas Market Report" in the first issue during the month the imbalance was created.

Daily positive imbalances greater than 5% will be accumulated throughout the month and will be purchased at ninety percent (90%) of the indexed commodity price as quoted in the publication "Inside PERC's Gas Market Report" in the first issue during the month the imbalance was created.

\* Indicates Addition.

DATE OF ISSUE August 31, 2004 DATE EFFECTIVE October 1, 2004

Cancelling P.S.C. Mo. No. 2

3rd Revised SHEET No. 16

## UNION ELECTRIC COMPANY **GAS SERVICE**

Applying to

MISSOURI SERVICE AREA

#### NATURAL GAS TRANSPORTATION SERVICE

- The index will be specific for each service area as follows:
  - \*Panhandle Eastern Pipe Line Co. Texas, Oklahoma (mainline)\*
  - \*Texas Eastern Transmission Corp. East Louisiana Zone"
  - "Natural Gas Pipeline Co. of America Texok Zone"
- The daily negative and positive imbalance billings so calculated will be applied to the customer's monthly bill. Net payments to customer will be included in the Company's PGA Clause Actual Cost Adjustment (ACA) computation as purchased gas costs and net payments to Company will be included as revenue recovery.
- \* J. Except as specifically provided for herein, all of the Company's Rules and Regulations for natural gas service which are not in conflict herawith shall apply to service rendered herounder.
- K. A contract existing between the Company and a customer on February 18, 1998 may continue in effect as an executed transportation contract, to the extent its provisions are not superseded by or in conflict with the provisions of this tariff, until such contract expires by its terms or is replaced by an executed transportation contract. existing contracts will be assigned to the Standard Transportation Rate if deliveries to the customer during the preceding calendar year totalled 600,000 Ccf or less and to the Large Volume Transportation Rate if deliveries during such period totalled in excess of 600,000 For customers who do not have gas usage history for the preceding calendar year, such existing contracts will be assigned the applicable transportation rate based on estimated or projected deliveries.
- L. The Company shall have the right to interrupt, curtail or discontinue transportation service, in whole or in part at any time for reasons of force majeure or when in the Company's sole judgment, capacity or operating conditions so require, or it is desirable or necessary to make modifications, repairs or operating changes to its system. The Company shall provide customer such notice of the interruption, curtailment or discontinuance of service as is reasonable under the The Company shall not discriminate between circumstances. transportation and sales customers for purposes of determining the order and priority of interruption. The Company shall not be liable for and the customer shall indemnify the Company against and hold the Company harmless from any and all damages, claims, suits, actions or proceedings whatsoever threatened or initiated as a result of any interruption, curtailment or discontinuance of transportation service invoked by the Company.

*	Inc	liça	tes	Rei	ssue.
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DATE OF ISSUE

August 31, 2004

DATE EFFECTIVE October 1, 2004

ISSUED BY

G. L. Rainwater

Chairman, President & CEO St. Louis, Missouri