## Notice of *Ex Parte* Contact

TO: Data Center All Parties in Case No. GT-2005-0069 All Commissioners



FROM: Chairman Steve Gaw

DATE: September 27, 2004

The attached letters were recently received from Georgia L. Ladlie of Sunshine Linen and Steve Hamilton of Hercules Incorporated. The Commission is currently considering the issues discussed in these letters in Case No. GT-2005-0069 and is bound by the same *ex parte* rule as a court of law.

Although communications from the public are always welcome, those communications must be made known to all parties to a contested case so that those parties have the opportunity to respond. According to the Commission's rules (4 CSR 240-4), when a communication (either oral or written) occurs outside the hearing process, any member of the Commission or the Regulatory Law Judge who received the communication shall prepare a written report concerning the communication and submit it to each member of the Commission and the parties to the case. The report shall identify the person(s) who participated in the *ex parte* communication, the substance of the communication and the relationship of the communication to a particular matter at issue before the Commission.

Therefore, this report is submitted pursuant to the rules cited above. This will ensure that any party to this case will have notice of the attached information and a full and fair opportunity to respond to the comments contained therein.

cc: Executive Director Secretary/Chief Regulatory Law Judge General Counsel

## **HERCULES**

Hercules Incorporated Aqualon Division Missouri Chemical Works 11083 Highway D Louisiana, MO 63353-4123 (573) 754-6211 FAX: (573) 754-3182

September 17, 2004

Mr. Tom Imhoff Public Information Office Governor Office Building P.O. Box 360 Jefferson City, MO 65102-0360

RE: Union Electric Company Gas Service (AmerenUE) Sheets 13.1, 14, 15, 16, 16.1

Dear Mr. Imhoff:

It is our understanding that AmerenUE has applied to revise the tariff for natural gas transportation with the above referenced filing dated August 31, 2004. While we understand that there may need to be a change made to improve burner tip balancing, we believe that the tariff request in its present form is overly punitive. We believe that implementation of the tariff should be delayed until the Commission has time to review the request and AmerenUE makes a proposal that does not place Missouri businesses in their delivery area at an unnecessary competitive disadvantage.

Our understanding is that there is little if any margin for error. A company can be penalized each day when the usage is only a little over or a little under the amount of gas nominated. It is impossible to accurately access exact usage on a day to day basis and storage can be used to handle day to day balance problems. We are certain that Ameren has or will develop a system that will protect Ameren electric production from penalties of this kind.

We support creation of a pool that can be managed by our marketer or other entity. A pool of users will be far easier to manage on a monthly or even a day to day basis than for an individual company to try to manage its usage. In addition, we support a balancing system that recognizes that there must be some tolerance for over or under nomination with **no** penalty.

We request that the Commission delay the tariff scheduled for October 1, 2004 implementation and prohibit any change in billing practice until a more equitable balancing formula can be put in place.

Sincerely,

Hercules Incorporated

Steve Hamilton Technical Manager

C/by email: Steve Gaw/Chairman Connie Murry/Commissioner Robert Clayton/Commissioner Lin Appling/Commissioner Jeff Davis/Commissioner

September 17, 2004 Sunshine Linen 1100 East Ash Columbia MO 65201 573-875-4750 fax: 573-443-1514 sunshinelinen@centurytel.net

## Steve Gaw Missouri Public Service Commission

Re: Schedule rate No. 2, Natural Gas Transportation Service, file date 8/31, sheet 13.1

## Dear Mr. Gaw,

Ameren UE has made a revised tariff request filed 8/31/2004. I am very concerned about this request. If it is approved it will significantly impact my cost of doing business. I am a larger user of natural gas and in an attempt to contain my cost and diminish some of my more variable expenditures I have contracted for my natural gas. Please, review this tariff and if you are unwilling to deny it, at least delay your approval so you can further investigate the impact it will have on the Missouri businesses and subsequent local customers. If after closer scrutiny you do not wish to stop the tariff, please consider a delay so that public hearings can be held regarding this matter. This will also give the many companies affected time to present their views through a coalition and legal counsel.

I understand you are well versed in public utility matters. Ameren UE claims they have to make these changes because of the changes the panhandle pipeline is making, and yet, they are offering their biggest customers a daily usage report back to the panhandle, why can they not do it for us "medium" users? What I desire is at least a REASONABLE tolerance, the same as other pipelines in other areas allow. The medium customers are willing to "pool together" as a monthly balance provision, but these daily penalties and punishments that Ameren UE is proposing are unfair, costly and impossible to avoid. Most companies can not consistently predict their daily usage and they way this tariff is set up, we will ultimately pay the price on a daily basis.

If you have any questions about my view or wish to respond, please do so using the company information above.

Respectfully yours,

Georgia L. Ladlie Owner

GT-2005-0069



Commissioners STEVE GAW Chair CONNIE MURRAY

ROBERT M. CLAYTON III JEFF DAVIS LINWARD "LIN" APPLING

POST OFFICE BOX 360 JEFFERSON CITY MISSOURI 65102 573-751-3234 573-751-1847 (Fax Number) http://www.psc.mo.gov

Missouri Public Service Commission

September 27, 2004

ROBERT J. QUINN, JR. Executive Director

WESS A. HENDERSON Director, Utility Operations

ROBERT SCHALLENBERG Director, Utility Services

DALE HARDY ROBERTS Secretary/Chief Regulatory Law Judge

> DANA K. JOYCE General Counsel

Mr. Steve Hamilton Technical Manager Hercules Incorporated - Aqualon Division Missouri Chemical Works 11083 Hwy. D Louisiana, MO 63353-4123

Dear Mr. Hamilton:

Thank you for the letter expressing your concerns related to the natural gas transportation tariff submitted by AmerenUE. A motion to suspend the tariff was filed with the Public Service Commission and the tariff has now been assigned Case No. GT-2005-0069.

Since this is now an open case that will be decided by the Commission I cannot comment on it at this time. Your letter will be shared with all of the Commissioners and will also be placed in the official file so that all of the parties can view it.

Thank you again for bringing your concerns to my attention.

Sincerely, m Steve Gaw Commissioner

SG:ba



Commissioners STEVE GAW Chair CONNIE MURRAY ROBERT M. CLAYTON III JEFF DAVIS LINWARD "LIN" APPLING

Missouri Public Service Commission

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ROBERT J. QUINN, JR. -Executive Director

WESS A. HENDERSON Director, Utility Operations

ROBERT SCHALLENBERG Director, Utility Services

DALE HARDY ROBERTS Secretary/Chief Regulatory Law Judge

> DANA K. JOYCE General Counsel

Ms. Georgia L. Ladlie Sunshine Linen 1100 East Ash Columbia, MO 65201

Dear Ms. Ladlie:

Thank you for the letter expressing your concerns related to the natural gas transportation tariff submitted by AmerenUE. A motion to suspend the tariff was filed with the Public Service Commission and the tariff has now been assigned Case No. GT-2005-0069.

Since this is now an open case that will be decided by the Commission I cannot comment on it at this time. Your letter will be shared with all of the Commissioners and will also be placed in the official file so that all of the parties can view it.

Thank you again for bringing your concerns to my attention.

incefely. Steve Gaw Commissioner

SG:ba