BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

The Staff of the Missouri Public Service Commission,	)	
Complainant,	)	
v.	)	**Case No. GC-2006-0491**
Missouri Pipeline Company, LLC; and Missouri Gas Company, LLC,	)	
Respondents.	)	

AFFIDAVIT OF EVE A. LISSIK

STATE OF MISSOURI	)	
	)	SS
COUNTY OF BOONE	)	

Eve A. Lissik, being first duly sworn in her oath, states:

1. My name is Eve A. Lissik. I work in the City of Columbia, Missouri and I am employed by the Missouri Joint Municipal Electric Utility Commission as the Director of Energy Services and Assistant to the General Manager. I am the same Eve A. Lissik that prepared Rebuttal Testimony, filed in the above captioned case on October 6, 2006.

2. The purpose of this affidavit is to address certain allegations contained in the Motion to Strike, filed by Missouri Pipeline Company ("MPC") and Missouri Gas Company ("MGC") (hereinafter referred to as the "pipelines") on October 12, 2006. Specifically, the pipelines allege the existence of "improper communications between Staff and the MPUA". In an effort to support this allegation, the pipelines reference certain emails between me and Carmen Morrissey of the Staff.

3. Prior to addressing the nature of the communications referenced in the email, it should be recognized that I was previously employed by the Missouri Public Service Commission ("MoPSC") for a period of eleven years. During my tenure with the MoPSC, I routinely handled highly confidential information supplied by its regulated public utilities. Furthermore, during this time, I was well aware of the restrictions placed on the Staff under Section 386.480 RSMo regarding the disclosure of confidential

information. Additionally, it is my opinion that each member of the Staff is aware of the requirement to maintain the confidentiality of such information and takes such restrictions very seriously.

4. Recognizing the statutory prohibition against the release of confidential information, I would never ask a Commission Staff member to violate the law by disclosing such information to me.

5. Regarding the emails discussed in the pipelines' Motion to Strike:

Subsequent to the purchase of MPC and MGC by Gateway from Aquila, our offices have received and continue to receive numerous inquiries from captive customers of the pipelines concerning their exposure to punitive actions such as removal of transportation discounts or termination of all transportation services from MGC/MPC in the event the customers decide:

1. Not to purchase their gas supplies from the pipelines' affiliate marketer, Omega;
2. Not to sign changes to transportation agreements, proposed unilaterally by MGC/MPC;
3. To disclose to any other organizations, offers tendered by either MPC/MGC or Omega.

The emails of October 23, 2002 and October 30, 2002 reflect inquiries I made to PSC Staff concerning questions about the PSC's perspective regarding the legitimacy of these potential punitive actions and also about the PSC's affiliate transaction rules that went into effect in February 2000. Around that time, I had received information from the City of St. James that Mr. Ries, as president of MGC/MPC, was trying to persuade some of his captive customers to purchase their natural gas supplies from the pipelines. Given the prohibition against pipeline companies selling or offering to sell natural gas, I was concerned that the pipelines, through Mr. Ries' actions, might be acting inappropriately or in violation of the Commissions' affiliate transactions rule.

The email of June 25, 2003 and attached news article sent to the PSC staff were only to alert Staff that there was a possibility of another potential affiliate transactions violation. Although the article does not specifically mention Omega as the gas supplier to the city of Cuba; the news article refers to Mr. Ries, as "owner of Missouri Gas Company and the two pipelines", being "willing to work with the city by matching or beating any other price". Since MPC/MGC have **monopoly** transportation service the only way to match or beat any other natural gas price is through an affiliation with a natural gas supplier (e.g. Omega) or through the provision of discriminatory transportation rates. In addition, there is a reference to the pipelines **low** (emphasis added) transportation costs, even though the transportation rates of MGC and MPC are some of the highest in the state.

6. Although the Cities have continued to express their concerns to MGCM about the transportation rates that they have been paying to MPC/MGC, they have not had specific knowledge of sufficient facts to bring action against these pipelines until the MoPSC Staff filed its complaint alleging affiliate transaction abuses in this case.

Eve A. Lissik

Subscribed and sworn to before me this 27th day of October, 2006.

Notary Public

My Commission expires: 9-22-2009

SUSAN L. ALFERMANN
Notary Public - Notary Seal
STATE OF MISSOURI
County of Boone
My Commission Expires 9/22/2009
Commission # 05469578