

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In re Missouri Gas Energy's Revised)	<u>File No. GT-2010-0261</u>
Transportation Tariff)	Tariff No. JG-2010-0565

STAFF'S STATEMENT OF POSITIONS

COMES NOW the Staff ("Staff") of the Missouri Public Service Commission ("Commission") and pursuant to the Commission's May 5, 2010 *Order Setting Procedural Schedule*, provides a statement of its positions regarding the issues identified in the July 2, 2010 *Joint List of Issues, List of Witnesses, Order of Cross-Examination and Order of Opening*, as follows:

1. Threshold issues

a. What minimum threshold should be established for being permitted to elect to take service as a transportation customer?

Position: Staff does not oppose either the threshold requested by MGE or the threshold proposed by Constellation; however, Staff does recommend that any customers taking service under any new threshold be required to comply with the existing terms of transportation service. [Ensrud Rebuttal, pg 2; Ensrud Rebuttal, pg 8.]

b. If the threshold for MGE's transportation service is lowered, should the new usage threshold level and/or the number of qualifying customers be "phased-in"? If so, what phase-in should be used?

Position: Staff recommends that MGE's tariff limit the number of new transportation service customers to the number of customers that MGE can serve without having to hire and train additional personnel to meet a temporary demand for telemetry installations. [Ensrud Rebuttal, pg 2.]

2. Telemetry issues

a. Should telemetric measuring equipment be required for all transport customers, except schools where a statute specifies the exemption?

Position: Staff recommends that all transport customers utilize telemetry, per the existing transportation terms of service. [Ensrud Rebuttal, pg 8.]

b. If telemetry is not mandatory for all transport customers, what are the appropriate criteria for determining which customers are exempt from the telemetry requirement?

Position: Staff recommends that, at a minimum, the existing transportation customers not be exempted from telemetry requirements. [Ensrud Rebuttal, pg 8.]

c. If telemetry is not mandatory for all transport customers, what is the appropriate mechanism to determine and recover all appropriate costs?

Position: Staff does not take a position on this issue; however Staff recommends that, at a minimum, any recovery methodology be designed to assign costs as directly to cost-causers as is possible. [Ensrud Rebuttal, pg 8.]

d. What is the appropriate cost to be paid by those customers that must have telemetry/EGM equipment?

Position: Staff recommends that any costs incurred by MGE caused by a sales customer becoming a new small transport customer should be borne by that customer. [Ensrud Rebuttal, pg 8.]

e. Should the installed cost of telemetry charged to a transport customer include a pressure/temperature corrector device?

Position: Staff does not take a position on the specific equipment to included with installation of telemetric equipment; however, Staff recommends that any costs incurred by MGE caused by a sales customer becoming a new small transport customer should be borne by that customer. [Ensrud Rebuttal, pg 8.]

3. Capacity Release issues

a. How should capacity that is released to customers transferring to transportation service be addressed?

Position: Staff recommends that all capacity release revenue received for capacity release to any and all LGS transport customers, or their designated agents, should be credited to the Company's actual cost adjustment (ACA) account, in a similar manner as that for capacity release for the School Transportation Program as described in the currently effective Tariff Sheet No. 56.
[Jenkins Direct, pg 3.]

WHEREFORE, the Staff provides its *Statement of Positions*, in conformance with the Commission's May 5, 2010, *Order Setting Procedural Schedule*.

Respectfully submitted,

/s/ Sarah Kliethermes

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 7th day of July, 2010.

/s/ Sarah Kliethermes