

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of Southern Union)	
Company d/b/a Missouri Gas Energy's)	<u>Case No. GT-2012-0170</u>
Tariff Sheets Designed to Implement)	Tariff No. YG-2013-0255
an Experimental Pilot Program)	

In the Matter of Southern Union)	
Company d/b/a Missouri Gas Energy's)	<u>Case No. GT-2013-0330</u>
Tariff Sheets Designed to Implement)	Tariff No. YG-2013-0255
an Experimental Pilot Program)	

**STAFF'S REPLY TO OFFICE OF PUBLIC COUNSEL'S
MOTIONS
AND STAFF'S MOTION TO CONSOLIDATE CASES**

COMES NOW the Staff of the Missouri Public Service Commission (Staff), and for its reply to Office of Public Counsel's (OPC) motions states as follows:

1. On December 11, 2012, OPC filed motions to reject or in the alternative suspend (Motion) the Rebuild Joplin tariff previously allowed by the Commission to go into effect by operation of law in Case GT-2012-0170 on December 9, 2011. OPC's Motion also seeks an evidentiary hearing in the event the Commission elects to suspend the Rebuild Joplin tariff sheets.

2. On December 12, 2012, the Commission issued its *Order Directing Notice And Setting Deadline For Responses* (Order) ordering Staff and Missouri Gas Energy (MGE) to respond not later than 3:00pm, December 17, 2012 to OPC's Motion.

3. On December 14, 2012, the Staff filed its Recommendation that the Commission should allow the Rebuild Joplin tariff sheets to become effective by operation of law. MGE seeks a near four (4) month extension of Rebuild Joplin tariffs. OPC is opposed to extending Rebuild Joplin. Staff addresses OPC's Motion below.

OPC's Motion to Reject Tariff Filing, Or In the Alternative, Motion to Suspend Tariff

4. OPC wrongly relies on Commission rule 4 CSR 24004.020(2) requiring MGE to file the required notification of its intention to file a case likely to be contested a minimum of sixty (60) days prior to filing such case.

5. The Commission's Order stated this is not a contested case: "Because this is a non-contested case [FN 2], interested persons and entities may file responses without a request for formal intervention....." (FN 2 of the Order cites to Section 536.010(4) which defines a contested case).

6. The gravamen of OPC's Motion centers on Public Counsel's belief that the Rebuild Joplin tariffs are not cost effective and that the program has had "lackluster" results.

7. Staff agrees that the Rebuild Joplin program has been slow to catch on. Staff's Recommendation acknowledges the slow pace of Joplin rebuild efforts and attributes the slow pace largely to a 90 day building moratorium. Furthermore, Staff believes the four month extension will "allow for a larger sample size for evaluators to have adequate participant billing data for evaluation of the program". (See Staff's Recommendation p. 2, with attached Memorandum).

8. MGE's seeking of a four month extension to May 1, 2013 is a reasonable solution to OPC's concerns because the extension will allow for a larger sample size upon which to base a more thorough evaluation of the program.

9. More importantly, the Commission should allow the tariff sheets to go into effect because an extension of the Rebuild Joplin program extends the important public policy benefits of the program recognized by the Commission when it first allowed the original tariffs to go into effect by operation of law in GT-2012-0170. Rebuild Joplin is

designed to assist tornado victims, encourage rebuilding, and promote energy efficiency by providing rebates on energy efficient appliances to residential and Small General Service (SGS) customers.

10. If the Commission were to suspend the tariff, OPC has asked the Commission to set the matter for an evidentiary hearing.

11. Staff believes there is no need at this point to hold an evidentiary hearing because there simply is not enough evidence collected on the matter of cost effectiveness of the program due to the slow pace of Joplin construction.

12. Furthermore, MGE's tariff sheets merely seek to extend the program another 4 months, to May 1, 2013. The Commission should not schedule a hearing on the matter of the proposed four month extension of the program because there is nothing for the Commission to consider other than the reasonableness of the proposed extension. As to the features of the Rebuild Joplin program itself, the Commission has already held an on-the-record conference on April 12, 2012, in Case No. GT-2012-0170. Any hearing at this point on the cost-effectiveness of the program is premature and would be an inefficient use of state resources.

13. For the above stated reasons, the Commission should allow the Rebuild Joplin tariff sheets extending the program to May 1, 2013, to go into effect by operation of law, and deny OPC's motions to reject, or in the alternative to suspend the tariff.

Staff's Motion To Consolidate Cases

14. Case No. GT-2012-0170 is the case docketed for the filing of the original tariff sheets for the Joplin Rebuild program. The first revised tariffs, File No. YG-2013-0255, provide for an extension of the program through May 1, 2013, and are filed in the original case, GT-2012-0170. These sheets are also filed in the newly opened case GT-2013-0330.

15. Because the Joplin Rebuild program has already been docketed in GT-2012-0170, and because this matter has already been addressed by the Commission in that docket, the new matter of allowing a four month extension of the program is properly the subject of that original docket. Therefore, Staff motions the Commission to consolidate both cases into GT-2012-0170 for all purposes and close the newly created case no. GT-2013-0330.

WHEREFORE, for reasons discussed above and in Staff's Recommendation filed December 14, 2012, the Staff recommends (1) the Commission reject OPC's Motion, (2) consolidate both cases into GT-2012-0170 for all purposes and close the newly created case no. GT-2013-0330, and (3) allow the Rebuild Joplin tariff sheets (YG-2013-0255) to go into effect on January 1, 2013.

Respectfully submitted,

/s/ Robert S. Berlin

Robert S. Berlin
Senior Counsel
Missouri Bar No. 51709

Attorney for the Staff of the
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
(573) 526-7779 (Telephone)
(573) 751-9285 (Fax)
email: bob.berlin@psc.mo.gov

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 17th day of December 2012.

/s/ Robert S. Berlin