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December 1, 1999

HAND DELIVERED

FILED

DEC 1 1999

**Missouri Public
Service Commission**

The Honorable Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
Room 530
Truman State Office Building
Jefferson City Missouri 65101

Re: GST Steel Company v. Kansas City Power & Light Company, Case No.
EC-99-553

Dear Secretary Roberts:

Enclosed for filing in the above-referenced case please find an original and fourteen copies of GST Steel Company's Motion to Seek Clarification and Reconsideration of Order Regarding Kansas City Power and Light Company's Second Motion to Compel.

Thank you in advance for your attention to this matter.

Sincerely,

LATHROP & GAGE L.C.

By:


Kurt U. Schaefer

KS/jf
Enclosures
cc: All Parties of Record

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BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED

DEC 1 1999

Missouri Public
Service Commission

GST Steel Company,)
)
Complainant,)
)
v.)
)
Kansas City Power & Light Company,)
)
Respondent.)

Case No. EC-99-553

GST STEEL COMPANY'S MOTION TO SEEK CLARIFICATION
AND RECONSIDERATION OF ORDER REGARDING
KANSAS CITY POWER AND LIGHT COMPANY'S
SECOND MOTION TO COMPEL

GST Steel Company ("GST") hereby requests clarification and reconsideration of the Commission's Order, dated November 5, 1999 (the "November 5 Order"), sustaining Kansas City Power and Light Company's ("KCPL's") Second Motion to Compel Discovery. GST seeks a ruling conforming the November 5 Order with the Commission's prior order relating to the relevance and permissible scope of KCPL discovery inquiries, dated November 2, 1999, (the "November 2 Order") and in support thereof states as follows:

1. On September 17, 1999, KCPL propounded its Second Set of Interrogatories to GST. By letter dated September 27, 1999, GST set forth specific objections to the majority of the utility's requests. See GST's Objection to KCPL's Second Set of Interrogatories and Requests for Production of Documents, attached as Exhibit A.

2. On October 7, 1999, GST provided responses to the Second Set of Interrogatories for which no objection had been made. On October 13, 1999, KCPL filed a Motion to Compel Responses to its Second Set of Interrogatories that were in dispute.

3. Previously, GST had objected to various KCPL discovery requests in the utility's First Set of Interrogatories, inter alia, on the grounds that KCPL requests for materials from GST corporate affiliates and those that concerned GST business matters unrelated to the cost and reliability of electric service provided by KCPL to GST were overbroad, irrelevant and impermissible discovery. The disputed issues concerning the First Set of Interrogatories were pending before the Commission at the time GST objected to KCPL's Second Set of Interrogatories and at the time KCPL filed its motion to compel.

4. By Order dated November 2, 1999, the Commission sustained GST's objections to 38 of the 52 Requests contained in KCPL's First Set of Interrogatories. In reaching its determinations, the Commission held in pertinent part:

First of all, while GST is a party to this matter, its corporate affiliates are not. KCPL contends that these discovery requests directed to non-parties are appropriate "[b]ecause of the inextricable connection and influence between GST and its affiliated entities [.]". However, KCPL cites no authority for this proposition. KCPL's discovery request to those entities are, indeed, overbroad, in that they exceed the scope of the pending action.

November 2 Order, p. 10. The Commission further determined that information concerning GST's steel producing activities and profitability, while mentioned in GST's complaint, were not material issues to be addressed by the Commission, and, therefore, were not proper areas for discovery. November 2 Order, p. 11.

5. On November 5, the Commission issued an order sustaining KCPL's Motion to Compel Responses to its Second Set of Interrogatories. The Order was based solely on the fact that GST had not filed a reply to the October 13 Motion to Compel. The Order did not address the substance of KCPL's Requests or GST's September 27 objections, which were both appended to the utility's motion. The Order also did not apply the findings contained in its November 2 Order with

respect to relevance and permissible scope of inquiry to the KCPL second motion to compel. The November 5 Order directed GST responses within 15 days of the Order's November 16, 1999 effective date.

6. Taken alone, the November 5 Order directs GST responses to KCPL discovery requests which the November 2 Order specifically had held were not permissible areas of inquiry. The Second Set of Interrogatories, for example, make numerous requests of GST Steel Company affiliates and seek GST steel product, capital expenditure and annual budget information not related to the cost of electricity. Although the ordering clauses of the November 2 Order sustain or overrule objections to specific KCPL discovery requests from the Company's first set of requests, the Order plainly described areas of inquiry that were out of bounds. In GST's view, its responses to KCPL's Second Set of Interrogatories should be guided by the Commission's specific determinations in the November 2 Order concerning discovery limits. GST asks that the Commission either reconsider or clarify its November 5 Order accordingly.

7. GST has provided responses to the following Second Set requests directed to GST Steel Company that pertain to electric service: Request Nos. 9, 12, 15, 18, 21, 26, 29, 32, 35, 38, 41, 42, 43, 46, 49, 52, 53, 57 and 58.

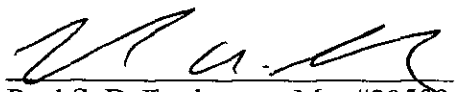
8. GST regrets any ambiguity created by its failure to file a reply to KCPL's second motion to compel, but the absence of such a pleading should not lead to incompatible rulings. Such a reply would have reiterated GST's basic objections to KCPL discovery of materials from corporate affiliates as well as to those which pertain to GST business matters not related to electricity rates and service; positions which GST maintained with KCPL in the objections served on September 27. Also, throughout the period from mid-October to mid-November, GST was attempting to complete

its discovery of KCPL, responding to other KCPL motions, preparing direct testimony which was filed November 17, and considering possibilities for a negotiated settlement.

9. The Commission may consider an application for rehearing or a request that it clarify an order at any time. RSMo § 386.500. In this case, the Commission issued two rulings within days of one another that involved common issues concerning the permissible scope of discovery. It decided the first based upon a detailed substantive review of the objections posed and the second based upon the absence of an opposing pleading. The two rulings produce an incongruous result unless the general discovery limits discussed and resolved in the November 2 Order are applied to the November 5 Order. Such a clarification of the November 5 Order is in the public interest and in no way disadvantages KCPL because the November 2 Order properly finds those matters deemed irrelevant to be beyond the scope of issues for the Commission to address.

WHEREFORE, GST Steel Company respectfully requests that the Commission clarify or modify its November 5 Order to state that GST is not required to respond to requests that seek materials or explore areas the Commission has determined previously are not relevant to issues before it in this case.

Respectfully submitted,


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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, postage prepaid, to all counsel of record as shown on the following service list this 1st day of December, 1999.

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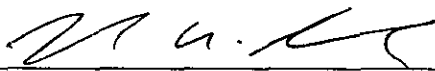
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