STATE OF MISSOURI PUBLIC SERVICE COMMISSION JEFFERSON CITY February 23, 2000

CASE NO: GF-2000-504

Office of the Public Counsel P.O. Box 7800 Jefferson City, MO 65102

James C. Swearengen/Paul A. Boudreau 312 East Capitol P. O. Box 456 Jefferson City, MO 65102 General Counsel
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102

Enclosed find certified copy of an ORDER in the above-numbered case(s).

Sincerely,

Hale Hardy Roberts

Secretary/Chief Regulatory Law Judge

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of)		
Southern Union Company for Authority to)		
Acquire Up to and Including Five)		
Percent (5%) of the Common Stock of)	Case No.	GF-2000-504
Fall River Gas Company, Valley Resources,)		
Inc., and Providence Energy Corporation.)		

ORDER ESTABLISHING TIME FOR FILING OF RECOMMENDATION

On February 17, 2000, Southern Union Company (Southern Union) filed an application with the Commission requesting authority to acquire up to and including five percent of the common stock of Fall River Gas Company (FAL), Valley Resources, Inc. (Valley) and Providence Energy Corporation (ProvEnergy). In companion cases, Case Nos. GM-2000-500, GM-2000-502 and GM-2000-503, Southern Union has requested authority to complete separate mergers with ProvEnergy, Valley and FAL. Southern Union seeks authority to immediately purchase a portion of the stock of ProvEnergy, Valley and FAL in anticipation of the mergers for the purpose of mitigating the pricing effect of possible arbitrage trading in the shares of FAL prior to the time of closing of the merger and to take advantage of temporary market discounts in Valley and ProvEnergy stock prices. Southern Union points out that the Commission has previously granted similar authority to Southern Union in Case No. GM-2000-49 in connection with its merger with Pennsylvania Enterprises, Inc.

Southern Union requests expedited consideration of this application to permit the proposed transactions to occur quickly. In its Application, Southern Union asks that the authority to make the investments be granted no later than April 4, 2000, with an effective date of April 14. In its separate Motion for Expedited Consideration filed on February 18, Southern Union asks that the requested authority be granted no later than March 30, 2000, with an effective date no later than April 11.

So that Southern Union's Application may be considered expeditiously, the Staff of the Public Service Commission will be directed to file its recommendations regarding approval or rejection of Southern Union's Application prior to the approval date requested by Southern Union.

IT IS THEREFORE ORDERED:

- 1. That no later than March 20, 2000, the Staff of the Public Service Commission shall file its recommendations regarding approval or rejection of the Application filed by Southern Union Company.
- 2. That the Office of the Public Counsel may file its recommendations regarding Southern Union Company's Application no later than March 20, 2000.
- 3. That if Southern Union Company wishes to respond to the recommendations filed by the Staff of the Public Service Commission or the Office of the Public Counsel, it may do so no later than March 24, 2000.

4. That this order shall become effective on March 6, 2000.

BY THE COMMISSION

Ask Hard Roberts

Dale Hardy Roberts Secretary/Chief Regulatory Law Judge

(SEAL)

Morris L. Woodruff, Regulatory Law Judge by delegation of Authority pursuant to 4 CSR 240-2.120(1), (November 30, 1995) and Section 386.240, RSMo 1994.

Dated at Jefferson City, Missouri, on this 23rd day of February, 2000.

STATE OF MISSOURI OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this <u>23rd</u> day of FEBRUARY 2000.

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge

Loke HARd Roberts