STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a Session of the Public Service Commission held at its office in Jefferson City on the 19th day of July, 1991.

In the matter of the application of Intercon Gas, Inc.,
a corporation, et al., for an order and certificate of
convenience and necessity authorizing it to construct,
install, acquire, own, operate, control, manage and
maintain a natural gas pipeline and related facilities
and to transport natural gas in portions of Jefferson,
Franklin, Crawford, Washington and Phelps Counties,
Missouri.

CASE NO. GA-90-280 (Consolidated with Cases: GA-90-276, GA-91-81, GA-91-82)

ORDER GRANTING, IN PART, MOTIONS FOR MODIFICATION AND CLARIFICATION

On July 8, 1991, Laclede Gas Company (Laclede) moved to clarify or modify a part of Section V of this Report and Order. On July 16, 1991, the Staff filed a response in favor of Laclede's motion. Laclede and Staff state that the pleadings and evidence in this case support a general service rate for Laclede's newly certificated area in Franklin and Crawford Counties which is five percent higher than the current general service rate in Laclede's Missouri Natural Division. Instead, the Commission's order provided for a general service rate in Laclede's new area equal to, not five percent higher, than the rate now in effect for Company's Missouri Natural Division.

Having considered Laclede's motion and Staff's response, the Commission finds that its Report and Order inadvertently omitted the reference to Laclede's proposed five percent rate differential and that both Staff and Laclede presented evidence in support of said differential. The Commission concludes that Laclede's motion to modify the order in this respect should be granted. Laclede is hereby authorized to submit tariffs for its newly certificated area which provide for a

general service rate of up to five percent in excess of the general service rate currently in use and approved for Laclede's Missouri Natural Division.

On July 8, 1991, the Missouri Pipeline Company (MPC) and Missouri Gas Company (MoGas) also moved for an order clarifying this Report and Order. Staff responded to this joint motion by its filing of July 16, 1991.

Initially, MPC/MoGas requested a clarification of paragraph one of Section X. This section states that MPC's proposed Franklin County Delivery spur originates at "the terminus of said Company's presently existing pipeline." MPC/MoGas and Staff state that MPC's proposed delivery spur will originate near Old Monroe, Missouri, not at the terminus of MPC's existing pipeline. The Commission finds that MPC/MoGas and Staff are correct. The Commission's Report and Order is hereby modified to state that MPC's proposed Franklin County delivery spur will originate near Old Monroe, Missouri.

MPC and MoGas also state, and Staff agrees, that (a) the words "Laclede Gas Company and" in the last line of the second subparagraph of Part A, Section IV, should be deleted. The Commission agrees; the reference has been made unnecessary by Laclede's inability to acquire an operating franchise in the City of Sullivan.

MPC/MoGas and Staff also state that the date of "April 22, 1990", appearing on the first line of the first paragraph in Section I, should be changed to April 11, 1990. The Commission agrees, and hereby authorizes the change requested.

MPC/MoGas also seek to clarify paragraph 7, Section X of the Report and Order, which limits MoGas to transporting natural gas. MoGas seeks a clarification whereby it would also be authorized to "purchase and sell" natural gas, as prayed in its original application. Staff opposes this request by MoGas and reminds the Commission that Staff's case in chief opposed the granting of any authority to MoGas to purchase and sell gas. Staff also states that the record fully supports the

Commission's finding that MoGas only be presently authorized to transport natural gas, not to purchase and sell same.

The Commission concurs with Staff. The Commission did not intend to authorize MoGas to purchase and sell natural gas in this proceeding. The portion of the Commission's Report and Order which authorizes MoGas to transport gas properly reflects the Commission's decision in this matter. MoGas may, at some future time, elect to apply for such authority but the Commission has not authorized same in this case.

On July 12, 1991, the City of Sullivan (City) also moved to modify or clarify the Commission's Report and Order. In the alternative, the City moved for a rehearing. Staff concurs in City's motion. City and Staff state that as presently worded the Report and Order is unnecessarily vague regarding the potential source of gas for the City of Sullivan. City and Staff also point out that, as originally proposed, the City of Sullivan was to have received natural gas from Laclede Gas Company, and that the record herein clearly shows that Laclede's source of gas is MPC, not MoGas. The Commission therefore finds merit in City's motion. The City of Sullivan will have access to natural gas via the system of MPC, not the system authorized for MoGas. The Commission therefore grants City's motion to clarify the Report and Order in this respect.

IT IS THEREFORE ORDERED:

- 1. That the motion for clarification or modification filed by Laclede Gas Company on July 8, 1991, is hereby granted as provided by this Order.
- 2. That the motion for clarification filed by Missouri Pipeline Company and Missouri Gas Company on July 8, 1991, is hereby granted in part, and denied in part, as provided by this Order.

- 3. That the Motion For Modification Or Clarification Of Report And Order, Or, In the Alternative, For Rehearing filed by the City of Sullivan on July 12, 1991, is hereby granted as provided by this Order.
 - 4. That this Order shall become effective on the date hereof.

BY THE COMMISSION

Brent Stewart Executive Secretary

(SEAL)

Steinmeier, Chm., Mueller, Rauch, McClure and Perkins, CC., Concur.