

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 24th
day of July, 1992.

In the matter of Missouri Pipeline Company)
for authority to file tariffs increasing)
rates for gas transportation services to) CASE NO. GR-92-314
customers within its service area.)

SUSPENSION ORDER AND NOTICE OF PROCEEDINGS

On June 30, 1992, Missouri Pipeline Company (Company) submitted to this Commission tariffs reflecting increased rates for Company's transportation of natural gas to customers within its service areas. The proposed tariffs bear a requested effective date of August 1, 1992, and are designed to produce a net increase of approximately 70%, (\$4,177,725.00) in Company's charges for transporting natural gas within the state of Missouri.

To allow sufficient time to study the effect of the proposed tariffs and to determine if they are just, reasonable and in the interest of the public, it is the opinion of the Commission that the proposed tariffs should be suspended for a period of 120 days plus six months beyond the requested effective date, unless otherwise ordered by the Commission.

Inasmuch as the Commission is required by law to give the hearing and decision of rate increase cases preference over all other questions pending before it and to decide the same as speedily as possible, and since the burden of proof that the proposed tariffs are just and reasonable is upon the company proposing same, the Commission is of the opinion that an intervention date and prehearing should now be scheduled, that a schedule of proceedings should be established, and that all parties should be required to file prepared testimony and schedules in advance of the hearing as hereinafter ordered.

The Commission is also of the opinion that the Executive Secretary of the Commission should serve a copy of this order upon the mayor of each of the following cities: Washington, New Melle, Union, Saint Clair, Sullivan, Bourbon, Cuba, St. James, Rolla and Waynesville, Missouri. The Executive Secretary shall also serve a copy of this order on the county commissions of the following counties: St. Charles, Franklin, Crawford, Phelps, Pulaski, Lincoln and Pike.

The Secretary shall send notice of this order to the publisher of at least one newspaper located in the counties identified above, as listed in the newspaper directory of the current Official Manual of the State of Missouri, and to the members of the General Assembly with constituencies in the Missouri counties above indicated.

In addition, notice of this matter shall be provided to Laclede Gas Company, Fidelity Natural Gas, Inc., and to the office of the Base Commander, Ft. Leonard Wood, Ft. Leonard Wood, Missouri.

Any city, county, customer, shipper, or other proper entity desiring to intervene in this proceeding shall file its application to intervene on or before the date set in this order and shall serve a copy of the application on the Company's attorney, James F. Mauze', Moline, Ottsen, Mauze', Leggat & Shostak, Commerce Bank Bldg., 11 South Meramec, Suite 1010, St. Louis, Missouri 63105.

The Commission is also of the opinion that the Company should give notice to its present shippers and customers pursuant to 4 CSR 240-2.110(10) in the matter provided below.

The Commission will require the prefiling of testimony as defined in 4 CSR 240-2.130. The practice of prefiling testimony is designed to give parties notice, at the earliest reasonable opportunity, of the claims, contentions and evidence in issue and to avoid unnecessary objections and delays in the proceedings caused by allegations of unfair surprise at the hearing.

Nothing herein, nor in any other order in this case, shall preclude a party from addressing, or having a reasonable opportunity to address, matters not previously disclosed and arising at the hearing. The Commission, in its discretion and for good cause shown, may waive strict application of these requirements.

Since the instant case is subject to a statutory time limit, the Commission's general policy provides for the filing of the transcript within two (2) weeks after the conclusion of the hearing. If any party seeks to expedite the filing of the transcript, such a request shall be tendered, in writing, to the hearing examiner at least five (5) days prior to the date of hearing. The hearing examiner, in consultation with the chief hearing reporter, will determine whether the transcript can, and should, be expedited.

The Commission believes it is appropriate to limit the length of initial briefs to fifty (50) pages and reply briefs to twenty-five (25) pages unless otherwise ordered by the Commission or the hearing examiner. Please note that 4 CSR 240-2.080(7) now requires all pleadings, briefs and amendments to be filed on letter-sized paper.

The Company should submit any requests for true-up in its prefiled direct testimony. The requests should include a proposed date to which the Company's financial data is to be brought forward as well as a proposed time for a true-up hearing. The Company's proposal should also specify a complete list of accounts or items of expense, revenues and rate base designed to prevent any improper mismatch in those areas. The Commission will not consider isolated adjustments, but will examine only a "package" of adjustments designed to maintain the proper revenue/expense/rate base match at a proper point in time.

Re: *Kansas City Power & Light Company*, 26 Mo. P.S.C. (N.S.) 104, 110 (1983).

Company shall also include in its prefiled testimony its recommendation concerning the proper test year, as adjusted, to be used in these proceedings.

The Commission's Staff, the Public Counsel and all intervenors shall state their positions regarding the Company's true-up and test year proposals as hereinafter ordered.

The Commission may schedule a prehearing conference in this case to allow the parties the opportunity to resolve substantive issues as well as to consider those matters described in 4 CSR 240-2.090(6). The parties shall also utilize the prehearing conference to eliminate those issues which can be resolved through updating of a party's case, clarification of misunderstandings, explanation of an issue's interrelationship with other issues, and correction of clerical or arithmetic errors if such issues have not been eliminated prior to the prehearing. Each party shall bring to the prehearing conference a list of contested issues to be presented to the hearing examiner. These lists of contested issues are to be used to establish the scope of the settlement discussions that will be held during the prehearing conference. At the conclusion of the prehearing conference, the parties shall present an agreed-upon list of those issues still unresolved to the hearing examiner. These remaining unresolved issues are to be addressed by the parties in the hearing memorandum and will form the basis for the preparation of rebuttal testimony and the case reconciliation.

The Commission emphasizes the importance of the deadlines for filing the hearing memorandum and the case reconciliation. The Commission Staff will be responsible for preparing and filing the hearing memorandum and case reconciliation. Unless the Commission orders otherwise, the hearing memorandum and case reconciliation shall be filed on the dates set. Each party is expected to provide the Staff with its position on each resolved issue in sufficient time for Staff to meet the established filing deadlines.

The Commission has determined that all prefiled testimony, briefs and reply briefs in this case shall be filed by 3:00 p.m. on the date they are scheduled to be filed.

Testimony and schedules shall not be filed under seal and treated as confidential unless a protective order has first been established by the Commission. The party which considers information to be confidential should request a protective order to ensure the information is treated as confidential. Any testimony or schedule filed without a protective order first being established shall be considered public information. The Commission has a form protective order which will be used in this proceeding.

IT IS THEREFORE ORDERED:

1. That all proposed tariff sheets submitted on June 30, 1992, by Missouri Pipeline Company for the purpose of increasing transportation rates for the intrastate transportation of natural gas are hereby suspended for a period of one hundred twenty (120) days from August 1, 1992, to November 30, 1992; that since it is apparent that the investigation of these tariffs cannot be completed within one hundred twenty (120) days, the tariffs are hereby further suspended for a period of six (6) months beyond November 30, 1992, to May 30, 1993, unless otherwise ordered by the Commission.

2. That any proper entity desiring to intervene and participate herein shall, except for good cause shown, file its application to intervene and serve a copy of same upon the Company's attorney, James F. Mauze', Attorney at Law, Moline, Ottsen, Mauze', Leggat & Shostak, Commerce Bank Bldg., 11 South Meramec, Suite 1010, St. Louis, Missouri 63105, on or before August 24, 1992.

3. That the Company shall file, or cause to be re-filed, fifteen (15) copies of its prepared direct testimony and schedules and minimum filing requirements with the Executive Secretary of the Commission, and shall serve two

(2) copies of same upon the Public Counsel and each party who has filed a timely and proper application to intervene, on or before August 28, 1992.

4. That a prehearing conference in this matter is hereby scheduled to commence at 10:30 a.m. on January 4, 1993, and will continue, if necessary, through January 8, 1993. Said conference shall be held in the Commission's hearing room on the fifth floor of the Harry S Truman State Office Building, 301 West High Street, Jefferson City, Missouri.

5. That within 30 days of the issuance of this order, Company, Staff, and the Office of Public Counsel shall, either jointly or severally, file with the Commission their recommendation(s) concerning the proper test year, as adjusted, for use in this case.

6. That within 45 days of the issuance of this order, Company shall file any requests for true-up audit and hearing. In their prefiled direct testimony, the Commission Staff, the Public counsel and all intervenors shall either concur in the Company's request or file suggested alternatives to the Company's true-up recommendation.

7. That the Commission Staff shall file fifteen (15) copies of its prepared direct testimony and schedules with the Executive Secretary of the Commission, and serve five (5) copies of same upon the Company and two (2) copies of same upon the Public counsel and each intervenor, on or before December 11, 1992.

8. That the Public Counsel and each intervenor shall file fifteen (15) copies of their prepared direct testimony and schedules with the Executive Secretary of the Commission, and serve five (5) copies of same upon the Company and two (2) copies of same upon each other party, on or before December 11, 1992.

9. That all parties in this matter shall file rebuttal testimony and schedules on or before January 15, 1993, and surrebuttal testimony and schedules on or before February 3, 1993. Such testimony and schedules shall be filed with

the Executive Secretary of the Commission and served upon all parties in the quantities set forth for direct testimony and schedules above.

10. That testimony and any attachments to a witness's testimony shall be marked and filed only in the manner prescribed by 4 CSR 240-2.130(11).

11. That the Company is hereby ordered to notify each of its present customers, and any possible future customers known to Company, of these proceedings. Said notice substantially shall be as set out below, and shall be mailed by first class mail on or before August 7, 1992, unless otherwise ordered by the Commission. Company shall make available to Staff facsimiles of each such direct notice to its customers.

"NOTICE OF APPLICATION TO INCREASE RATES

On June 30, 1992, Missouri Pipeline Company (MPC) filed tariffs with the Missouri Public Service Commission to increase MPC's rates for the intrastate transportation of natural gas. MPC proposes to increase its present rates by approximately 70%, resulting in a net dollar increase over existing rates of \$4,177,725.00.

The Commission, by its order of July 24, 1992, has recently suspended MPC's proposed tariffs and has issued a procedural, intervention, and hearing schedule regarding MPC's tariff filing.

The Commission has scheduled evidentiary hearings in this matter for February 8-12, 1993. The Commission has also established August 24, 1992 as the date by which applications to intervene should be filed. For good cause, the Commission may entertain applications to intervene filed after August 24, 1992.

If you wish to comment or secure more information, contact the Office of Public Counsel, P.O. Box 7800, Jefferson City, Missouri 65102.

THIS NOTICE IS SENT PURSUANT TO AN ORDER OF THE MISSOURI PUBLIC SERVICE COMMISSION DATED July 24, 1992."

12. That a party may be dismissed from this proceeding for failure of the party's attorney to appear and participate at the prehearing conference, unless excused in accordance with 4 CSR 240-2.090(5).

13. That the parties shall file a hearing memorandum setting out the issues to be heard and the witnesses to appear on each day of the evidentiary hearing, definitions of terms used in describing those issues, each party's position on those issues and quantification of the amount on each issue in dispute no later than 5:00 p.m., January 22, 1993.

14. That the parties shall file on January 29, 1993 a reconciliation setting for the total amount or values of each party's case as well as the individual contested amounts or values associated with each party's recommendation for expenses, revenues and rate base in conformance with the issues in the hearing memorandum. If necessary, the reconciliation may be amended or replaced during the proceedings to reflect any change in the issues or amounts in controversy.

15. That all parties shall present their testimony, schedules and witnesses for examination and cross-examination at a hearing commencing at 10:00 a.m. on February 8, 1993, and continuing through February 12, 1993, as necessary. Said hearing shall be held in the Commission's hearing room on the fifth floor of the Harry S Truman State Office Building, 301 West High Street, Jefferson City, Missouri.

16. That all counsel and parties to this proceeding shall review 4 CSR 240-4.020 and comply with its terms; shall communicate the meaning and importance of that rule to all personnel whom counsel believes or reasonably should believe ought to be made aware of same; and all counsel shall immediately report to the Commission all future possible violations of any Commission rule by any party, including the party they represent.

17. That the Executive Secretary of the Commission and the Public Information Officer shall serve copies and provide notice of this order as above described.

18. That requests for expedited transcripts or procedural determinations shall be made in the manner herein specified.

19. That initial briefs filed in this case shall be no longer than fifty (50) pages and reply briefs shall be no longer than twenty-five (25) pages, unless otherwise ordered by the Commission or the hearing examiner.

20. That all prefiled testimony, briefs and reply briefs shall be filed by 3:00 p.m. on the scheduled filing date.

21. That prefiled testimony shall only be filed under seal pursuant to a protective order approved by the Commission.

22. That this order shall become effective on the date hereof.

BY THE COMMISSION

Brent Stewart

Brent Stewart
Executive Secretary

(S E A L)

McClure, Chm., Mueller, Perkins
and Kincheloe, CC., Concur.
Rauch, C., Absent.