

LACLEDE GAS COMPANY
720 OLIVE STREET
ST. LOUIS, MISSOURI 63101

AREA CODE 314
342-0532

MICHAEL C. PENDERGAST
ASSISTANT VICE PRESIDENT
ASSOCIATE GENERAL COUNSEL

March 7, 2001

VIA FEDERAL EXPRESS

Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
Governor Office Building
200 Madison Street
P. O. Box 360
Jefferson City, MO 65102-0360

RE: Case No. ^{GM-}GT-2001-342

FILED²
MAR 08 2001
Missouri Public
Service Commission

Dear Mr. Roberts:

Enclosed for filing, please find the original and eight copies of the Response of Laclede Gas Company in Opposition to the Late-Filed Application to Intervene of the Missouri Energy Group. Please file-stamp the additional copy of this Response and return the same in the pre-addressed, stamped envelope provided.

Thank you for your consideration in this matter.

Sincerely,

Michael C. Pendergast

Michael C. Pendergast

MCP:kz

cc: All parties of record

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED²

MAR 08 2001

Missouri Public
Service Commission

In the Matter of the Application of Laclede)
Gas Company for an Order Authorizing)
Its Plan to Restructure Itself Into a Holding)
Company, Regulated Utility Company, and)
Unregulated Subsidiaries)

Case No. GM-2001-342

**RESPONSE OF LACLEDE GAS COMPANY
IN OPPOSITION TO THE
LATE-FILED APPLICATION TO
INTERVENE OF THE
MISSOURI ENERGY GROUP**

COMES NOW Laclede Gas Company ("Laclede" or "Company") and for its
Response in Opposition to the Late-Filed Application to Intervene of the Missouri Energy
Group in Case No. GM-2001-342, states as follows:

1. On February 26, 2001, Barnes-Jewish Hospital, Daimler-Chrysler
Corporation, the Doe Run Company, Emerson Electric Company, Lone Star Industries,
Inc., River Cement Company, SSM Health Care, and Unity Health System (collectively
the "Missouri Energy Group" or "MEG") submitted a late-filed application to intervene in
the above-captioned case (hereinafter the "Late-Filed Application").

2. In the past, Laclede has rarely opposed requests by its industrial customers
to intervene in proceedings involving the Company. Laclede does, however, oppose the
Late-Filed Application to intervene that has been submitted by the MEG in this
proceeding. Laclede submits that MEG's intervention request should be denied for three
reasons.

3. First, as the MEG acknowledges, its request to intervene in this case was filed after the intervention date previously established by this Commission. In fact, it was filed more than a month after the January 25, 2001 intervention deadline set by the Commission in its January 5, 2001 *Order Directing Notice and Setting Intervention Period* in this case. Under such circumstances, the MEG must affirmatively show, pursuant to the intervention requirements of 4 CSR 240-2.075(5), that good cause exists for the Commission to grant its request to intervene out-of-time. Laclede would respectfully submit that the MEG has not made such a showing in this case.

4. Although the MEG states at page 2 of its Late-Filed Application that it "was not made aware of the existence of this case or of the Order of this Commission directing that motions to intervene be filed by January 25, 2001 until February 23, 2001," it appears that the MEG could and should have been aware of the intervention deadline established by the Commission. To Laclede's knowledge, the method selected by the Commission for providing the public with timely notice of the intervention deadline in this proceeding was carried out, as evidenced by the January 11, 2001 news release that was sent out by the Commission on this matter. In addition to this notice, Laclede is also aware that a copy of the Commission's Order establishing the intervention deadline in this case was posted on the Commission's website on or about January 5, 2001 -- a date that was well in advance of the intervention deadline established by the Commission. Finally, Laclede assumes that both its Application as well as all of the Orders issued by the Commission in this case have been made available to the general public as part of the Commission's public case files. In view of these considerations, Laclede does not believe the MEG has, in fact, demonstrated that good cause exists for its untimely request to

intervene. MEG's Late-Filed Application should accordingly be denied. *See e.g. Re: Arkansas Power & Light and Union Electric Company*, 1 MPSC3d 96, 99 (1991).

5. Second, Laclede does not believe there is any basis for MEG's assertion that the outcome of this proceeding "could have a direct significant impact on Applicant's cost of energy service and the manner in which it is supplied." Late-Filed Application, p. 1. As Laclede's Verified Application in this case makes clear, the corporate restructuring proposed by the Company in this case does not contemplate any transfer of utility-owned assets by Laclede Gas Company. *See* Laclede's Verified Application, p. 7. Nor does it envision any material changes in the way Laclede Gas Company provides regulated utility services or in the terms and conditions applicable to that service. (*Id.*) Under such circumstances, Laclede does not believe that the MEG has either a direct or immediate interest in this proceeding. In fact, Laclede believes the MEG has no cognizable interest at all in the outcome of this case.

6. Third, Laclede cannot agree with MEG's assertion that "granting its intervention at this time would not hinder or delay the progress of this case and that no other party would be prejudiced by permitting the Missouri Energy Group to intervene in this case at this time." Late-Filed Application, p. 2. Substantial progress in answering the parties' questions regarding the matters address by Laclede's Verified Application has already been made in the three months since that Application was filed. Among other things, Laclede has received and responded to one round of data information requests submitted by the Commission Staff and the Office of the Public Counsel and is in the process of completing its response to several follow-up data requests. Under such

circumstances, the interjection of an entirely new party who may want to start the discovery process anew could, in fact, delay the progress of this case.

7. For all of these reasons, Laclede Gas Company respectfully requests that the Commission deny the Late-Filed Application to Intervene of the Missouri Energy Group.

WHEREFORE, for the foregoing reasons, Laclede Gas Company respectfully requests that the Commission issue its Order denying the Late-Filed Application to Intervene of the Missouri Energy Group.

Respectfully submitted,



Michael C. Pendergast #31763
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Associate General Counsel
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CERTIFICATE OF SERVICE

Michael C. Pendergast, Assistant Vice President and Associate General Counsel for Laclede Gas Company, hereby certifies that the foregoing Response in Opposition to the Late-Filed Application to Intervene of the Missouri Energy Group has been duly served upon Counsel for the Missouri Energy Group, the General Counsel of the Staff of the Public Service Commission, the Office of the Public Counsel and all parties of record to this proceeding by placing a copy thereof in the United States mail, postage prepaid, or by hand delivery, on this 24 day of March, 2001.

Michael C. Pendergast