## BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

Staff of the Missouri Public Service	)	
Commission,	)	
	)	
Complainant,	)	
	)	
v.	)	Case No. GC-2006-0491
	)	
Missouri Pipeline Company, LLC;	)	
Missouri Gas Company, LLC;	)	
	)	
Respondents.	)	

## RESPONDENTS' REPLY TO MUNICIPAL GAS COMMISSION OF MISSOURI'S MOTION SEEKING COMMISSION ORDER

COME NOW Respondents Missouri Pipeline Company (hereafter "MPC") and Missouri Gas Company (hereafter "MGC") and respond to the Municipal Gas Commission of Missouri's Motion Seeking Commission Order Requiring Respondents to Comply With Protective Order and Motion For Expedited Treatment. In support of this response, Respondents state as follows:

- 1. On June 22, 2006, the Commission issued its Order Establishing a Protective Order (hereafter "Protective Order") in this matter.
  - 2. Staff filed its Direct Testimony on September 6, 2006.
  - 3. Respondents filed their Rebuttal Testimony on October 7, 2006.
- 4. Respondents filed their Response to Staff's Motion to Release Public Information on November 2, 2006 (hereafter "Response to Staff's Motion).
- 5. The information designated as highly confidential (HC) and proprietary in Staff's Direct Testimony and Respondents' Rebuttal Testimony is properly designated and should retain such designation. Municipal Gas Commission of Missouri's ("MGCM")

motion ignores Respondents' request and rationale filed in Respondents' Response to Staff's Motion explaining the process Respondents are undertaking to go through highly confidential and proprietary information. Per the Commission's Protective Order, Respondents provide the basis for the designations herein and also restate their intentions as reflected in their Response to Staff's Motion.

- 6. The Commission's Protective Order allows parties to designate as highly confidential "(1) material or documents that contain information relating directly to specific customers; (2) employee sensitive information; (3) marketing analysis or other market-specific information relating to services offered in competition with others; (4) reports, work papers or other documentation related to work produced by internal or external auditors or consultants; (5) strategies employed, to be employed, or under consideration in contract negotiations." Protective Order, page 1.
- 7. All information designated as highly confidential in Mr. Schallenburg's Direct Testimony and Respondents' Rebuttal Testimony falls under the categories of information that may be protected under the Commission's Protective Order. In particular, all information is related to the identity of customers of either the pipelines or Omega, customer pricing, customer-specific contract terms, volume information, or personnel information. The designated information also includes specific financial information and security information related to Respondents', including specific pricing information paid to vendors and employees.
- 8. Clearly, customer identities and customer-specific contract terms, including volume usage and customer practices, are appropriately designated as highly confidential, as these items are information relating directly to specific customers. Any

release of this information would violate customers' expectation of privacy and would be harmful to competition. Likewise, customer pricing and volume information is protected as marketing analysis or other market-specific information relating to services offered in competition with others. Any release of this information will harm Respondents' or Omega's ability to maintain a fair competitive position. Respondents' personnel information is undoubtedly protected under both the Protective Order as "employee sensitive information" and Section 610.010(2), Revised Statutes of Missouri. Release of this information would violate Respondents' employees' (past and current) expectations of privacy. Respondents' financial information is proprietary and should remain designated as such.

9. As reflected in Respondents' Response to Staff's Motion, Respondents are in the process of reviewing the voluminous material referenced by Staff for the purpose of determining what material should remain classified as proprietary or highly confidential. Respondents must review about four days of deposition transcripts and exhibits for Mr. Ries, as well as deposition transcripts and exhibits of three other employees of the pipelines taken over one additional four-day period. Respondents will also review Mr. Schallenburg's direct testimony and exhibits comprised of two three-ring binders of filings to determine if any of the material is not appropriately designated as highly confidential. This process requires a fastidious review. Due to the volume of material that must be reviewed and Respondents' Surrebuttal Testimony deadline of November 17, 2006, Respondents will need until at least December 1, 2006 to complete the process and deliver the material to Staff, so that Staff may refile public versions of testimony and attachments as appropriate.

WHEREFORE, Respondents respectfully request that the Commission deny MGCM's request for expedited treatment and allow Respondents until December 1, 2006, to deliver the appropriate designation for testimony, attachments and deposition

transcripts to the parties in this matter.

Respectfully submitted,

LATHROP & GAGE, L.C.

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Attorneys for Respondents

Dated: November 7, 2006

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## **CERTIFICATE OF SERVICE**

I do hereby certify that a true and correct copy of the foregoing Respondents' Response to Staff's Proposed Procedural Schedule, has been transmitted by e-mail or mailed, First Class, postage prepaid, this 7th day of November, 2006, to:

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