# DEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the matter of Western Resources, Inc., d/b/a Gas	)
Service, tariff sheets designed to increase rates for	)
gas service provided to customers in the Missouri	) Case No. GR-93-240
service area of the company.	)
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#### **APPEARANCES**

<u>Michael C. Pendergast</u>, Assistant General Attorney-Regulation, Western Resources, Inc., 2460 Pershing Road, Kansas City, Missouri 64108, for Western Resources, Inc., d/b/a Gas Service, a Western Resources Company.

<u>Paul W. Phillips</u>, Attorney, Office of the General Counsel, United States Department of Energy, 1000 Independence Avenue, S.W., Washington, D.C. 20585, for the United States Department of Energy and Other Federal Agencies.

<u>Richard S. Brownlee, III</u>, Hendren and Andrae, Post Office Box 1069, Jefferson City, Missouri 65102, for Williams Natural Gas Company.

<u>Stuart W. Conrad</u>, Lathrop & Norquist, 2600 Mutual Benefit Life Building, 2345 Grand Avenue, Suite 2500, Kansas City, Missouri 64108-2684, for Midwest Gas Users Association and Armco Inc.

Richard W. Stavely, Attorney at Law, 257 North Broadway, Suite 200, Wichita, Kansas 67202-2318,

#### and

Patrick A. Baumhoer, Andereck, Evans, Milne, Peace & Baumhoer, P.O. Box 1280,
Jefferson City, Missouri 65102, for MOUNTAIN IRON & Supply Company.

Lewis R. Mills, Jr., Deputy Public Counsel, <u>Douglas E. Micheel</u>, Senior Public Counsel, and <u>John B. Coffman</u>, Assistant Public Counsel, Office of Public Counsel, Post Office Box 7800, Jefferson City, Missouri 65102, for the Office of Public Counsel and the public.

Penny G. Baker, Deputy General Counsel, Steven Dottheim, Deputy General Counsel, William M. Shansey, Assistant General Counsel, Thomas H. Luckenbill, Assistant General Counsel, and Thomas R. Schwarz, Jr., Assistant General Counsel, Missouri Public Service Commission, Post Office Box 360, Jefferson City, Missouri 65102, for the staff of the Missouri Public Service Commission.

**HEARING EXAMINER:** Edward C. Graham.

#### REPORT AND ORDER

#### Procedural History

On February 5, 1993, Western Resources, Inc., d/b/a Gas Service, a Western Resources Company, (Gas Service or Company) filed proposed tariffs reflecting increased rates for gas service provided to customers in the Missouri service area of the Company. The proposed tariffs were designed to produce an increase of approximately \$20,799,013 in charges for gas service, exclusive of gross receipts and sales tax, and bore a requested effective date of March 7, 1993.

On March 5, 1993, the Commission issued a Suspension Order And Notice Of Proceedings which suspended the proposed tariffs until January 5, 1994, and established a procedural schedule directing, inter alia, that applications to intervene should be filed on or before April 5, 1993. On April 13, 1993, the Commission issued its Order granting intervention to: City of Kansas City, Missouri, Midwest Gas Users Association, Armco Inc., United States Department of Energy and Other Federal Agencies, City of St. Joseph, Missouri, Williams Natural Gas Company (WNG), Kansas City Power & Light Company, and MOUNTAIN IRON & Supply Company. Pursuant to the original procedural schedule, Company filed its direct testimony on April 13, 1993, and the Commission's Staff (Staff), the Office of Public Counsel (Public Counsel), Williams Natural Gas Company, MOUNTAIN IRON & Supply Company, Midwest Gas Users Association, and Armco Inc. filed their direct testimony on September 1, 1993, pursuant to an amended procedural schedule issued by Notice of the Commission on August 16, 1993. On September 2, 1993, local public hearings were held by the Commission at Joplin, Lee's Summit, and St. Joseph, Missouri. The prehearing conference convened on September 14, 1993, pursuant to the amended procedural schedule. A hearing memorandum was due on September 24, 1993, with the hearing scheduled to commence on October 12, 1993. On September 20, 1993, the Commission issued its Order dismissing St. Joseph and

Kansas City for failure to participate in the prehearing conference. On September 28, 1993, all remaining parties filed a Stipulation And Agreement with all parties being signatories thereto. On October 1, 1993, a hearing commenced to submit the Stipulation And Agreement to the Commission for its consideration, along with all the supporting testimony and schedules.

### Findings of Fact

The Missouri Public Service Commission, having considered all of the competent and substantial evidence upon the whole record, makes the following findings of fact.

Gas Service is a company of Western Resources, Inc., a Kansas corporation with its principal office being located at 818 Kansas Avenue, Topeka, Kansas 66612. Gas Service is headquartered in Kansas City, Missouri, and operates as a local distribution company (LDC) in Missouri, Oklahoma, and eastern Kansas, with the Missouri operations providing over 70 percent of Gas Service revenues. As of the end of the test year, Gas Service provided natural gas service to approximately 455,000 customers in Missouri, including approximately 397,000 residential customers, approximately 57,000 small commercial and industrial customers and 300 large commercial customers.

The Stipulation And Agreement filed as Exhibit 1, and attached hereto as Attachment 1 and incorporated herein by reference, purports to settle all issues pertaining to this case. Company, Staff, Public Counsel and all intervenors have agreed to a dollar settlement of the revenue requirement so that Gas Service should be authorized to file revised gas tariffs and rate schedules designed to produce an increase in overall Missouri jurisdictional gross annual revenues of \$9.75 million, or 3.35 percent, exclusive of any applicable franchise and gross receipts taxes. The parties have agreed that the proposed revised tariffs and rate schedules shall be effective for gas service rendered on and

after October 15, 1993. The forms of proposed revised gas tariffs and rate schedules reflecting this increase are set out in Attachment 1 to the Stipulation And Agreement.

The parties agree that the revenue requirement established in this case should be allocated to the Company's customer classes, rate components and services pursuant to the tariffs and rate schedules set forth in Attachment 1 to the Stipulation And Agreement. Among other changes, the tariffs reflect a combining of the Company's current Large Commercial Service and Large Industrial Service customer classifications into one Large Volume Service customer classification. A schedule showing the revenue shifts and class revenue requirements is set forth in Attachment 2 to the Stipulation And Agreement.

The parties have agreed to tariff language which requires customers who currently qualify for and take transportation service to install, pay for, and maintain electronic gas metering (EGM) equipment and associated expenses. The installation of EGM equipment shall be performed by the Company and shall be completed within three years of the effective date of the EGM tariff. During the first year of EGM installation, the Company agrees that it will not seek to install EGM equipment for customers with peak monthly usage of 1,500 Mcf to 3,000 Mcf, unless requested by the customer. In exchange for the Company commitment to install EGM equipment, WNG agrees to provide burnertip balancing, for a one-year period commencing October 1, 1993, to all Missouri customers of the Company who transport on the WNG system. WNG will continue to provide burnertip balancing after the initial one-year period to any customer who has installed EGM equipment for at least 90 percent of the customer's annual delivered volume.

The parties have further agreed to a requirement of 12-month written notice by customers who switch either from sales to transportation service or vice versa unless certain assurances have been provided by the customers. Another agreement is to maintain the current 1,500 Mcf minimum threshold for

transportation eligibility for at least one year but require meetings and evaluation by the parties during that period to determine to what extent the minimum threshold should be reduced. The parties also agree that the Company's supply coordination and delivery service should be made available to transportation customers under a rider to the Large Volume Service schedule with certain conditions.

The parties have agreed to modify Gas Service's Purchased Gas Adjustment clause (PGA) as follows: (1) an extension of the 10-day notification requirement to 20 days; (2) an increase in the PGA filing threshold from \$1 million to \$1.5 million; (3) an expansion of the scope of the Actual Cost Adjustment review process; and (4) a reduction in the interest rate applicable to PGA refunds from 9 percent of 6 percent. All other issues raised by the parties relative to the PGA were deferred for consideration at a later time, including transition cost recovery provisions.

Other issues agreed to by the parties are that Company will be permitted to implement an experimental weatherization program, that Company will file tariffs reflecting Staff's proposal for limiting the time period over which billing adjustments will be made, and that Company shall modify its proposed tax adjustment provision to be consistent with Staff's recommendation.

The parties agree that if the Commission approves the Stipulation And Agreement, a separate section of the Order should grant Company a waiver from the requirements of Section 20,399, Account 380 Services, of the Uniform System of Accounts as it relates to the retirement of inactive service lines, and make special provisions for retirement of those inactive service lines. Furthermore, the Company agrees to perform a reconciliation, to be completed in the next two years, which will assure that all inactive service lines which fall outside the specified guidelines are removed from the Company's books and records.

Beginning January 1, 1995, the Company will provide an annual, written report to Staff detailing the status of the reconciliation.

The parties agree that the Company shall be relieved of its obligations to comply with the periodic reporting requirements set forth in Case No. GR-90-50 except for information relating to its safety programs. Also pursuant to Staff's recommendation, Company agrees, beginning with the effective date of the rates established herein, to include in rate base and amortize over a 20-year period in the cost of service those expenses related to its gas safety program which have been deferred pursuant to the Accounting Authority Order authorized in Case No. GO-92-185. Finally, Company agrees, within 30 days of the approval of the Stipulation And Agreement, to submit tariff sheets revising its General Terms and Conditions governing repairs, repiping and related safety requirements to mobile home parks.

The Commission, after considering the Stipulation And Agreement with its Attachments, the testimony and schedules admitted into evidence at the hearing, and after examining the parties at the hearing, determines that the Stipulation And Agreement is just and reasonable as to the revenue requirement agreed upon by the parties, the rates agreed to in the rate design, all the additions and modifications to the terms and conditions of Company's tariffs as previously set out herein, and all other agreements made by the parties pertaining thereto.

In generally restating the Stipulation And Agreement with references to its Attachments, the Commission is not changing the language and terms of the Stipulation And Agreement with its Attachments, but adopts it in full as resolving all issues that were set out therein. The Commission, in adopting the Stipulation And Agreement, is satisfied that the negotiated settlement represents a reasoned and fair resolution of the issues in this case and that it would be

in the interest of all parties for the Commission to adopt the Stipulation And Agreement.

### Conclusions of Law

The Missouri Public Service Commission has arrived at the following conclusions of law.

Company is a public utility subject to the jurisdiction of the Commission pursuant to Chapters 386 and 393, R.S.Mo. 1986, as amended.

Pursuant to Section 536.060, R.S.Mo. 1986, the Commission may approve a stipulation and agreement concluded among the parties to any issues in a contested case. The Commission, in accordance with its statutory power, has determined that the Stipulation And Agreement which settles all issues in this case including revenue requirement, rate design, nonrevenue issues, and nonrevenue tariff changes, is just and reasonable and appropriate and therefore should be approved in full.

Based upon the Commission's findings of fact in this case and conclusions of law, the Commission determines that just and reasonable revised tariffs in substantially the form as set out in Attachment 1 to the Stipulation And Agreement should be filed by the Company designed to increase its total Missouri gross annual gas revenues exclusive of any applicable license, occupation, franchise, gross receipts taxes or other similar fees or taxes by \$9,750,000. Said tariffs and rate schedules shall be effective for gas service rendered on and after October 15, 1993.

The Commission further concludes that since the gas rate increase approved does not exceed seven percent, the provisions of Section 393.275, R.S.Mo. 1986, do not apply.

#### IT IS THEREFORE ORDERED:

- 1. That the Missouri Public Service Commission hereby approves and adopts the Stipulation And Agreement, incorporated herein by reference and attached hereto as Attachment 1, for gas service rendered by Western Resources, Inc., d/b/a Gas Service, a Western Resources Company, in its Missouri service area.
- 2. That pursuant to the findings of fact and conclusions of law in this Report And Order approving the Stipulation And Agreement, the proposed gas tariffs filed by western Resources, Inc., d/b/a Gas Service, a Western Resources Company, on February 5, 1993 are hereby rejected.
- 3. That Western Resources, Inc., d/b/a Gas Service, a Western Resources Company, be hereby authorized to file, in lieu of the rejected tariffs, for approval of the Commission, tariffs designed to increase gross revenues, exclusive of any applicable license, occupation, franchise, gross receipts taxes, or other similar fees or taxes, by the amount of \$9,750,000 for gas service rendered in its Missouri service area on an annual basis over the current revenues.
- A. That Western Resources, Inc., d/b/a Gas Service, a Western Resources Company, be hereby granted a waiver from the requirements of Section 20,399, Account 380 Services, of the Uniform System of Accounts as it relates to the retirement of inactive service lines. Rather than being required to retire inactive service lines from its books and records within two (2) years of the date such service lines become inactive, Western Resources, Inc., d/b/a Gas Service, a Western Resources Company, shall be permitted, for safety and efficiency-related reasons, to maintain such services on its books and records for a period not exceeding three (3) years for service lines to residential customers and five (5) years for service lines to commercial and industrial

customers or the date upon which such service lines are permanently disconnected from its system, whichever occurs first.

- 5. That the tariffs to be filed pursuant to this Report And Order shall become effective for gas service rendered on and after October 15, 1993.
- 6. That this Report And Order shall become effective on the 15th day of October, 1993.

BY THE COMMISSION

David L. Rauch Executive Secretary

(SEAL)

McClure, Perkins and Kincheloe, CC., concur.
Mueller, Chm., and Crumpton, C., absent.

Dated at Jefferson City, Missouri, on this 5th day of October, 1993.

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In the matter of Western Resources, Inc.	)	
d/b/a Gas Service, tariff sheets designed	)	
to increase rates for gas service provided	_ )_	Case No. GR-93-240
to customers in the Missouri service area	)	
of the Company	j	

### UNANIMOUS STIPULATION AND AGREEMENT

On February 5, 1993, Western Resources, Inc. d/b/a Gas Service, A Western Resources Company (Gas Service or Company) submitted tariffs to this Commission reflecting increased rates for gas service provided to customers in the Missouri service area of the Company. The proposed tariffs had a requested effective date of March 7, 1993, and were designed to produce an increase of approximately \$20,799,013 in charges for gas service.

By Order dated March 5, 1993, the Commission suspended the Company's proposed tariffs and established a schedule of proceedings to consider the Company's request for a rate increase. On April 13, 1993, the Commission issued an Order granting the applications to intervene which had previously been filed by the City of Kansas City, Missouri, Midwest Gas Users Association and Armco Inc., the United States Department of Energy, the City of St. Joseph, Missouri, Williams Natural Gas Company, Kansas City Power & Light Company, and Mountain Iron & Supply Company. On September 21, 1993, the Commission issued an order dismissing the City of St. Joseph, Missouri, and the City of Kansas City, Missouri as parties to this proceeding.

Pursuant to the Commission's Order, the undersigned parties

met and participated in the prehearing conference scheduled by the Commission in this proceeding. As a result of those meetings, the undersigned parties have reached the following stipulations and agreements which dispose of all of the issues in this case:

- 1. Revenue Requirement The Company shall be authorized to file revised gas tariffs and rate schedules designed to produce an increase in overall Missouri jurisdictional gross annual revenues of \$9.75 million or 3.35 percent, exclusive of any applicable franchise and gross receipts taxes. Tariffs and rate schedules reflecting this increase are set forth in Attachment 1 hereto. The parties agree that revised gas tariffs filed by the Company shall be effective for service rendered on and after October 15, 1993.
- 2. Rate Design/Class Cost of Service The parties agree that the revenue requirement established in this case shall be allocated to the Company's customer classes, rate components and services pursuant to the tariffs and rate schedules set forth in Attachment 1 to this Stipulation and Agreement. Among other changes, the tariffs reflect a combining of the Company's current Large Commercial Service (LCm) and Large Industrial Service (LIm) customer classifications into one Large Volume Service (LVm) customer classification. A schedule showing the revenue shifts and class revenue requirements underlying the rates proposed herein is set forth in Attachment 2 to this Stipulation and Agreement.
- 3. <u>Service Options and Requirements</u> The tagiffs and rate schedules set forth in Attachment 1 reflect the following agreements relating to service options and requirements applicable

to the Company's customers:

EGM/Burnertip Balancing - The parties have agreed to tariff language in this proceeding which requires customers who currently qualify for and take transportation service to install and pay for electronic gas metering (EGM) equipment and associated expenses. The tariff follows the definition of EGM equipment and associated expenses set forth on Schedule 6 of the Direct Testimony of Staff witness Sommerer, with the addition of a provision that permits the Company to charge a monthly maintenance fee equal to the Company's incremental cost for testing and maintaining such equipment.

The installation of EGM equipment shall be performed by the Company in a manner consistent with the Commission's safety rules and shall be completed within three years of the effective date of the EGM tariff. To the extent practical, priority for EGM installations will be determined by the volume of each customer's natural gas usage, with larger volume customers receiving EGM equipment first. The tariff provides customers with the ability to pay for such equipment over time (a maximum of three years) at a rate of interest of 8 percent. The tariff also provides that any data generated by the EGM equipment will be made available to the customer or customer's agent on the same basis and in the same format as is available to the Company.

During the first year of EGM installation, the Company agrees that it will not seek to install EGM equipment for customers with peak monthly usage of 1500 Mcf to 3000 Mcf, unless requested by the customer. conjunction with the discussions referenced in paragraph 3.C of this Stipulation and Agreement, the Company also agrees to examine alternatives to EGM installation for customers with peak monthly usage requirements of 3000 Mcf and below, including the offering of a sales or balancing service where the customer's usage varies from the customer's transportation deliveries to Company. Nothing herein shall be construed as resolving the issue of whether customers whose usage is less than 1500 Mcf during their peak month should be required to install EGM equipment in the event they become eligible for transportation pursuant to paragraph 3.C of this Stipulation and Agreement.

In exchange for the foregoing commitment to install EGM equipment, Williams Natural Gas Company (WNG) agrees to provide burnertip balancing, for a one year period commencing October 1, 1993, to all Missouri customers of the Company who transport on WNG's system. Under burnertip balancing, the actual volumes delivered to each affected transportation customer by Company, as adjusted for lost and unaccounted for gas and thermal content, shall be considered the transportation volumes delivered

by WNG to Company on behalf of each such customer for all purposes. WNG agrees to continue providing burnertip balancing after this initial one year period on behalf of any customer who has installed EGM equipment for at least 90 percent of the customer's annual delivered volumes.

- В. Access to Transportation and Sales Service - The parties have agreed to tariff language (See Attachment 1) under which customers must give the Company 12 months written notice before they may switch from sales transportation service, unless the customer has paid the Company a charge designed to reimburse the Company for any costs which have been incurred to provide sales service to the customer and which cannot be avoided or recouped through other reasonably available means. Under the new tariff language, customers must also give the Company 12 months written notice to switch from transportation to sales service, unless sales gas is otherwise available and the customer has paid the Company the incremental cost of providing such service in the period prior to when sales service would have otherwise become available after full notice. For a period of six months after the effective date of the tariff, the 12 month notice requirement will be waived.
- C. <u>Qualification for Transportation Service</u> The current 1500 Mcf minimum threshold for transportation eligibility shall be retained for at least one year in order to

provide sufficient time to evaluate the impact of pipeline restructuring on the Company operations. During that period, the Company agrees to meet with Mountain Iron & Supply Company, the Staff, Public Counsel, Midwest Gas Users Association and other interested parties to evaluate whether and to what extent the minimum threshold level should be reduced. The parties agree that reductions in the threshold may be appropriate if they can be made without imposing an unreasonable level of administrative costs on the Company and without having a detrimental impact on other customers.

Supply Coordination and Delivery Service - The parties D. agree that the Company's Supply Coordination and Delivery Service shall be made available to transportation customers under a rider to the Large Volume Service Schedule. As reflected in Attachment 1, such service shall not be offered as a backup supply to transportation service or to customers who are currently purchasing all of their natural gas requirements under the Company's existing sales tariffs and rate schedules. The cost of any gas used to supply the service shall be segregated from the PGA and no pipeline capacity otherwise recovered through the PGA will be used in connection with the service unless the Company has maintained records showing that the capacity has been priced at a level equivalent to similar capacity offered on an Electronic Bulletin Board. The Supply Coordination and Delivery Service will be offered on a non-discriminatory basis and will not be detrimental to other customers.

## 4. Modifications to the Purchased Gas Adjustment Clause

- A. Interim PGA Modification As shown in Attachment 1, the parties have agreed that the Company's PGA tariffs should reflect the following modifications: (1) extension of the 10 day notification requirement contained in the current PGA to 20 days; (2) an increase in the PGA filing threshold from \$1 million to \$1.5 million; (3) an expansion of the scope of the ACA Audit review process in accordance with the recommendations submitted by Staff witness Sommerer in his Direct Testimony in this proceeding; and (4) a reduction in the interest rate applicable to PGA refunds from 9 to 6 percent.
- B. Deferral to Future Proceeding All other issues raised by the parties in this proceeding relative to the PGA should be deferred for consideration at a later time. In the event the Commission does not establish a proceeding to consider such issues within six months of the date this Stipulation and Agreement is approved by the Commission, the Company agrees to make a tariff filing, or file a motion with the Commission to establish a docket, for purposes of addressing these issues and those referenced in paragraph 3.C as they affect the Company and its customers. The fact that implementation of a

transition cost recovery provision has been deferred to a subsequent date shall not be cited or relied upon in any subsequent proceeding as a ground for arguing or finding that the Company should not be allowed to recover such costs. The parties also agree that nothing herein shall preclude the Company from seeking recovery of transition costs in a separate filing, provided that such filing shall be served upon the parties to this Stipulation and Agreement. None of the signatories to this Stipulation and Agreement shall be deemed to have approved or acquiesced in any substantive recommendations made by the Company in connection with such filings.

#### 5. Other Issues

- A. Weatherization Program The parties agree that the Company should be permitted to implement an experimental weatherization program upon the terms and conditions set forth in Attachment 1 to this Stipulation and Agreement. Company shall provide the Staff and Office of Public Counsel with a copy of its final plan, including contracts with others, prior to implementing the plan, but not later than December 15, 1993.
- B. <u>Billing Addustment Terms</u> The tariffs set forth in Attachment 1 reflect Staff's proposal for limiting the time period over which billing adjustments may be made.
- C. <u>Tax Adjustment Clause Change</u> The tax adjustment provision proposed by the Company in its initial filing

in this proceeding has been modified consistent with Staff's recommendations.

U.S.O.A. Waiver - The parties agree that in approving D. this Stipulation and Agreement, the Commission shall in a separate section of its Order grant Company a waiver from the requirements of Section 20,399, Account 380 Services, of the Uniform System of Accounts, as it relates to the retirement of inactive service lines. Rather than being required to retire inactive service lines from the Company's books and records within two years of the date such service lines become inactive, the Company shall be permitted, for safety and efficiencyrelated reasons, to maintain such services on its books and records for a period not exceeding three years for service lines to residential customers and five years for service lines to commercial and industrial customers or the date upon which such service lines are permanently disconnected from the Company's system, whichever occurs first.

In addition, the Company agrees to perform a reconciliation, to be completed in the next two years, which will assure that all inactive service lines which fall outside the guidelines mentioned above are removed from the Company's books and records. The Company shall implement procedures which on an ongoing basis, maintain records which will show each inactive service, segregated

by residential, commercial and industrial class customers and the date each service became inactive. Beginning January 1, 1995, the Company will provide an annual, written report to Staff detailing the status of the reconciliation process. Such reports will be submitted until the reconciliation process is completed.

- E. <u>Case No. GR-90-50 Reporting Requirements</u> The parties agree that the Company shall be relieved of its obligation to comply with the periodic reporting requirements set forth in the Stipulation and Agreement approved by the Commission in Case No. GR-90-50, provided that the Company will continue to provide information to Staff relating to its safety programs as requested by staff.
- F. Safety-Related Costs Staff's Pursuant to recommendation, Company will, beginning with effective date of the rates established in proceeding, include in rate base and amortize over a 20 year period in the cost of service those expenses related to its gas safety program which have been deferred pursuant to the Accounting Authority Order authorized in Case No. GO-92-185.
- G. <u>Subsequent Tariff Filings</u> The Company agrees, within thirty days of the approval of this Stipulation and Agreement, to submit tariff sheets revising its General Terms and Conditions governing repairs, repiping and

related safety requirement applicable to Mobile Home Parks.

- 6. This Stipulation and Agreement represents a negotiated settlement for the sole purpose of disposing of the issues addressed herein, and none of the signatories to this Stipulation and Agreement shall be prejudiced or bound in any manner by the terms of the Stipulation and Agreement, and this Stipulation and Agreement shall be inadmissible in and shall not be cited or referred to as precedent in any other proceeding, except as otherwise specified herein.
- 7. None of the signatories to this Stipulation and Agreement shall be deemed to have approved or acquiesced in any ratemaking principle or any method of cost determination or cost allocation underlying or allegedly underlying this Stipulation and Agreement and the rates provided for herein.
- 8. In the event the Commission accepts the specific terms of this Stipulation and Agreement, the signatories waive, with respect to the issues resolved herein, their respective rights to cross-examine witnesses, their respective rights to present oral argument and written briefs pursuant to Section 536.080.1 RSMo 1986; their respective rights to the reading of the transcript by the Commission pursuant to Section 536.080.2 RSMo 1986; and their respective rights to judicial review pursuant to Section 386.510 RSMo 1986.
- 9. This Stipulation and Agreement has resulted from extensive negotiations among the signatories and the terms hereof

are interdependent. In the event the Commission does not approve and adopt this Stipulation and Agreement in total, or in the event the revised tariffs do not become effective in accordance with the provisions contained herein, the Stipulation and Agreement shall be void and no signatory shall be bound by any of the agreements or provisions hereof.

10. The Staff shall have the right to provide to the Commission whatever further explanation the Commission requests. The explanation shall not become a part of the record of this proceeding and shall not bind or prejudice the Staff in any future proceeding or in this proceeding in the event the Commission does not approve the Stipulation and Agreement. The contents of any explanation provided by the Staff are its own and are not acquiesced in or otherwise adopted by the other signatories to the Stipulation and Agreement.

Respectfully submitted,

WESTERN RESOURCES, INC.

J. Michael Peters

Michael C. Pendergast

STAFF OF THE MISSOURI PUBLIC SERVICE COMMISSION

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By Richard W. Startly, its attorney
By attach a Bankey, its attorney