

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Application of Missouri Gas Energy,)
a Division of Southern Union Company, for an) **Case No. GA-2002-377**
Accounting Authority Order Relating to Commission)
Rule 4 CSR 240-13.055(13))

ORDER SETTING A PREHEARING CONFERENCE, AND DIRECTING
FILING OF PROCEDURAL SCHEDULE

On February 8, 2002, Missouri Gas Energy (MGE), a division of Southern Union Company, filed an application for an accounting authority order (AAO) relating to the Commission's emergency rule modifying the cold weather rule for the 2001-2002 winter heating season. After the Commission's Staff, the Office of the Public Counsel, Midwest Gas Users' Association, and the County of Jackson, Missouri, expressed their opposition to the application, MGE filed an amended request for AAO on February 26.

After several rounds of pleadings were filed, Staff filed a recommendation on April 8, in which Staff recommended that MGE's request for an AAO be granted with specified limiting language. MGE filed a pleading on April 9 indicating its agreement with Staff's recommendation. Neither Public Counsel, Midwest Gas Users' Association, nor Jackson County have indicated any opposition to granting MGE's request for AAO, as limited by Staff's recommendation.

The Commission, however, has questions about MGE's need for an AAO, given its late, and partial compliance with the cold weather rule. Furthermore, the Commission

would like to have more information about what expenses MGE would be allowed to defer under the proposed AAO. If the Commission's questions are to be answered, this matter will need to proceed toward hearing. To that end, a prehearing conference will be scheduled, at which the parties may discuss a proposed procedural schedule. In addition, if the parties are able to agree upon a settlement that will address the Commission's concerns, they may choose to present that agreement to the Commission by filing a stipulation and agreement.

IT IS THEREFORE ORDERED:

1. That a prehearing conference shall be held on May 20, 2002, beginning at 10:00 a.m. The prehearing conference shall be held at the Commission's offices at the Governor Office Building, 200 Madison Street, Jefferson City, Missouri. This hearing will be held in a building that meets accessibility standards required by the Americans with Disabilities Act. If you need additional accommodations to participate in this hearing, please call the Public Service Commission's Hotline at 1-800-392-4211 (voice) or 1-800-829-7541 (TDD) prior to the hearing.

2. That the parties shall file a proposed procedural schedule no later than May 28, 2002. The procedural schedule shall include dates for the filing of testimony and for a hearing.

3. That this order shall become effective on May 9, 2002.

BY THE COMMISSION



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(SEAL)

Morris L. Woodruff, Senior Regulatory Law
Judge, by delegation of authority
pursuant to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 29th day of April, 2002.