

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Proposed Emergency)	
Amendment to Commission Rule)	Case No. GX-2006-0181
4 CSR 240-13.055.)	

**RESPONSE OF MISSOURI GAS UTILITIES
TO COMMENTS OF JACQUELINE A. HUTCHINSON**

COMES NOW Missouri Gas Energy, a division of Southern Union Company ("MGE"), Laclede Gas Company, Aquila, Atmos Energy Corporation and Union Electric d/b/a AmerenUE ("AmerenUE") (collectively Missouri Gas Utilities), by and through counsel, and for its response to the comments filed by Jacqueline A. Hutchinson, state as follows:

HISTORY

1. On December 12, 2005, Jacqueline A. Hutchinson filed Comments on the proposed emergency amendments to the Cold Weather Rule in this case.
2. On December 13, 2005, the Missouri Public Service Commission (Commission) issued an order, titled Order Directing Filing. In this order, the Commission set a December 16, 2005 deadline for responses by Missouri natural gas utilities on suggestions two, three and four, set forth in Ms. Hutchinson's letter.

RESPONSE

3. While all parties recognize that the cost of natural gas has increased this year as compared to last and while all parties are concerned about the impact of this increase upon natural gas customers in the State of Missouri, it is the position of the Missouri Gas Utilities that the suggestions Ms. Hutchinson proposes will only exacerbate the problem faced by utility customers. Accordingly, the Missouri Gas Utilities ask that Ms. Hutchinson's suggestions not be adopted by the Commission for several reasons.

4. Initially, these proposed solutions stray beyond merely addressing the crises the Commission found to exist in its order of December 13, 2005. Allowing customers two years to pay off their winter natural gas bills and/or to pay only \$60.00 a month will result in customers paying less for natural gas service this winter than they paid last winter when there was no emergency. The purpose of this case is to address the impact of higher natural gas prices upon utility customers. In addressing this issue, the Commission's response should not be disproportionate to the problem.

5. Additionally, if the Commission adopts these proposals, customers will be left to deal with an even worse problem once the protections of the Cold Weather Rule and its emergency amendments end. These proposed changes will result in extraordinarily high bills on April 1, 2006. And even if these customers use no additional natural gas between April and October of 2006, they will have to deal with their 2006-2007 winter bills in addition to their 2005-2006 winter arrearages. At that point, customer bills will have increased beyond that which customers would have faced under the traditional Cold Weather Rule, solely because of these attempts to assist them.

6. The Missouri Gas Utilities believe the current Cold Weather Rule offers utility customers a better long-term solution in that it gets a customer's arrearage paid off in a timeframe that assists the customer. Instead of paying the arrearage off before next winter, as the current Cold Weather Rule attempts to accomplish, these proposed solutions will compound the problem by compelling customers to deal with bills from two winters. If the Commission adopts these suggestions, its very attempt to help utility customers will end up being harmful. In fact, these suggestions would begin a spiral of ever increasing bills from multiple winters –and these are the very customers who are most unable to recover from such a situation.

7. Finally, in response to Ms. Hutchinson's fourth suggestion, the Missouri Gas Utilities would point out that they have already agreed to waive all reconnection fees for those customers who receive LIHEAP funding. The Missouri Gas Utilities are unclear as to how an order from the Commission on this issue would provide these customers any additional protection.

8. The Missouri Gas Utilities do not doubt that Ms. Hutchinson's suggestions are well intentioned. However, they are, at best, a band aid at the expense of the long term welfare of these customers. In the long term, these proposed modifications will exacerbate the problems customers will face after the 2005-2006 winter ends.

WHEREFORE, the Missouri Gas Utilities respectfully submit their response and ask the Commission to reject Ms. Hutchinson's suggested changes to the Cold Weather Rule.

Respectfully submitted,

/s/ Wendy K. Tatro

Wendy K. Tatro
Licensed: State of Kansas
(Bar No.: 19232)
Ameren Services Company
1901 Chouteau Avenue
P.O. Box 66149 (M/C 1310)
St. Louis, Missouri 63166-6149
(314) 554-3484
(314) 554-4014 (fax)
wtatro@ameren.com
ATTORNEY FOR AMEREN SERVICES
COMPANY

/s/ Robert J. Hack

Robert J. Hack MBE #36496
3420 Broadway
Kansas City, MO 64111
(816) 360-5755 Phone
(816) 360-5536 Fax
rhack@mgemail.com
ATTORNEY FOR MISSOURI GAS ENERGY

/s/ Michael C. Pendergast

Michael C. Pendergast MBE #31763
720 Olive Street
St. Louis, MO 63101
(314)342-0532 Phone
(314)421-1979 Fax
mikependergast@lacledegas.com
ATTORNEY FOR LACLEDE GAS
COMPANY

/s/ Dean L. Cooper

Dean Cooper MBE #36592
Brydon, Swearngen & England, P.C.
312 Capitol Avenue
P.O. Box 456
Jefferson City, MO 65102
(573)635-7166 Phone
(573)635-0427 Fax
dcooper@brydonlaw.com
ATTORNEY FOR AQUILA

/s/ James M. Fischer

James M. Fischer MBE #27543
Fischer & Dority, P.C.
101 Madison St., Ste. 400
(573)636-6758 Phone
(573)636-0383 Fax
jfischerpc@aol.com
ATTORNEY FOR ATMOS ENERGY
CORPORATION

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served on the attached service list, by first class mail, postage prepaid, or by electronic mail, on this 16th day of December, 2005.


Wendy K. Tatro