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February 16, 2001

Mr. Dale Hardy Roberts
Executive Secretary
Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

RE: Case No. GO-98-567

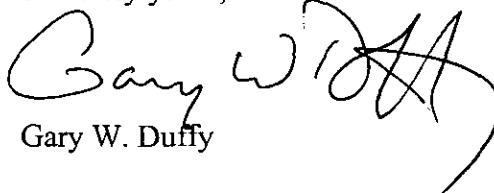
FILED²
FEB 16 2001
Missouri Public
Service Commission

Dear Mr. Roberts:

Enclosed for filing in the above-referenced proceeding please find an original and eight copies of ANG's Response to Order Directing Filing.

If you have any questions, please give me a call.

Sincerely yours,


Gary W. Duffy

Enclosures
cc w/encl:

Office of Public Counsel
Office of General Counsel
Jim Fischer
Jeff Dangeau

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED³

FEB 16 2001

In the matter of the Application of Associated)
Natural Gas Company, a division of Arkansas)
Western Gas Company, for a Three-Year Variance)
from Section (19) of 4 CSR 240-10.030, Regarding)
the Testing of Gas Meters.)

Case No. GO-98-567

Missouri Public
Service Commission

ANG'S RESPONSE TO ORDER DIRECTING FILING

Comes now Associated Natural Gas Company ("ANG"), a division of Arkansas Western Gas Company, by and through its counsel, and in response to the Order Directing Filing issued in this case on February 13, 2001, respectfully states as follows:

1. The February 13, 2001 Order directs that "the Staff of the Missouri Public Service Commission and Associated Natural Gas shall file a report with their recommendations for a continuation or a revision of this variance no later than February 28, 2001." This pleading will serve as ANG's "recommendation" regarding a continuation or revision of the variance.

2. ANG was aware of the November 30, 2000, deadline for the filing of a report which was contained in the "Order Granting Variance" issued in this case on July 21, 1998. That Order said that "the Staff of the Commission and Associated Natural Gas shall file a report, jointly or separately, with their recommendations for continuation or revision of the variance no later than November 30, 2000."

3. As the Commission is aware, ANG sold all of its Missouri gas properties to Atmos Energy Corporation ("Atmos") in 2000. The Commission approved that sale in Case No. GM-2000-312 and in an order effective May 1, 2000, authorized ANG to terminate all of its responsibilities as a public utility in the state of Missouri. The tariffs of ANG were authorized to


come under the Atmos name on June 1, 2000. Therefore, Atmos took control of the former ANG properties, including the gas meters subject to this variance, six months before the November 30, 2000 report was due.

4. Being aware of the November 30, 2000 deadline, ANG provided background material to Atmos on November 10, 2000 to enable Atmos to make a timely response to the Commission. If Atmos was not already aware of the November 30, 2000 deadline as a result of due diligence activities in accordance with the sale, it was made aware of the deadline specifically by ANG in the November 10, 2000, correspondence.

5. ANG therefore believes that Atmos is the party with the real interest in this proceeding. In light of the foregoing, and since ANG no longer has any gas meters in Missouri, ANG has no interest in whether the variance is continued.

6. ANG notes that no representative of Atmos was shown on the service list attached to the February 13, 2001 "Order Directing Filing" and therefore Atmos may be unaware of the Commission's Order. Accordingly, ANG is providing a copy of this response, along with a copy of the order, to Atmos' counsel.

Respectfully submitted,



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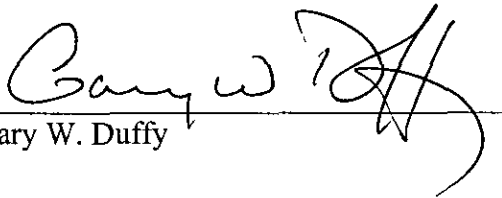
Certificate of Service

The undersigned certifies that a true and correct copy of the foregoing was either mailed, first class postage prepaid, or hand-delivered to the following counsel this 16th day of February, 2001.

Office of the General Counsel
Governor State Office Building
Jefferson City, Missouri

James M. Fischer
Fischer & Dority, P.C.
101 Madison Street, Suite 400
Jefferson City, Missouri 65101

Office of the Public Counsel
Governor State Office Building
Jefferson City, Missouri



Gary W. Duffy

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