

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

In the Matter of Missouri Gas Energy and)	
Its Tariff Filing to Implement a General Rate)	<u>Case No. GR-2009-0355</u>
Increase for Natural Gas Service)	Tariff No. JG-2010-0565

**CONSTELLATION MOTION TO CREATE NEW DOCKET
AND SET PREHEARING CONFERENCE**

COMES NOW Constellation NewEnergy-Gas Division, LLC (hereinafter referred to as "Constellation"), by and through counsel, and requests that the Missouri Public Service Commission ("Commission") establish a new docket for consideration of proposed, revised transportation tariffs filed by Missouri Gas Energy ("MGE") on March 15, 2010 and set a prehearing conference in that docket. In support of this motion, Constellation states the following:

1. On February 10, 2010, the Commission issued its *Report and Order* in Case No. GR-2009-0355, in which the Commission, *inter alia*, approved the *Partial Stipulation and Agreement* which had been filed in the case on November 5, 2009. The *Report and Order* bore an effective date of February 20, 2010.

2. The *Partial Stipulation and Agreement* approved by the Commission includes language concerning the threshold for customers to qualify for natural gas transportation service. Paragraph 17 ("Transportation Threshold") of the *Partial Stipulation and Agreement* provided that, "[n]o later than March 15, 2010, MGE will file a revised transportation tariff lowering the threshold for eligibility to include larger customers within the LGS rate class of MGE with a proposed effective date of September 1, 2010." (*Partial Stipulation and Agreement*, Paragraph 17. b.)

3. In compliance with the terms of the *Partial Stipulation and Agreement*, MGE filed such revised tariff sheets on March 15, 2010. (Tariff Tracking No. JG-2010-0565.) These revised tariffs are the subject of the instant Motion.

4. Paragraph 17.c. of the *Partial Stipulation* approved by the Commission provides as follows:

c. The parties request that the Commission establish a docket, when the above tariff is filed, the purpose of which is to examine and resolve issues attendant to lowering the transportation volume threshold on MGE's system, with the goal of implementing that service no later than November 1, 2010. All parties to Case No. GR-2009-0355 will be permitted to participate in that proceeding without filing applications for intervention. Other parties may intervene and participate in accordance with applicable Commission rules.

5. Pursuant to Paragraph 17.c. of the *Partial Stipulation* approved by the Commission, Constellation hereby reiterates the request of the parties that the Commission establish a docket for the purpose of examining the transportation tariffs filed by MGE on March 15, 2010 and to resolve issues attendant to lowering the transportation volume threshold on MGE's system.

6. Pursuant to Paragraph 17.c. of the *Partial Stipulation* approved by the Commission, Constellation hereby reiterates the request of the parties that the Commission permit all parties to Case No. GR-2009-0355 to participate in the new docket without filing applications for intervention.

7. Constellation notes that the revised transportation tariffs filed by MGE on March 15, 2010 would allow transportation only for customers using

more than 50,000 Ccf per year, and would do so only in the third year of a proposed “phase-down” of MGE’s transportation threshold.

8. Constellation supports lowering the threshold to 30,000 Ccf per year, as supported by its testimony in Case No. GR-2009-0355. While Constellation is open to the possibility of limiting the number of new customers taking transportation service in the first year or two of the lowered threshold, MGE’s proposal would both limit the number of new transportation customers *and* “phase-down” the threshold from 100,000 Ccf in Year One, to 70,000 Ccf in Year Two, lowering the threshold to 50,000 Ccf per year only in Year Three.

9. MGE’s proposed, revised tariff would actually create a more restrictive threshold for transportation service than currently exists, at least in Year One of MGE’s proposed “phase-down” of the threshold. The threshold in Year One would be 100,000 Ccf of natural gas per year. Some customers that currently are transportation customers (because they use at least 15,000 Ccf of natural gas in one month, the current threshold) would not qualify for transportation under that standard because they do not use at least 100,000 Ccf of natural gas in a year.

10. Constellation will need additional information concerning MGE’s proposal for assigning pipeline capacity and for the recallability of capacity, and other details of the proposed tariffs.

11. In addition, MGE’s proposed tariffs require telemetry equipment (Electronic Gas Measurement equipment, or EGM) for *all* transportation

customers. Constellation's testimony in GR-2009-0355 supports *not* requiring telemetry for smaller transportation customers.

12. Further, the *Partial Stipulation and Agreement*, in Paragraph 17.d., states:

d. The revised transportation tariff to be filed by MGE will, among other things, reflect the cost of telemetry equipment to transportation customers, which shall be no more than the actual, new cost of installed telemetry equipment.

13. MGE's tariff filing of March 15, 2010 does not change the cost of telemetry equipment to new transportation customers to reflect the actual, new cost of installed telemetry equipment.

14. Constellation believes a prehearing conference should be set in the new docket to allow the parties the opportunity to discuss MGE's proposed, revised tariffs, and to discuss whether a schedule of proceedings is required to address issues concerning those tariffs. Constellation requests that the Commission set such a prehearing conference in the new docket at the earliest opportunity.

15. Constellation asks the Commission to incorporate by reference into the new docket the prefiled testimony of the parties concerning the transportation threshold issue, including telemetry costs.

WHEREFORE, Constellation NewEnergy-Gas Division, LLC respectfully requests that the Missouri Public Service Commission establish a new docket concerning MGE's transportation tariff filing of March 15, 2010, set a prehearing conference in that docket at the earliest opportunity, and incorporate by reference into the new docket the prefiled testimony of the parties concerning the transportation threshold issue, including telemetry costs, that was filed in Case No. GR-2009-0355.

Respectfully submitted,

/s/ William D. Steinmeier

William D. Steinmeier, MoBar #25689
WILLIAM D. STEINMEIER, P.C.
2031 Tower Drive
P.O. Box 104595
Jefferson City, MO 65110-4595
Phone: 573-659-8672
Fax: 573-636-2305
Email: wds@wdspc.com

COUNSEL FOR CONSTELLATION
NEWENERGY-GAS DIVISION, LLC

CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been served electronically on the Office of Public Counsel at opcservice@ded.mo.gov, on the General Counsel's office at gencounsel@psc.mo.gov, and on all counsel of record on this 22nd day of March 2010.

/s/ William D. Steinmeier

William D. Steinmeier