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STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 29th
day of January, 1998.

In the Matter of the Application of)
Ozark Natural Gas Co., Inc. for a)
Certificate of Public Convenience and)
Necessity to Construct, Own, and Operate) Case No. GA-98-227
an Intrastate Natural Gas Pipeline and)
Gas Utility to Serve Portions of Stone,)
Taney and Christian Counties, and for the)
Establishment of Utility Rates.)

ORDER REGARDING INTERVENTIONS AND
MOTION TO APPEAR PRO HAC VICE AND
ORDER SCHEDULING PREHEARING CONFERENCE

On December 3, 1997, Ozark Natural Gas Company, Inc. (Ozark) filed an application with the Commission requesting a certificate of public convenience and necessity for authorization to construct, own and operate an intrastate natural gas transmission pipeline system in Stone and Taney Counties and in a limited portion of Christian County. The Commission issued an Order and Notice on December 11 which set an intervention date of January 12, 1998.

Timely applications to intervene were filed by Williams Natural Gas Company (Williams), Missouri Gas Energy, a division of Southern Union Company (MGE), The Empire District Electric Company (Empire), City Utilities of Springfield (CU), Conoco Inc. (Conoco), and the City of Hollister (Hollister). A timely joint application to intervene was filed by All Star Gas Corp., Anderson Propane, Inc., Town & Country Propane, Inc., MFA Oil Company, National Propane, L.P. d/b/a Morris Propane, Cornerstone Propane, L.P., and Cornerstone Propane, L.P. d/b/a Lake Country Propane, collectively referred to as "Propane Intervenors."

Williams states that it is a major transportation provider and energy marketer which has significant service contracts that may be affected by this proceeding. According to Williams, Ozark has committed to firm transportation on Williams' Southwest Missouri expansion to service its proposed pipeline. Williams claims that its interest in this proceeding is different from that of the general public and that its interest cannot be adequately represented by any other party to this proceeding.

MGE, Empire and CU state in their joint application to intervene that each of the three entities has an interest in this proceeding which is different from that of the general public. MGE states it provides natural gas at retail in the Counties of Andrew, Barry, Barton, Bates, Buchanan, Carroll, Cass, Cedar, Christian, Clay, Clinton, Cooper, Dade, Dekalb, Greene, Henry, Howard, Jackson, Jasper, Johnson, Lafayette, Lawrence, McDonald, Moniteau, Newton, Pettis, Platte, Ray, Saline, Stone and Vernon. MGE asserts its interest in this proceeding is to protect the existing rights it has to provide service in areas which have already been certificated to it by the Commission. MGE states it opposes any attempt by Ozark to provide service in any areas where MGE is already authorized to provide service. MGE uses Williams as a transporter and serves approximately 71,000 customers in the area around Joplin, Missouri. Therefore, MGE seeks assurance that the additional demands placed on the Williams system by Ozark will not adversely affect the quality of service that MGE provides to its customers. Finally, MGE seeks to intervene to determine that Ozark will take proper measures to protect MGE's existing underground facilities at such places where Ozark's facilities may parallel or cross MGE's facilities.

CU alleges it is the name under which the City of Springfield, a political subdivision of the State of Missouri and constitutional charter city, operates its municipally-owned utilities, including a natural gas distribution system in Greene County, Missouri. Because CU also uses Williams as a transporter, CU seeks assurance that the service proposed by Ozark will not have an adverse effect on the service CU provides to its customers.

Empire alleges it is engaged generally in the business of generating, purchasing, transmitting, distributing and selling electric power and energy in portions of Kansas, Missouri, Arkansas and Oklahoma and provides retail electric service in the Missouri Counties of Barton, Jasper, Newton, McDonald, St. Clair, Cedar, Dade, Lawrence, Barry, Hickory, Polk, Greene, Christian, Stone, Dallas and Taney. Empire uses Williams as a transporter of natural gas for electric generation facilities owned by Empire. Empire seeks assurance that the additional demands placed on the Williams system by Applicant will not adversely affect the quality of service it provides to its customers. Additionally, Empire serves electricity at retail in the City of Branson and seeks assurance that Ozark will take proper measures to protect existing underground and overhead facilities of Empire.

Conoco states it has a direct and substantial interest in protecting its legal rights and economic interests in this proceeding which cannot be adequately represented by any other party. Conoco is an independent producer and seller of natural gas and sells natural gas in Missouri to purchasers on the Williams system. In addition, Conoco sells propane in Missouri and thus argues that it is a potential natural gas and propane competitor with Ozark's proposed service. Conoco cites two similar cases in which it has been granted leave to intervene because, *inter alia*,

it possesses expertise and knowledge not generally available to the Staff of the Commission (Staff) which may shed light on the issues and may therefore serve the public interest.

Conoco also moves for admission *pro hac vice* of visiting attorney Mr. Bruce A. Connell pursuant to Commission rule 4 CSR 2.040(6)(C) and designates Mr. John D. Landwehr as local counsel.

Hollister states it has an interest in this proceeding different from the general public because of its location in the proposed service territory of Ozark and because Ozark has asserted in its application that it holds a franchise to serve Hollister. Hollister states that it opposes the certificate of convenience and necessity requested by Ozark in this case.

Propane Intervenors state they are sole proprietorships, corporations, cooperatives or other business entities which distribute or sell propane fuel in and around the geographical area described in Ozark's application. Propane intervenors argue they have a direct and substantial interest in this proceeding which cannot be adequately represented by any other party and that they are affected by the proposed grant of authority in a manner different from the general public.

Propane Intervenors request that they be granted intervention in opposition to the application to protect their legal rights and economic interests. In addition, Propane Intervenors contend that propane dealers have been granted leave to intervene in similar cases (Tartan Energy Company, L.C., Case No. GA-94-127 and Ozark Natural Gas Company, Inc., Case No. GA-96-264) because, *inter alia*, they and other intervenors "may possess expertise and knowledge not generally available to the Staff . . . which may shed light on the issue in this proceeding, and . . . may therefore serve the public interest."

The Commission has reviewed the applications to intervene filed by Williams, MGE, Empire, CU, Conoco, Hollister, and Propane Intervenors and finds that they are in compliance with Commission rule 4 CSR 240-2.075(4) and that these applicants have an interest in this matter which is different from that of the general public. The Commission concludes that the requests for intervention filed by Williams, MGE, Empire, CU, Conoco, Hollister and Propane Intervenors should be granted. The Commission determines that the motion to appear *pro hac vice* filed by Mr. Bruce A. Connell on behalf of Conoco should be granted.

The Commission also finds that it is appropriate to schedule a prehearing conference, so the parties can identify the issues in dispute and develop a proposed procedural schedule. The parties should be prepared to discuss the facts and stipulate to those facts which are not in dispute. The parties shall then file a recommended procedural schedule or stipulation and agreement no later than March 9.

IT IS THEREFORE ORDERED:

1. That the applications to intervene filed by Williams Natural Gas Company; Missouri Gas Energy, a division of Southern Union Company; Empire District Electric Company; City Utilities of Springfield, Missouri; Conoco, Inc.; the City of Hollister; All Star Gas Corp.; Anderson Propane, Inc.; Town & Country Propane, Inc.; MFA Oil Company; National Propane, L.P. d/b/a Morris Propane; Cornerstone Propane, L.P.; and Cornerstone Propane, L.P. d/b/a Lake Country Propane are granted.

2. That the motion to appear *pro hac vice* filed by Mr. Bruce A. Connell on behalf of Conoco, Inc., on January 12, 1998, is granted.

3. That a prehearing conference is now set in this matter for February 24, 1998, at 9:00 a.m. in the Commission's offices on the fifth

floor of the Harry S Truman State Office Building, 301 West High Street, Room 530, Jefferson City, Missouri. Any person with special needs as addressed by the Americans with Disabilities Act should contact the Missouri Public Service Commission at least ten (10) days prior to the hearing at one of the following numbers: Consumer Services Hotline -- 1-800-392-4211, or TDD Hotline -- 1-800-829-7541.

4. That the parties shall file a proposed procedural schedule no later than March 9, 1998.

5. That this order shall become effective on February 10, 1998.

BY THE COMMISSION



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Lumpe, Ch., Crumpton, Murray,
and Drainer, CC., concur.

G. George, Regulatory Law Judge

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JAN 29 1998

**COMMISSION COUNSEL
PUBLIC SERVICE COMMISSION**