

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

St. Louis Natural Gas Pipeline, L.L.C.)	
Complainant,)	
)	
vs.)	Case No. GC-2011-0294
)	
Laclede Gas Company)	
Respondent.)	

**SOUTHERN STAR CENTRAL GAS PIPELINE, INC.'S INFORMATIONAL FILING TO
CLARIFY THE RECORD**

Comes now, Southern Star Central Gas Pipeline, Inc., (hereinafter “Southern Star”), by and through its counsel, pursuant to §§ 386.390, 386.410 Revised Statutes of Missouri and 4 CSR 240.2.070, submits this Filing to Correct the Record and states as follows:

**I.
Introduction**

On March 22, 2011, St. Louis Natural Gas Pipeline, L.L.C., (“SLNGP”), submitted a “Complaint, Request for Investigation and Motion for Expedited Treatment,” (“Complaint”), pursuant to Sections 386.390, KS Mo. 2000 and 4 CSR240-2.070, charging Laclede Gas Company, (“Laclede”) with unlawfully refusing to sign an interconnect agreement related to a proposed pipeline project being developed by SLNGP, which would transport gas in interstate commerce under the jurisdiction of the Federal Energy Regulatory Commission, (“FERC”), from an interconnect with Natural Gas Pipeline Company of America, L.L.C. (“NGPL”), another interstate pipeline regulated by the FERC, to a proposed interconnection with Laclede in St. Louis, Missouri. Among other accusations, SLNGP submits in its complaint that Laclede’s refusal to sign an interconnect agreement “unlawfully discriminates” against SLNGP, “confers an unfair advantage” to Laclede and its other current suppliers of gas, and “violates state and federal antitrust and unfair competitive laws.”

On April 21, 2011, Laclede filed a “Motion to Dismiss, Answer to Complaint, and Response to Request for Investigation.” Various pleadings were exchanged between the parties to the case, including SLNGP’s “Response In Opposition to Laclede Gas Company’s Motion to Dismiss,” (“SLNGP’s Response”), filed on May 12, 2011. On May 26, 2011, the Missouri Public Service Commission, (“MoPSC”), issued an “Order Denying Laclede’s Motion to Dismiss and Directing Staff to Investigate.” Such order directed the MoPSC Staff to report its findings to the MoPSC “no later than July 1, 2011.”

II. Southern Star’s Interest In This Case

Southern Star is the successor in interest to an interstate pipeline system, originally owned and operated by Cities Service Gas Company and currently owned by a partnership between General Electric Energy Financial Services Company and Morgan Stanley Infrastructure, Inc. Southern Star has been in operation as a transporter and supplier of gas for over 100 years, serving the Midwestern United States, including the State of Missouri. Southern Star’s gas pipeline system has a mainline capacity of approximately 2.4 billion cubic feet (Bcf) of natural gas per day. Of that capacity, 1.2 Bcf of peak day deliveries are contracted for in Missouri and 129 Bcf was ultimately delivered to consumers in Missouri in 2010. Southern Star’s major customers in Missouri consist of Missouri Gas Energy (MGE), Laclede, City Utilities of Springfield, MO., Empire District Gas, Empire District Electric, Kansas City Power and Light, Dogwood Energy L.L.C., and Westar Energy. Southern Star operates a total of 870 miles of pipeline in Missouri with a total facility plant investment of \$187 Million. Southern Star has 30 employees in Missouri, and pays annual property taxes of \$1.4 Million in the State.

Southern Star’s interest in this case is to correct the record related to various misstatements or mischaracterizations made by SLNGP in regard to Southern Star’s services to

Laclede and presence in Missouri; and to hopefully assist the MoPSC Staff in the investigation ordered on May 26, 2011 into the Complaint filed against Laclede by SLNGP. It is not Southern Star's interest, nor would it be appropriate to address any legal or regulatory arguments that are involved in this case, thus the instant filing is meant to be only for informational purposes.

III. Misstatements and/or Mischaracterizations by SLNGP

Paragraphs 18 and 19 of SLNGP's "General Allegations" in its Complaint state that:

The transportation of Laclede's current supply of natural gas is provided almost exclusively by Mississippi River Transmission Corporation (MRT) and a non-regulated affiliate of Laclede, Laclede Energy Resources, Inc. (LER).

The Complaint also states that SLNGP's proposed pipeline offers numerous "advantages" to Laclede's customers including the fact that:

The source of SLNGP's natural gas is located in a different region of the United States than Laclede's current source(s)...

These statements as well as similar statements in SLNGP's Response appear to ignore the fact that Southern Star, a major interstate pipeline company, has been serving Laclede since October of 1998, when Southern Star placed into service an approximate 204-mile pipeline known as "Little Mo" to deliver 28,000 Dth/d of natural gas to Laclede through a direct interconnect on the west side of St. Louis. This direct interconnect now delivers up to 30,000 Dth/d of gas to Laclede and offers Laclede access to several supply basins not accessed directly by any other interstate supplier of Laclede, including Rockies' gas transported on Southern Star's Rawlins-Hesston pipeline and Kansas' Hugoton supplies both involving no additional rate stack.

IV.
Southern Star's Capability to
Provide Additional Deliveries to Laclede

Southern Star has also been actively pursuing additional ways to provide Laclede with access to additional supplies either through an increase in capacity directly connected to Southern Star, or via alternative routes through interconnects with other pipelines. Southern Star has a proven track record of expanding its service to Missouri customers such as: its "Southwest Missouri Expansion," placed into service in 2004 to provide an additional 63,800 Dth/d to The Empire District Electric Company; its "Ozark Trails Expansion," placed into service in 2006, which provides an additional 19,562 Dth/d to MGE and 5,000 Dth/d to Southern Missouri Gas; its "Sedalia Pipeline Expansion," placed into service in 2009 to provide additional contract demand to Dogwood Energy L.L.C. and Missouri Gas Utility, Inc., of 35,000 Dth/d and 2,400 Dth/d, respectively; and its "Ozark Advance Expansion," placed into service in January of 2011, providing 5,000 Dth/d of additional transportation service to Southern Missouri Gas Company.

Southern Star has also developed and proposed to the market larger pipeline projects, such as its Highland Trails Pipeline Project for which it held an open season in 2007, for a 346 mile 36" pipeline that would have provided access to the Fayetteville Shale gas supplies as well as interconnections with other supply sources for markets in Missouri.

V.
Conclusion

As stated Southern Star is filing this Informational Filing to Correct the Record for informational purposes only. As parties have previously stated in this docket, the decision as to whether it is in the "public convenience and necessity" for any interstate pipeline to be built to provide access to alternative gas supplies for Laclede or any other shipper is ultimately up to the FERC, who has exclusive jurisdiction over the permitting of such facilities. Southern Star

remains committed to explore and develop any and all economical projects to bring a greater diversity of and less costly gas supplies to all of its customers in Missouri, including Laclede.

Respectfully submitted,

LATHROP & GAGE, LLP.

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Certificate of Service

The undersigned hereby certifies that he/she/they served a copy of the foregoing Filing to Correct the Record to the following via U.S. Mail, postage prepaid and via email transmission before the hour of 5:00 pm, on June 6, 2011:

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