Exhibit No.:	
Issue:	*Tariff File No. 9700571*
Witness:	*Michael W. Straub*
Sponsoring Party:	*MoPSC Staff*
Type of Exhibit:	*Surrebuttal Testimony*
Case No.:	*GA-2007-0289*
Date Testimony Prepared:	*October 2, 2007*

MISSOURI PUBLIC SERVICE COMMISSION

UTILITY SERVICES DIVISION

SURREBUTTAL TESTIMONY

OF

MICHAEL W. STRAUB

MISSOURI GAS ENERGY,
a division of SOUTHERN UNION COMPANY

CASE NO. GA-2007-0289

Jefferson City, Missouri
October, 2007

TABLE OF CONTENTS OF

SURREBUTTAL TESTIMONY OF

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MISSOURI GAS ENERGY,
a division of SOUTHERN UNION COMPANY

CASE NO. GA-2007-0289

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Q. Please state your name and business address.

A. Michael W. Straub, 200 Madison Street, Jefferson City, Missouri 65102.

Q. Are you the same Michael W. Straub that submitted Rebuttal Testimony in this case?

A. Yes, I am.

EXECUTIVE SUMMARY

Q. What is the purpose of your surrebuttal testimony in this case?

A. My testimony will be addressing a portion of Michael R. Noack's rebuttal testimony in this case regarding the Missouri Public Service Commission Staff (Staff) Recommendation relating to File No. 9700571, approved by the Commission on May 14, 1997. The file as circulated to the Commission is attached as Schedule 2 to my rebuttal testimony filed in this case.

MGE TARIFF FILING, FILE NO. 9700571

Q. On page 3, beginning on line 16, of Mr. Noack's Rebuttal Testimony, he discusses tariff sheets approved by the Commission in File No. 9700571, which implemented the service area description in the Missouri Gas Energy (MGE) tariff. Do you agree with Mr. Noack's discussion of this "Commission-approved tariff sheet"?

A. No, I do not agree. To my knowledge, no one disputes the fact that the tariff sheets filed in File No. 9700571 were approved by the Commission. Also to my knowledge, no one disputes that the purpose of File No. 9700571 was to clarify the geographic boundaries of the MGE service area as the Commission directed. MGE states this purpose in the first sentence of the second paragraph of its cover letter, dated February 20, 1997, (attached as Schedule 2-6 to my Rebuttal Testimony), and also stated by Staff in the Utility Operations Division Routing Slip (Slip) in two locations, the first being the Purpose Line of the Slip and the second being the hand written sentence on the second page. In my opinion the dispute regarding File No. 9700571 is how to treat any sections mistakenly listed on the tariff sheets approved by this filing, and if mistakenly listed, whether or not this would automatically grant MGE a CCN to serve customers located within the mistakenly listed sections.

Q. In your opinion, would mistakenly listed sections automatically grant MGE a CCN to serve customers located within those sections?

A. No, in addition to the reasons stated in my Rebuttal Testimony, Commission Rule 4 CSR 240-3.205 Filing Requirements for Gas Utility Applications for Certificates of Convenience and Necessity requires that several items must be completed before a CCN can be granted. The mistaken inclusion of sections on a tariff sheet and the Commission's subsequent approval of that tariff sheet, does not fulfill the requirements of 4 CSR 240-3.205 or 4 CSR 240-2.060(1).

Q. Even though MGE does not have a CCN to serve customers in mistakenly listed section, wouldn't the fact that the sections are listed in the Index of Certificated Areas of the tariff give MGE the authority to serve customers located within those sections?

A. To answer that question one must examine the purpose of the tariff. The purpose of the tariff is to convey and define the direction of the Commission. This direction comes in the form of Commission Rules, Orders, or approval of tariff sheets. Therefore, everything contained in a tariff is the result of some type of Commission action. A contradiction between the tariff and either a Commission Order or a Commission Rule can only be allowed by the Commission granting a variance or waiver for good cause. Therefore, if the Company wanted to serve customers located in an area for which they do not have a CCN, then the Company would need the Commission to grant a variance or waiver for good cause to not seek a CCN to serve these customers. To my knowledge, MGE did not file an application for such a variance or waiver, nor did the Commission grant such a request.

That brings us back to the fact that any sections listed in the Index of Certificated Areas approved in File No. 9700571, for which MGE does not have a CCN to serve, were included by MGE in error, overlooked by Staff in its review and were approved in error by the Commission. Approval of this tariff should not be defined as granting MGE authority to serve customer for which they have no CCN. Therefore, in my opinion, it would not be at "the direction of the Commission" or fit the purpose of the tariff if MGE's position is a finding that approval of such a tariff sheet would also automatically grant a CCN to serve customers.

Q. Does this conclude your surrebuttal testimony?

A. Yes, it does.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the matter of the application of Missouri Gas Energy, a division of Southern Union Company, for a certificate of public convenience and necessity authorizing it to construct, install, own, operate, control, manage and maintain a natural gas distribution system to provide gas service in Platte County, Missouri, as an expansion of its existing certified area.	)))))))	Case No. GA-2007-0289

AFFIDAVIT OF MICHAEL W. STRAUB

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

Michael W. Straub, of lawful age, on his oath states: that he has participated in the preparation of the foregoing Surrebuttal Testimony in question and answer form, consisting of 3 pages to be presented in the above case; that the answers in the foregoing Surrebuttal Testimony were given by him; that he has knowledge of the matters set forth in such answers; and that such matters are true and correct to the best of his knowledge and belief.

Michael W. Straub

Subscribed and sworn to before me this 1st day of October 2007.

D. SUZIE MANKIN
Notary Public - Notary Seal
State of Missouri
County of Cole
My Commission Exp. 07/01/2008

Notary Public