

1 STATE OF MISSOURI
2 PUBLIC SERVICE COMMISSION
3
4
5
6 TRANSCRIPT OF PROCEEDINGS
7 Prehearing Conference
8 January 16, 2001
9 Jefferson City, Missouri
10 Volume 1
11
12 In the Matter of Missouri Public)
13 Service's Purchased Gas Adjustment) Case No. GR-99-435
14 Factors to be Audited in its)
15 1998-1999 Actual Cost Adjustment.)
16
17
18 MORRIS L. WOODRUFF, Presiding,
19 SENIOR REGULATORY LAW JUDGE.
20
21
22
23 REPORTED BY:
24 KELLENE K. FEDDERSEN, CSR, RPR
25 ASSOCIATED COURT REPORTERS, INC.

ASSOCIATED COURT REPORTERS, INC.
Jefferson City - Columbia - Rolla
(888) 636-7551

1 APPEARANCES:

2 DEAN L. COOPER, Attorney at Law
3 Brydon, Swearngen & England, P.C.
312 East Capitol
P.O. Box 456
4 Jefferson City, Missouri 65102-0456
(573) 635-7166

5
6 FOR: UtiliCorp United, Inc.,
d/b/a Missouri Public Service.

7 DOUGLAS E. MICHEEL, Senior Public Counsel
P.O. Box 7800
8 Jefferson City, Missouri 65102-780
(573) 751-4857

9
10 FOR: Office of the Public Counsel
and the Public.

11 DENNY L. FREY, Assistant General Counsel
P.O. Box 360
12 Jefferson City, Missouri 65102
(573) 751-3234

13
14 FOR: Staff of the Missouri Public
Service Commission.

15

16

17

18

19

20

21

22

23

24

25

ASSOCIATED COURT REPORTERS, INC.
Jefferson City - Columbia - Rolla
(888) 636-7551

1 P R O C E E D I N G S

2 JUDGE WOODRUFF: Let's go on the record.

3 This is the prehearing conference in the
4 matter of Missouri Public Service's Purchased Gas Adjustment
5 Factors to be Audited in it's 1998-1999 Actual Cost
6 Adjustment, Case No. GR-99-435.

7 And let's begin by taking entries of
8 appearance, and beginning with UtiliCorp.

9 MR. COOPER: Dean L. Cooper from the law firm
10 of Brydon, Swearingen & England, P.O. Box 456, Jefferson
11 City, Missouri 65102, appearing on behalf of UtiliCorp
12 United, Inc., doing business as Missouri Public Service.

13 JUDGE WOODRUFF: And for Staff?

14 MR. FREY: Representing the Staff of the
15 Missouri Public Service Commission, Dennis L. Frey, P.O.
16 Box 360, Jefferson City, Missouri 65102.

17 JUDGE WOODRUFF: And for Public Counsel?

18 MR. MICHEEL: Douglas E. Micheel appearing on
19 behalf of the Office of the Public Counsel and the Public,
20 P.O. Box 7800, Jeff City, Mo. 65102-7800.

21 JUDGE WOODRUFF: Thank you. And Mr. Frey, I
22 believe you had some matters you wanted to bring up?

23 MR. FREY: Yes, sir. Thank you, your Honor.
24 The parties -- speaking on behalf of the parties, I believe
25 that our main concern at this point is to ensure that this

ASSOCIATED COURT REPORTERS, INC.
Jefferson City - Columbia - Rolla
(888) 636-7551

1 docket is held open, this case is held open until the
2 resolution of the related case GO-2001-249, and that it
3 would be premature at this point to develop a procedural
4 schedule given that we don't know when that case will be
5 resolved.

6 JUDGE WOODRUFF: Can you explain for me what
7 that other case is? I think it's mentioned in here, but
8 refresh my memory.

9 MR. FREY: I don't know the details of that
10 case, but as I understand it there are some allegations
11 of -- okay. Would it be all right if Phil Lock spoke to
12 that at this point? He's our representative from the Staff.

13 JUDGE WOODRUFF: Okay.

14 MR. LOCK: I'm Phil Lock. I can just briefly
15 give you the investigation docket deals with an alleged
16 allegation by the employees of UtiliCorp of some fraud going
17 on, profit taking going on in the company, and that we're --
18 currently right now we're going through the discovery phase
19 of that investigation to determine whether or not those
20 allegations were true or not, and they -- right now it's
21 basically an open docket.

22 There hasn't been any dates set up for that
23 investigation docket as far as a hearing or anything else
24 until Staff has the opportunity to make -- to look at the
25 discovery and make a determination whether or not those

1 allegations are true or false.

2 So until we get some specific dates on that
3 investigation docket, we're not -- I'd feel like it's not
4 appropriate at this point to set up any kind of procedural
5 schedule in this case.

6 JUDGE WOODRUFF: Now. Staff had indicated in
7 its recommendations that there was partial agreement on some
8 of the issues. Is that correct?

9 MR. COOPER: I believe that's correct, your
10 Honor. As to the issues that have been raised thus far in
11 this proceeding, I think there has been agreement on several
12 issues.

13 I think there only remains one issue, which is
14 not necessarily an issue that will be resolved by any sort
15 of dollar adjustment but instead has to do with some
16 procedures that the company will follow. That's the only
17 issue that's currently in the docket that remains
18 outstanding.

19 I would like to say a couple things. First,
20 in regard to what Mr. Frey said earlier, I don't -- he said
21 he was speaking on behalf of the parties. I don't know that
22 I join in his request that this docket be kept open
23 indefinitely.

24 I will say that as far as his request goes
25 towards asking the Commission for its guidance as to whether

1 we should indeed move forward with the procedural schedule
2 or not, I do join in that portion of his request.

3 JUDGE WOODRUFF: Do you agree that the only
4 issue remaining is the one that's going to be dealt with in
5 this other case? Is everything else resolved?

6 MR. COOPER: No. I think that if we set aside
7 the case that Mr. Lock was describing, I think there is a
8 small issue still remaining in this docket that can be
9 resolved in this docket exclusive of the case that Mr. Lock
10 has described.

11 JUDGE WOODRUFF: What issue would that be?

12 MR. COOPER: Well, I'll have to go back
13 through and trace the recommendations. Do you remember,
14 Phil?

15 MR. LOCK: It dealt with pricing of
16 imbalances, its accounting methodology of pricing
17 imbalances, and so we're -- the Company and Staff are
18 currently trying to resolve that issue.

19 JUDGE WOODRUFF: So there are still
20 negotiations going on with that?

21 MR. LOCK: There are. And currently, I might
22 add, too, that there's a current ACA case, too, which I
23 suspect we're going to a similar issue in that respect.
24 We'll be addressing it then. So there will be another
25 opportunity to address that issue in the current ACA case

1 that's going on with MoPub.

2 JUDGE WOODRUFF: Okay. Well, I don't think
3 I'm going to be able to resolve it from the Bench here
4 today. Mr. Frey, if you want to go ahead and file a motion
5 explaining your position on it, and, of course, UtiliCorp
6 will have an opportunity to reply to that, and I'll present
7 it to the Commission as to how they want to proceed with it.

8 If it's possible to explain what the issues
9 are, I think you already have, and explain what issues have
10 been agreed upon, and if there's no need for a procedural
11 schedule at this time, that's fine.

12 Is there any reason that we need to do this
13 partially? Is there any urgency to resolving the issues
14 that have been agreed upon? And you can explain that in
15 your motion if you like or explain it to me today if you
16 want.

17 MR. COOPER: I'll wait and see Mr. Frey's
18 motion, I guess.

19 MR. FREY: Me, too.

20 JUDGE WOODRUFF: Okay. Well, the deadline
21 that was ordered in the earlier order was January 23rd for
22 preparing a procedural schedule. If you give me a motion
23 before then, I'd appreciate it, Mr. Frey.

24 MR. FREY: Thank you, your Honor.

25 JUDGE WOODRUFF: Any other matters anyone

ASSOCIATED COURT REPORTERS, INC.
Jefferson City - Columbia - Rolla
(888) 636-7551

1 wants to bring up while we're on the record?

2 MR. COOPER: Just one thing while we're still
3 on the record, your Honor, and that is I'll state for the
4 purposes of the record that UtiliCorp does not necessarily
5 agree with Mr. Lock's characterization of the allegations
6 that have been made in the other docket that he described,
7 but we do acknowledge there is another docket.

8 JUDGE WOODRUFF: Okay. Very good. Anything
9 else?

10 All right. Here none, this prehearing will
11 be -- at least we'll go off the record. If you want to have
12 any further discussions, you may.

13 We're off the record.

14 WHEREUPON, the recorded portion of the
15 prehearing conference was concluded.

16

17

18

19

20

21

22

23

24

25