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STATE OF MISSOURI

PUBLIC SERVICE COMMISSION

TRANSCRIPT OF PROCEEDINGS

Prehearing Conference

May 24, 1999
Jefferson City, Missouri
Volume 1

In the Matter of St. Joseph)
Light & Power Company's Revised)
Industrial Steam Rate Schedules)
Designed to Increase Rates for) Case No.
Steam Service in the Company's) HR-99-245
Missouri Service in the Company's)
Missouri Service Territory.)

In the Matter of Revised Natural)
Gas Rate Schedules Designed to)
Increase St. Joseph Light & Power)
Company's Annual Natural Gas) Case No.
Revenues by Approximately \$499,104) GR-99-246
Exclusive of Applicable Fees and)
Taxes.)

In the Matter of St. Joseph)
Light & Power Company's Revised)
Electric Rate Schedules Designed) Case No.
To Increase Rates for Electrical) ER-99-247
Service in the Company's Missouri)
Service Territory.)

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The Staff of the Missouri Public)
Service Commission,)
Complainant,)
vs.) Case No.
St. Joseph Light & Power Company,) EC-98-573
Respondent.)

VICKY RUTH, Presiding,
REGULATORY LAW JUDGE.
MORRIS L. WOODRUFF, Presiding,
REGULATORY LAW JUDGE.
BILL HOPKINS, Presiding,
SENIOR REGULATOR LAW JUDGE.

REPORTED BY:
MELINDA ADOLPHSON CSR
ASSOCIATED COURT REPORTERS, INC.

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

2 JUDGE WOODRUFF: This is a variety of
3 cases all dealing with the St. Joseph Light and
4 Power Company's rate case. Case No. ER-99-247 and
5 Case No. EC-98-573 are consolidated. We also have
6 Case No. GR-99-246 and HR-99-245.

7 I want to welcome you-all here on the
8 record. And to start things off, we have a
9 preliminary matter that Judge Ruth is going to
10 handle involving the gas case.

11 JUDGE RUTH: Thank you. On Friday, May 21
12 -- let's see -- Ag Processing, Friskies Pet Care
13 and Wire Rope Corporation filed an application to
14 participate without intervention. Obviously the
15 10-day time period for responses to be filed has
16 not elapsed. I wanted to see if any of the parties
17 anticipate filing a response, or if there's any
18 objections to my granting that on the record.

19 I'll ask Staff first. Do you plan to file
20 a response, or do you have an objection?

21 MR. HAAS: The Staff has no objection.

22 JUDGE RUTH: And St. Joseph?

23 MR. SWEARENGEN: Jim Swearengen, your
24 Honor. We have not seen that pleading yet. I want
25 to have an opportunity to review it first, and we

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1 will indicate at that time whether or not we'll get
2 a response.

3 JUDGE RUTH: Okay. I didn't realize some
4 of the parties had not seen it yet, so we'll hold
5 off right now. And I'll state that for the
6 prehearing conference, I will allow the three
7 applicants to go ahead and participate without
8 intervention. They will be subject to the same
9 requirements of confidentiality as they are in the
10 other sections. That will be for the prehearing
11 only. And if that raises any problems during the
12 midst of the conference, you're welcome to come and
13 get me, and we can address it at that time. And
14 then I'll rule on it formally after the 10-day
15 period and see if I get any responses.

16 MR. SWEARENGEN: Thank you.

17 JUDGE WOODRUFF: Anything else?

18 JUDGE RUTH: No.

19 JUDGE WOODRUFF: I just want to give you
20 an explanation of how the hearing is going to
21 proceed in this case, because we do have three --
22 actually four cases consolidated for purposes of
23 the hearing here. As you can see, we have three
24 judges in front of you today. For the hearing we
25 are only going to have one presiding officer at a

1 time, so you won't have three judges asking
2 questions of your witnesses.

3 We may take turns appearing on the bench.
4 We're not really sure how that's going to work out
5 yet, but you will only see one person on the bench
6 at a time as well as the Commissioners, of course.

7 I also wanted to address some changes in
8 the procedure that is going to be used for the
9 hearing memorandum. As some of you may be aware,
10 the Commission has started to institute new
11 procedures involving hearing memorandums.
12 Hopefully this will make the process a little bit
13 more streamlined.

14 What we're going to have you do is on
15 June 17th, we're going to ask that the parties and
16 the Staff will reach an agreement based on the
17 conversations here today and whatever other
18 conversations you have about what the issues are in
19 the case. We're going to ask the Staff to file a
20 list of issues at that point. At the same time
21 we're going to ask that the list of -- excuse me --
22 list of issues at that point.

23 Also we're going to ask that a list of
24 witnesses be prepared so that we have some idea of
25 where witnesses are going to appear and which

1 witnesses will be called in what order. It's the
2 same sort of thing that's been in the hearing
3 memorandum in the past.

4 We'll also ask that in this case where we
5 do have three different -- the gas, the steam, heat
6 and the electric cases, if possible, if you can
7 identify which witnesses will be addressing which
8 cases, that will be helpful. I realize that many
9 of the witnesses will be -- their testimony will
10 apply to all three cases, so if you can give us as
11 much information as you can.

12 Then a week later on June 24, we're going
13 to ask that each of the parties file a statement of
14 their position on the issues. Each party will file
15 their own position. It's not something that anyone
16 has to agree on. We ask that this not become a
17 prehearing brief. This is to be simply a statement
18 of your position, not an argument about why your
19 position is correct. And we will be following this
20 up with a formal order making this change in a few
21 days, but I wanted to give you some idea of what's
22 coming up in the process.

23 We also want to encourage the parties to
24 file post findings of fact and conclusions of law
25 after the hearing. That's something that's always

1 been allowed by the Commission. It hasn't been
2 done very often, but, again, it would be helpful to
3 us. If you feel it's appropriate for your class
4 position to do so, we would encourage you to do
5 that.

6 Judge Ruth, was there anything else that
7 you wanted to add?

8 JUDGE RUTH: No, thank you.

9 JUDGE WOODRUFF: Judge Hopkins?

10 JUDGE HOPKINS: I'd like to just say some
11 more about those proposed findings of facts and
12 proposed conclusions of law. We'd like them in two
13 different documents, if possible. You can submit
14 them electronically either by E-mail or disk. We
15 use Microsoft Word as our word processor here, but
16 I believe it opens up to just about anything but
17 Lotus.

18 JUDGE WOODRUFF: Anything else?

19 JUDGE HOPKINS: No.

20 JUDGE WOODRUFF: Was there anything else
21 that any of the parties wanted to bring up on the
22 record?

23 MR. CONRAD: Yes.

24 JUDGE WOODRUFF: Go ahead.

25 MR. CONRAD: And I'm not sure to which of

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1 you or to all of you this should be addressed, but
2 clarify, please, for me with respect to the
3 hearing, you have indicated that you're going to be
4 moving in and out. Is it expected that if a
5 witness is involved in two of the cases, that they
6 would be put on two different times? How are
7 you -- how are you intending to handle that,
8 because I've talked to several people off-line and
9 there's not a unanimity of sense about whether
10 we're going to have a truly consolidated hearing,
11 or whether we're going to have three, potentially
12 three separate hearings that are kind of going on
13 at the same time?

14 JUDGE WOODRUFF: I would anticipate that
15 we will have a truly consolidated hearing.
16 However, it appears during the prehearing
17 conference that it would be more efficient to
18 handle it the other way. We're certainly open to
19 that suggestion, and that's something that can be
20 decided or suggested by the parties in the -- in
21 your filing to us as to how you recommend that we
22 proceed on that matter.

23 MR. COFFMAN: The June 17th filing?

24 JUDGE WOODRUFF: Yes, the June 17th
25 filing.

1 MR. CONRAD: Is it your indication that
2 various members of your panel will be presiding at
3 different times tie in with this consolidated
4 hearing idea, and if we're going to do that, is
5 there to be an order to that effect?

6 JUDGE WOODRUFF: Again, it depends upon
7 how we want to proceed on it, and we'll get your
8 recommendations. If it looks like we're going to
9 have three separate hearings within one, then we
10 would probably divide it between the judges.
11 Otherwise, I expect one of us will be the lead
12 judge, so to speak, and the others would only come
13 on the bench, if for some reason that person was
14 not able to preside that day. I don't anticipate
15 judges rotating in and out between witnesses on a
16 frequent occasion.

17 MR. CONRAD: Well, let me tell you just --
18 since we're on the record here, let me just make a
19 brief record without a huge argument what my
20 concern is. Once in a great while issues appear to
21 be resolved on the basis of credibility. It is, in
22 my view, inappropriate for someone who had not
23 heard that witness, has not seen that presentation
24 to be resolving those issues. I'll just leave it
25 at that.

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1 JUDGE WOODRUFF: Okay. And I think that's
2 an appropriate concern, and it's something that
3 will have to be dealt with by the Commission and by
4 the appropriate law judges. Okay.

5 Any other matters that anyone wishes to
6 bring up?

7 MR. HAAS: Yes. I do have one question
8 now. Do you anticipate one filing or three filings
9 on June 17th?

10 JUDGE WOODRUFF: I think it would have to
11 be three filings. And I realize that they will
12 duplicate each other to a great extent.

13 Any other matters anyone wants to bring
14 up? All right. Hearing nothing then we'll go off
15 the record.

16 WHEREUPON, the on-the-record portion of
17 the prehearing conference was concluded.

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