STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 10th day of December, 1993.

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In the matter of the joint application of Western Resources, Inc., d/b/a Gas Service, a Western Resources Company, a Kansas corporation, and Southern Union Company,) d/b/a Missouri Gas Energy, a Delaware corporation, for an) order authorizing the sale, transfer and assignment of certain assets relating to the provision of gas service in) Missouri from Western Resources, Inc., to Southern Union Company, and in connection therewith, certain other related transactions.

Case No. GM-94-40

ORDER LIMITING DISCOVERY

On August 5, 1993, a joint application was filed by Western Resources, Inc. (WRI) and Southern Union Company (SU) requesting an order from the Commission authorizing the sale, transfer, and assignment of the assets of WRI to SU relating to the provision of gas service in the state of Missouri, and in connection therewith, approval to perform certain other related transactions.

In connection with that litigation, intervenor Riverside Pipeline Company (RPC) filed a motion on December 3, 1993, requesting acceleration of discovery due to the expedited nature of the time frame within which this matter must apparently be completed. In its motion, RPC requests expedited response to data requests tendered to Williams Natural Gas Company (WNG), all of which reference the testimony of Richard N. Ficken, Director of Rates and Regulatory Affairs for WNG.

On December 7 and 8, 1993, responses in opposition to the motion by RPC were filed by both SU and WNG. In their motions both WNG and SU take the position that the requested information in the data requests is both outside the scope of this litigation, so highly confidential as to be beyond the scope of discovery, and irrelevant to the instant proceedings.

The Commission finds that the information requested in the data requests exceeds the scope of this litigation, is not likely to produce information relevant to any existing or potential issue in this case, and is therefore irrelevant. It should be noted that the central issue governing the scope of this case, and therefore the scope of discovery, is whether the proposed purchase by SU of WRI "is not detrimental to the public interest." (See Case No. WM-93-255 for a full discussion of current Commission standards in sale and merger cases.) In this regard it is the position of the Commission that the desired information concerning the potential contractual negotiations between SU and various gas shippers, suppliers or transporters, while at some point in the future subject to Commission review, is not relevant to the issues in this case. This is particularly true in light of the fact that no issue has been prosecuted to this point by any party in which it is alleged that SU cannot now or will not be capable in the future of providing an adequate supply of gas to WRI's service area.

The Commission would add that, while it is permissible for RPC to depose Mr. Ficken as planned, the parties should note the above opinion in regard to the scope of the issues in this case. With this in mind, the Commission agrees that it is appropriate for Mr. Ficken to be deposed on December 15, 1993 as requested.

Therefore, for the above reasons, the motion by RPC for acceleration of discovery is limited as set out above.

IT IS THEREFORE ORDERED:

1. That the motion, filed on December 3, 1993 by Riverside Pipeline Company, for acceleration of discovery is limited as set out above in specific.

2. That this order shall become effective on the date hereof.

BY THE COMMISSION

David L. Rauch Executive Secretary

(SEAL)

Mueller, Chm., McClure, Perkins, Kincheloe and Crumpton, CC., concur.