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October 22, 2008

VIA ELECTRONIC FILING

Ms. Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Room 1A
Washington, DC 20426

Re: *MoGas Pipeline LLC*, Docket No. AC08-164-000

Dear Ms. Bose:

On behalf of the Missouri Public Service Commission ("MoPSC"), this letter briefly responds to the proposed journal entries filed by MoGas Pipeline LLC ("MoGas") on August 27, 2008 in the above-referenced proceeding, as well as the supplemental information provided by MoGas on October 2, 2008 in response to data requests issued by the Commission's Chief Accountant.

MoGas filed its proposed journal entries to clear Account 102 of the Commission's Uniform System of Accounts in accordance with the Commission's April 20, 2007 order in *Missouri Interstate Gas, LLC*, 119 FERC ¶ 61,074 at P 99 (2007). The Chief Accountant issued data requests to MoGas on September 24, 2008 seeking additional information about certain actions reflected in the proposed journal entries. In particular, the Chief Accountant requested further details concerning MoGas' disclosure that, as part of the consolidation of three gas pipeline affiliates into a single interstate pipeline (*i.e.*, MoGas) approved in Docket Nos. CP06-407, *et al.*, the former parent of the three companies, Gateway Pipeline Company LLC ("Gateway") had also been consolidated into MoGas. MoGas responded to the Chief Accountant's questions on October 2, 2008.

Like the Chief Accountant, the MoPSC was taken unawares by MoGas' revelation that Gateway had been consolidated into MoGas, as this issue had not been raised in MoGas' certificate proceeding in Docket No. CP06-407, *et al.* The MoPSC has now reviewed MoGas' proposed journal entries and its responses to the Chief Accountant's data requests, and while the MoPSC does not specifically object to the proposed journal entries at this time, the MoPSC reserves the right to challenge the recoverability of the costs reflected in the proposed journal entries – including any

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costs associated with the consolidation of Gateway into MoGas – when MoGas files its initial NGA section 4 rate case. The MoPSC notes in this regard that approval of accounting entries does not constitute authorization to collect any costs in rates, *see Panhandle Eastern Pipe Line Co.*, Opinion No. 404, 74 FERC ¶ 61,109 at p. 61,367 (1996), and the MoPSC respectfully requests that any order approving MoGas' journal entries so state.

Respectfully submitted,

STINSON MORRISON HECKER LLP

A handwritten signature in black ink, appearing to read "John E. McCaffrey", with a stylized flourish at the end.

John E. McCaffrey

cc: Scott P. Molony
Olga Anguelova
Paul Korman
Service list