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December 29, 2000

Mr. Dale Hardy Roberts  
Executive Secretary  
Public Service Commission  
P. O. Box 360  
Jefferson City, MO 65102

**FILED<sup>2</sup>**  
**DEC 29 2000**  
**Missouri Public  
Service Commission**

**RE:** Case No. GR-2001-292  
Missouri Gas Energy

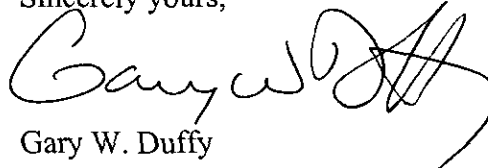
Dear Mr. Roberts:

Enclosed for filing in the above-referenced proceeding please find an original and eight copies of a Recommended Procedural Schedule, Test Year, and Notice of Local Public Hearings and Motion to Cancel Prehearing Conference.

Please note that the prehearing conference is scheduled for January 3, 2001.

If you have any questions, please give me or Mr. Hack a call.

Sincerely yours,



Gary W. Duffy

Enclosures  
cc w/encl:

Doug Micheel, Office of Public Counsel  
Tim Schwarz, Office of General Counsel  
Larry Dority  
Stuart W. Conrad

FILED<sup>2</sup>  
DEC 29 2000

Missouri Public  
Service Commission

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

In the matter of Missouri Gas Energy's )  
tariff sheets designed to increase rates )  
for gas service in the company's Missouri )  
service area. )

Case No. GR-2001-292

**RECOMMENDED PROCEDURAL SCHEDULE, TEST YEAR AND NOTICE OF  
LOCAL PUBLIC HEARINGS  
AND MOTION TO CANCEL PREHEARING CONFERENCE**

Comes now Missouri Gas Energy ("MGE"), a division of Southern Union Company, by and through counsel, and pursuant to the Commission's order dated November 27, 2000, offers the following recommended procedural schedule, test year and notice of local public hearings:

1. By order dated November 27, 2000, the Commission suspended the MGE tariff filing which initiated this proceeding, gave notice and scheduled an early prehearing conference to be held on January 3, 2001, for the purpose of discussing the procedural schedule, the test year and the form of notice for local public hearings. Having discussed the matter with the parties, MGE offers the following for the Commission's consideration.

**I. Procedural Schedule**

2. MGE, the Commission's Staff ("Staff"), the Office of the Public Counsel ("Public Counsel"), the Midwest Gas Users' Association ("MGUA") and Kansas City Power & Light Company ("KCPL") offer the following procedural schedule:

November 7, 2000 Tariff filing, including direct testimony, test year recommendation and true-up recommendation by MGE.

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December 18, 2000	Intervention deadline.
January 15, 2001	Test year recommendations by all except MGE.*
January 31, 2001	Updated revenue requirement by MGE based on approved test year.
April 19, 2001	Direct testimony on revenue requirement items and true-up recommendation by all parties except MGE.
April 26, 2001	Direct testimony on class revenue responsibility and rate design items by all parties except MGE.
May 2 & 3, 2001	Local public hearings.
May 7-11, 2001	Prehearing conference.
May 22, 2001	Rebuttal testimony by all parties.
May 30, 2001	Issue lists by all parties.
June 12, 2001	Surrebuttal testimony and position statements by all parties.
June 14, 2001	Reconciliation.
June 25-29, 2001	Evidentiary hearing.#
August 9, 2001	True-up direct testimony by all parties.^
August 16, 2001	True-up hearing.^

\* The test year recommendation of the parties is contained in this document. A separate filing regarding the test year will only be necessitated in the event the Commission declines to adopt the test year recommendation made in this document.

# Will require change in evidentiary hearing dates already ordered by the Commission. Dates leading up to evidentiary hearing are contingent on this change.

^ Dates regarding a potential true-up are included only to facilitate scheduling. The true-up recommendation MGE made in its direct testimony is contingent, and the other parties are not required, under the recommended schedule, to make their true-up recommendations until April 19, 2001, when they file their direct testimony on revenue requirement items.

## **II. Test Year**

3. MGE, the Staff, Public Counsel, MGUA and KCPL recommend the following as the test year to be adopted by the Commission for use in this case: the twelve (12) months ended December 31, 2000 for all items except the non-payroll related expense section of MGE's Joint and Common Cost ("JCC") model (section D of the MGE JCC workpapers); and the twelve (12) months ended June 30, 2000 for the non-payroll related expenses of MGE's JCC model (section D of the MGE JCC workpapers) except that significant changes for specific items occurring between June 30, 2000 and December 31, 2000 can be raised.

## **III. Language for Local Public Hearing Notices**

4. MGE, the Staff, Public Counsel, MGUA and KCPL recommend the following as the form of notice for local public hearings.

### **"Notice Of Local Public Hearings**

To reflect increases in the cost of providing service, Missouri Gas Energy (MGE) has filed revised tariffs with the Missouri Public Service Commission (PSC) which would increase MGE's natural gas revenues by \$39.3 million on an annual basis, or approximately 11.56%. For the average Residential customer, the proposed increase would be approximately \$5.20 per month, or approximately 10.95%. For the average Small General Service customer, the proposed increase would be approximately \$8.69 per month, or approximately 7.34%. The PSC has set local public hearings to receive customer comments on MGE's rate case. Hearings will commence at the time indicated and will conclude no later than the closing time indicated.

**St. Joseph: (insert time and address)**

**Blue Springs: (insert time and address)**

**Monett: (insert time and address)**

**Kansas City: (insert time and address)**

If you wish to comment or secure additional information, you may contact MGE at 816/360-\_\_\_\_ (Kansas City Metro area) or 1-888-\_\_\_\_ (toll-free). You also may contact the Office of the Public Counsel at (573)751-4857 or by e-mail at [www.mo-opc.org](http://www.mo-opc.org). Any person wishing to attend who has special needs as addressed by the Americans With Disabilities Act, please contact the PSC as soon as possible at one of the

following numbers: 1-800-392-4211 (Customer Services Hotline) or 1-800-829-7541 (TDD Hotline).

Rates from this case are not expected to change until October 2001.”

5. In Case No. GR-98-140, the Commission scheduled local public hearings in St. Joseph, Blue Springs, Monett and Kansas City. In this case, Public Counsel requests that the Commission also schedule a local public hearing in Joplin. No party opposes this request.

6. By order dated November 27, 2000, the Commission directed MGE to “. . . notify each affected customer of the hearings scheduled in this case by either a notice on or accompanying a bill, or in a separate notice, at least ten days but not more than 45 days prior to the first day of the hearings, unless otherwise ordered by the Commission. The notice shall be in a form to be determined by the Commission in a subsequent order.” The parties recommend that the recommended notice be provided at least ten but not more than 45 days prior to the first day of the local public hearings. This is consistent with past Commission practice.

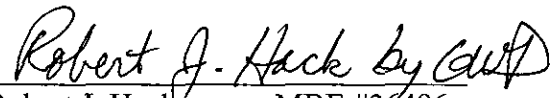
#### **IV. Cancellation of Prehearing Conference**

7. Inasmuch as the parties have reached agreement and made recommendations to the Commission on all of the matters contemplated to be addressed at the prehearing conference presently scheduled for January 3, 2001, the parties suggest that the prehearing conference can be cancelled. This should save time and expense for all involved. To the extent that the Regulatory Law Judge needs information from the parties, a conference call can be arranged in short order.

Wherefore, MGE, on behalf of all the parties, respectfully requests that the Commission:

1. Adopt the procedural schedule proposed in section I, paragraph 2 of this pleading, including the movement of the evidentiary hearing dates from June 11-15, 2001 to June 25-29, 2001;
2. Adopt the test year recommendation proposed in section II, paragraph 3 of this pleading;
3. Adopt the form and timing of notice recommended in section III, paragraphs 4 and 6 of this pleading;
4. Address the Public Counsel's request that a local public hearing be scheduled in Joplin; and
5. Cancel the prehearing conference scheduled for January 3, 2001, as requested in section IV, paragraph 7 of this pleading.

Respectfully Submitted,



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ATTORNEYS FOR MISSOURI  
GAS ENERGY

**Certificate of Service**

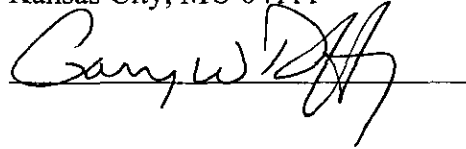
I hereby certify that a copy of the foregoing document was mailed or hand delivered this 29<sup>th</sup> day of December, 2000, to:

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