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Missouri Public Service Commission

POST OFFICE BOX 360
JEFFERSON CITY, MISSOURI 65102
573-751-3234
573-751-1847 (Fax Number)
<http://www.psc.state.mo.us>
April 25, 2001

BRIAN D. KINKADE
Executive Director

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ROBERT SCHALLENBERG
Director, Utility Services

DONNA M. KOLILIS
Director, Administration

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Secretary/Chief Regulatory Law Judge

DANA K. JOYCE
General Counsel

FILED²

APR 25 2001

Missouri Public
Service Commission

Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

RE: Case No. GT-2001-329 – In the Matter of Laclede Gas Company's Tariff Filing to Implement an Experimental Fixed Price Plan and Other Modifications to Its Gas Supply Incentive Plan.

Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and eight (8) conformed copies of the **STAFF REPLY TO LDC'S RESPONSES TO STAFF'S MOTION FOR ORDER PERMITTING USE OF INFORMATION AND FOR EXPEDITED TREATMENT.**

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,

David A. Meyer
Associate General Counsel
(573) 751-8706
(573) 751-9285 (Fax)
dmeyer@mail.state.mo.us

Enclosure
cc: Counsel of Record

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED²
APR 25 2001
Missouri Public
Service Commission

In the Matter of Laclede Gas Company's Tariff)
Filing to Implement an Experimental Fixed)
Price Plan and Other Modifications to Its Gas)
Supply Incentive Plan.)

Case No. GT-2001-329

**STAFF REPLY TO LDC'S RESPONSES TO STAFF'S MOTION FOR
ORDER PERMITTING USE OF INFORMATION AND FOR EXPEDITED TREATMENT**

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and for its reply states:

1. On April 18, 2001, Staff filed a motion asking the Commission to authorize Staff to utilize in this case certain information of other Missouri local distributing companies ("LDCs"). By order dated April 20, the Commission directed that responses to Staff's motion be filed not later than April 24, 2001. Union Electric Company d/b/a AmerenUE, Missouri Gas Energy, UtiliCorp United Inc., Fidelity Natural Gas, Inc., Atmos Energy Corporation, and Southern Missouri Gas Company filed motions to intervene and objections to Staff's motion, and Laclede Gas Company filed a response.

2. Staff supports the intervention of the moving parties, as their appearance affords the Commission and other parties the opportunity to address the issues which may be raised this case, and as AmerenUE states in its filing, the intervenors will be able to ensure the information is adequately protected from improper disclosure and can correct potentially erroneous conclusions that could be drawn from the data.

3. Staff intends to use volumes and prices of natural gas purchased, at only the most

summarized level, derived from audited data that has been previously submitted to the Commission in the context of ACA case proceedings for the respective LDCs. The Staff intends to compare price movements from year to year for each LDC, and compare those comparisons. Staff has not used or referred to gas supply contracts, transportation contracts, negotiations of LDCs in compiling its summary comparisons, and frankly sees no need for any party to do so in the preparation of the case.

4. AmerenUE raises several concerns, echoed by the other intervenors. AmerenUE states that even if information in this case is treated as "highly confidential," under the Commission's standard protective order, problems may ensue because parties will be unable to distinguish between their knowledge of data within the present case, and their knowledge of the data in other contexts. This risk is intrinsic to every case before the Commission that contains "highly confidential" filings, and the Commission should not limit its opportunities to view evidence or consider arguments in this case based on such considerations. If any party, in any case, has reason to believe that any person is violating a Commission protective order, that party should immediately notify the Commission. Absent compliance with Commission protective orders, regulatory proceedings will be hamstrung.

AmerenUE further contends that the use of comparative information may be misleading, and that comparisons between and among LDCs are meaningless because of differences in supply sources and transportation resources available to different LDCs. Staff concedes that some data may not be suitable for direct comparison between companies, although such comparisons at the very least would be interesting. However, Staff does not intend to trick or mislead the Commission, and does not believe that its use of comparative data will do so. The

hearing process will provide the parties ample opportunity to address such matters. Objecting to evidence before Staff filed testimony relying on such evidence, however, is premature.

5. Laclede asserts that Staff's motion "is based on inaccurate representations regarding the position of other parties". Before filing Staff's motion, the undersigned contacted Mr. Rob Hack at MGE; Mr. Jim Swearingen, and later Mr. Steve Jurek, at UtiliCorp; Mr. Tom Byrne at AmerenUE; and Mr. Jim Fischer, representing Atmos, Fidelity, and Southern Missouri Gas. Counsel explained the general nature of the filing and the type of information that would be used. As represented in the motion, all expressed concerns and none indicated opposition at that time. Had they done so, counsel would have so represented. Staff asked the Commission to give the parties time to respond, and served the other LDCs promptly. Staff notes that none of the intervenors has made an allegation that Staff's motion misrepresented anything.


6. The positions of the parties are now before the Commission, as the Staff has sought. The Commission may now take the position of all interested persons into account in making its decision.

7. The arguments of the parties concerning discovery needs at some later point in time are premature. Laclede complains that it has somehow deprived of due process because Staff has not detailed its evidence before prefiling its testimony. This is nonsense. Laclede is not entitled to see Staff's rebuttal until it is filed, and the procedural schedule is designed to give it the opportunity conduct adequate discovery. The parties' concerns about the evidentiary value of Staff's testimony are grossly premature. Parties object to evidence at the time it is offered at hearing, not a week before it is prefiled with the Commission.

WHEREFORE, Staff respectfully requests that the Commission grant the Order
Permitting Use of Information sought in its earlier filing.

Respectfully submitted,

DANA K. JOYCE
General Counsel


David A. Meyer
Associate General Counsel
Missouri Bar No. 46620

Thomas R. Schwarz, Jr.
Deputy General Counsel
Missouri Bar No. 29645

Attorney for the Staff of the
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
(573) 751-8706 (Telephone)
(573) 751-9285 (Fax)
dmeyer@mail.state.mo.us

Certificate of Service

I hereby certify that copies of the foregoing have been transmitted electronically and mailed or hand-delivered to all counsel of record as shown on the attached service list, together with counsel for the following local distribution companies:

James M. Fischer, Esq., attorney for:
Fidelity Natural Gas, Inc.
Atmos Energy Corporation
United Cities Gas Co.
Greeley Gas Company
Southern Missouri Gas Company

Robert J. Hack, Esq. and
Dean L. Cooper, Esq., attorneys for:
Missouri Gas Energy

Steve Jurek, Esq. and
Dean L. Cooper, Esq., attorneys for:
UtiliCorp United, Inc.

Thomas Byrne, Esq., attorney for:
AmerenUE

James Swearengen, Esq., attorney for
Missouri Public Service
St. Joseph Light & Power

on this 25th day of April, 2001.



**Service List for
Case No. GT-2001-329
Verified: April 25, 2001 (lb)**

**Office of the Public Counsel
P.O. Box 7800
Jefferson City, MO 65102**

**Diana M. Vuylsteke
Bryan Cave LLP
211 N. Broadway, Suite 3600
St. Louis, MO 63102**

**James Swearengen, Esq./Dean L. Cooper
Brydon, Swearengen & England, P.c.
P. O. Box 456
Jefferson City, MO 65102**

**Robert J. Hack
Missouri Gas Energy
3420 Broadway
Kansas City, MO 64111-2404**

**Michael C. Pendergast
Laclede Gas Company
720 Olive Street, Room 1520
St. Louis, MO 63101**

**James M. Fischer
Larry W. Dority
Fischer & Dority, P.C.
101 Madison Street, Suite 400
Jefferson City, MO 65101**

**Thomas Byrne
AmerenUE
One Ameren Plaza, 1901
Chouteau Avenue
St. Louis, MO 63166-6149**