BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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Office of the Public Counsel
Complainant,
V.
Southern Missouri Gas Company, L.P.
Respondent.

Case No. GC-2006-0180

STAFF'S RESPONSE TO SOUTHERN MISSOURI NATURAL GAS COMPANY'S GAS SUPPLY PLAN

COMES NOW the Staff of the Missouri Public Service Commission ("Staff") and submits its Response to Southern Missouri Natural Gas Company's April 1, Gas Supply Plan. Staff states:

- 1. In the Stipulation and Agreement filed in this case on March 16, 2006, the parties agreed that it was reasonable to establish a formal process for SMNG to provide certain information concerning its gas purchasing practices to the Commission, to Staff and to OPC.
- 2. The Company provided its Gas Supply Plan (Plan) to the Staff on March 31, 2006, and filed the Plan with the Commission on April 12, 2006, after the Commission had issued a protective order in this case.

3. Staff has reviewed the Plan and has several concerns. A copy of Staff's Response is attached to this pleading.

4. Staff's Response should not be considered to be a substitute for Staff's subsequent Actual Cost Accounting audit and may not be used as a defense of SMGC's decision making concerning either its reliability planning or the prudence of its hedging or other gas buying decisions.

Respectfully submitted,

<u>/s/ Lera L. Shemwell</u> Lera L. Shemwell Senior Counsel Missouri Bar No. 43792

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CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been hand-delivered, emailed or mailed, or sent via facsimile to all counsel of record this 2nd day of May 2006.

Lera L. Shemwell