

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

Office of the Public Counsel,)	
)	
Complainant,)	
)	
v.)	<u>Case No. GC-2006-0180</u>
)	
Southern Missouri Gas Company, L.P.,)	
)	
Respondent.)	

ORDER SETTING PREHEARING CONFERENCE
AND REQUIRING FILING OF PROCEDURAL SCHEDULE

Issue Date: December 6, 2005

Effective Date: December 6, 2005

On October 21, 2005, the Public Counsel filed his Complaint against Southern Missouri Gas Company, L.P. ("SMG"), alleging that the Company has failed to comply with Commission Rule 4 CSR 240-40.018, which requires Missouri's Local Distribution Companies to "undertake diversified natural gas purchasing activities as part of a prudent effort to mitigate downward natural gas price volatility and secure adequate natural gas supplies for their customers," but instead "established a strategy that was entirely a gamble based on a hope that market prices would decline this fall and winter." The Public Counsel prays that the Commission will find SMG to be in continuing violation of its rule and will impose "appropriate penalties" on SMG for its non-compliance.

The Commission issued its Notice of Complaint on October 24 and SMG timely filed its Answer and Motion to Dismiss on November 23.

This matter is now at issue and a prehearing conference and procedural schedule are appropriate to ensure its prompt resolution. At the prehearing conference, the parties or their representatives should be prepared to discuss the nature of any discovery each will conduct and the interval necessary for its completion; the number of witnesses each expects to call at hearing; the number and nature of any exhibits each expects to offer at hearing; and the anticipated length of the hearing. The parties or their representatives should also be prepared to discuss the current status of any settlement negotiations. It is expected that the prehearing conference will provide an opportunity for the parties to further pursue settlement discussions.

The parties shall jointly file a proposed procedural schedule one week after the prehearing conference. The proposed procedural schedule shall establish dates for the filing of a list of the issues to be determined by the Commission and statements by the parties of their position on each such issue. The proposed procedural schedule shall also include a date for the filing of a list of the witnesses to be called on each day of hearing, the order in which they shall appear and the order of cross-examination agreed upon by the parties. The proposed procedural schedule shall also establish dates for the hearing of this matter.

IT IS THEREFORE ORDERED:

1. That a prehearing conference shall be held on December 13, 2005, beginning at 10:00 a.m. The prehearing conference shall be held at the Commission's offices at the Governor Office Building, 200 Madison Street, Jefferson City, Missouri, Room 305. The Governor Office Building is a facility that meets the accessibility requirements of the Americans with Disabilities Act. Any person who needs additional

accommodations to participate in the prehearing conference should call the Public Service Commission's Hotline at 1-800-392-4211 (voice) or dial 711 for Relay Missouri.

2. That the parties shall jointly prepare and file a proposed procedural schedule no later than December 20, 2005.

3. That this order shall become effective on December 6, 2005.

BY THE COMMISSION



Colleen M. Dale
Secretary

(S E A L)

Kevin A. Thompson, Deputy Chief
Regulatory Law Judge, by delegation
of authority pursuant to
Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 6th day of December, 2005.