BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

The Staff of the Missouri Public	
Service Commission,)
Complainant,)
v.) Case No. GC-2006-0378
Missouri Pipeline Company, LLC; Missouri Gas Company, LLC; Omega Pipeline Company, LLC; Mogas Energy, LLC; United Pipeline Systems, Inc.; and Gateway Pipeline Company, LLC,))))
Respondents.)

STAFF'S MOTION TO DISMISS WITHOUT PREJUDICE

COMES NOW the Staff of the Missouri Public Service Commission and in response to the Commission's June 6, 2007, Order Directing The Parties To Explain The Effect of FERC Order and in support of Staff's Motion to Dismiss Without Prejudice states:

- 1. On April 20, 2007, the Federal Energy Regulatory Commission (FERC) issued its Order Denying Motions, Issuing Certificates, Authorizing Abandonment and Terminating Proceeding ("Order") in Docket Nos. CP07-407-00 *et al.*
- 2. In that Order, the FERC permitted Missouri Gas Company ("MGC") to "acquire by transfer" all of the existing facilities of Missouri Pipeline Company ("MPC") and Missouri Interstate Gas ("MIG"). Furthermore, the Order conditionally granted MGC a certificate of public convenience and necessity to operate the pipelines as an interstate pipeline subject to FERC regulation.

- 3. Several parties have filed requests for rehearing,¹ of this Order and those requests are currently pending at the FERC. Any final FERC decision will then be subject to judicial review by the federal Circuit Court of Appeals. As long as the FERC order is subject to rehearing and appeal, the question of FERC's jurisdiction is not finally resolved.
- 4. The issue of FERC jurisdiction has also been raised by this Commission in the Cole County Circuit Court. This Commission has raised the question of whether conditions accepted by MPC/MGC in their original Missouri certificates require MGC/MPC's to obtain express Missouri Commission authority before they may merge the pipelines as proposed.
- 5. Staff filed this particular complaint case pursuant to Section 386.390 RSMo., asking the Commission to find that MPC's and MGC's current rates are not just and reasonable and to ask the Commission to determine just and reasonable rates going forward.
- 6. On November 9, 2006, in response to Staff's Motion, the Commission suspended the procedural schedule in this proceeding and suspended any additional action until further notice. Staff's investigation into the pipeline's violation of its Missouri tariffs continued in Case No. GC-2006-0491.
 - 7. Staff recommends that this case may be dismissed without prejudice.
- 8. Staff requests the Commission avoid any language in an order in this case which would prevent the Staff or any other party from pursuing either this or any other complaint against these Companies.

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¹ On May 21, 2007, this Commission, AmerenUE and the Municipal Gas Commission filed Requests for Rehearing with the FERC.

9. Unlike its recommendation in this case, Staff is not recommending that Case No. GC-2006-0491 be dismissed and will provide support and analysis of its position concerning the effect of the FERC order in a pleading in that case.

WHEREFORE, in response to the Commission's Order Directing the Parties to Explain the Effect of FERC Order, the Staff respectfully suggests that this case may be dismissed without prejudice.

Respectfully submitted,

/s/ Lera L. Shemwell

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to all counsel of record this 19th day of June 2007.

<u>/s/ Lera L. Shemwell</u>