| 1  | STATE OF MISSOURI  |
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| 2  | PUBLIC SERVICE COMMISSION  |
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| 6  | TRANSCRIPT OF PROCEEDINGS  |
| 7  | Hearing  |
| 8  | November 28, 2007<br>Jefferson City, Missouri                                    |
| 9  | Volume 4   |
| 10 | In the Matter of the Application)  |
| 11 | of Southern Missouri Gas ) Company, L.P., d/b/a Southern )                       |
| 12 | Missouri Natural Gas, for a ) Certificate of Public )                            |
| 13 | Convenience and Necessity ) Authorizing It To Construct, ) Case No. GA-2007-0168 |
| 14 | Install, Own, Operate, Control, ) Manage and Maintain a Natural )                |
| 15 | Gas Distribution System to ) Provide Gas Service in Branson, )                   |
| 16 | Branson West, Reeds Spring, ) and Hollister, Missouri. )                         |
| 17 | , , , , , , , , , , , , , , , , , , ,  |
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| 19 | BENJAMIN LANE, Presiding   |
| 20 | REGULATORY LAW JUDGE   |
| 21 |  |
| 22 |  |
| 23 | REPORTED BY:   |
| 24 | PAMELA FICK, RMR, RPR, CCR #447, CSR<br>MIDWEST LITIGATION SERVICES              |
| 25 |  |

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1 PROCEEDINGS
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- JUDGE LANE: Good morning, ladies
- 3 and gentlemen. We're back on the record in Case
- 4 No. GA-2007-0168, and at the conclusion of
- 5 yesterday's proceedings we were done with the
- 6 presentation of evidence by SMNG and Staff.
- 7 The Office of Public Counsel indicated
- 8 that they were no longer -- they were not going to
- 9 call the witness that they had previously scheduled,
- 10 and so that left Ozark to present its witnesses, and
- 11 I believe we're ready for the testimony of those
- 12 witnesses right now. The first witness scheduled is
- 13 Mr. Steve Cattron or Cattron.
- 14 MR. STEINMEIER: Cattron, your Honor.
- JUDGE LANE: Cattron. And Mr. Cattron,
- 16 if you would come on up.
- Mr. Cattron, would you please spell your
- 18 full name for the reporter, please.
- 19 MR. CATTRON: Steven W. Cattron. That's
- 20 S-t-e-v-e-n, W. and then C-a-t-t-r-o-n.
- JUDGE LANE: Thank you. Please raise
- 22 your right hand to be sworn.
- 23 (THE WITNESS WAS SWORN.)
- JUDGE LANE: Thank you very much. You
- 25 may be seated. Mr. Steinmeier?

- 1 MR. STEINMEIER: Thank you, your Honor.
- 2 DIRECT EXAMINATION BY MR. STEINMEIER:
- 3 Q. Would you please state your name and
- 4 business address for the record.
- 5 A. Yes. Steven W. Cattron. My business
- 6 address is 4745 West 136th Street, Leawood, Kansas
- 7 66224.
- 8 Q. And Mr. Cattron, by whom are you
- 9 employed and in what capacity?
- 10 A. At Cattron Enterprises and I'm
- 11 president.
- 12 Q. Would you please describe your
- 13 educational background?
- 14 A. Yes, I received a BBA from the
- 15 University of Missouri, Kansas City, an MBA from
- 16 Rockhurst University, and also was -- obtained my CPA
- 17 license which I have since not maintained the
- 18 licensing requirements.
- 19 Q. And for whom are you testifying in this
- 20 proceeding?
- 21 A. Ozark Energy Partners.
- Q. What is your relationship to Ozark
- 23 Energy Partners?
- 24 A. I'm a strategic advisor.
- 25 Q. Would you describe for the Commission,

1 please, your professional experience in the field of

- public utilities including natural gas?
- 3 A. Yes, my -- my experience actually begins
- 4 right here at the Missouri Public Service Commission
- 5 back in 1979. I was actually a utility auditor with
- 6 the Missouri Public Service Commission. I left in
- 7 roughly 1982 and joined Kansas City Power & Light,
- 8 held numerous positions for Kansas City Power &
- 9 Light. My last position with them was vice president
- 10 of sales, marketing, communications and regulation.
- 11 When I left there I became president of
- 12 Missouri Gas Energy, president and chief operating
- 13 officer. Was there until 2002 at which time in late
- 14 '03 I actually created Cattron Enterprises at which
- 15 time I have actually got two separate business
- 16 practices that I allocate my personal time to. One
- 17 is in the area of utility consulting services as well
- 18 as I also have a practice that assists small- to
- 19 medium-sized corporations in cost management
- 20 services.
- 21 Q. And what is your experience in relation
- 22 to strategic business planning and evaluating
- 23 economic feasibility?
- A. Actually, I've had years of experience
- 25 in that area, both in my capacity at Kansas City

- 1 Power & Light, both from new product introductions,
- 2 new business introductions, as well as mergers and
- 3 acquisitions.
- In my capacity at MGE, I had the same
- 5 capacity not only as president and chief operating
- 6 officer for the division of Missouri Gas Energy, we
- 7 were actually a division of Southern Union Company.
- 8 And during my tenure there and as a member of the
- 9 executive committee of Southern Union, I was involved
- in a number of strategic acquisitions we made there.
- 11 And then in my consulting practice, I --
- 12 and furthered that in assisting communities like
- 13 St. Joseph, Missouri as well as a contracting company
- 14 in the community of Amherst, New York.
- 15 Q. Have you testified previously before the
- 16 Commission?
- 17 A. Yes, I have, numerous times.
- 18 Q. And what is the purpose of your
- 19 testimony today?
- 20 A. The purpose of my testimony today is to
- 21 hopefully raise significant questions on what has
- 22 been labeled as Appendix C, I believe it's also
- 23 Exhibit C, on whether that accomplishes in my opinion
- 24 what would result in a economically feasible study as
- 25 well -- as well as whether it meets the minimum

- 1 standards that has been established by this
- 2 Commission.
- 3 MR. FISCHER: Your Honor, at this point
- 4 I would request permission to voir dire the witness
- 5 regarding his -- his background and -- and foundation
- 6 for his substantive testimony related to this topic.
- 7 JUDGE LANE: Please inquire.
- 8 MR. FISCHER: Thank you.
- 9 VOIR DIRE EXAMINATION BY MR. FISCHER:
- 10 Q. Good morning, Mr. Cattron.
- 11 A. Good morning.
- 12 Q. As you know, I'm Jim Fischer
- 13 representing the Southern Missouri Gas Company. As I
- 14 understand your role in this proceeding as you've
- 15 just described it, you've been retained as a
- 16 strategic advisor to Ozark Energy Partners; is that
- 17 right?
- 18 A. Yes, with a specific focus on creating a
- 19 feasibility study and -- on their behalf as well as
- 20 assessing the feasibility study of Southern Missouri
- 21 Natural Gas.
- 22 Q. Okay. And when did you first begin
- 23 consulting with Ozark Energy?
- A. Mid-2006, I would say, somewhere in the
- 25 summer of 2006.

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1 Q. Do you know when Ozark Energy Partners
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- 2 was formed?
- 3 A. I don't know specifically but I think it
- 4 was in 2006.
- 5 Q. Would April of 2006 sound about right?
- 6 A. That -- that sounds like a reasonable
- 7 time frame.
- 8 Q. Now, do you have a full-time position
- 9 with Ozark Energy Partners?
- 10 A. No, I do not.
- 11 Q. Do you -- you or your firm have a
- 12 contract to perform your strategic advising services
- 13 to Ozark Energy Partners?
- 14 A. Yes.
- 15 Q. Does that contract have an expiration
- 16 date?
- 17 A. No.
- 18 Q. Mr. Cattron, do you happen to have an
- 19 equity interest in Ozark?
- A. No, I do not.
- 21 Q. Have you loaned any money to Ozark to
- 22 complete the regulatory process?
- A. No, I have not.
- Q. Have you agreed to provide your services
- 25 in consideration for a role in the company in the

- 1 future?
- 2 A. We have had discussions, we do not have
- 3 an agreement at this time.
- 4 Q. I would assume you're being compensated
- 5 for your services pursuant to your agreement to
- 6 provide strategic advising services to Ozark?
- 7 A. Yes, I am.
- 8 Q. Is that -- is your participation in this
- 9 proceeding covered by your agreement to give Ozark
- 10 general strategic advising services or do you have a
- 11 separate contract just to participate today?
- 12 A. There's a separate contract for the
- 13 Southern Missouri Natural Gas case.
- 14 Q. In the event that the Ozark Company
- 15 receives a certificate to provide natural gas service
- in -- in Case No. GA-2006-0561, what will your role
- 17 with Ozark be at that time?
- 18 A. We will continue now in an operations
- 19 management role capacity as well as advisors.
- Q. As advisors?
- 21 A. Yes.
- 22 Q. So you'll be an outside consultant and
- 23 advisor after the proceeding concludes assuming they
- 24 get a certificate?
- 25 A. Yes.

- 1 Q. Would you be advising Ozark on such
- 2 issues as how to build its system, how to build its
- 3 distribution system?
- 4 A. I think we would probably be more
- 5 involved in assisting in bringing the right people to
- 6 the table.
- 7 Q. Would you be involved in things like gas
- 8 purchasing decisions, who to bring to the table about
- 9 gas purchasing decisions?
- 10 A. We would -- we would definitely be
- 11 assisting them in finding the right people to take on
- 12 that responsibility on their behalf.
- 13 Q. Would you also be assisting them on
- 14 customer-service-type issues?
- 15 A. Once again, virtually all aspects of
- 16 what we would be doing would be assisting them in
- 17 establishing the entity to -- to deliver gas to that
- 18 region. So in all aspects, whether it's operations,
- 19 whether it's gas procurement, it is going to be much
- 20 of our role to assist them in identifying the people
- 21 to make that happen.
- 22 Q. It sounds like your role's going to be
- 23 sort of as an interim management position to assist
- 24 them to get going in all their aspects of their
- 25 company?

- 1 A. We will definitely be functioning in
- 2 a -- in an advisory role and capacity for that
- 3 service.
- 4 Q. How long will you expect to be
- 5 participating in that interim management kind of
- 6 position?
- 7 A. Two to three years.
- 8 Q. As an interim management-type role, will
- 9 you have substantial input into the critical issues
- 10 related to providing natural gas service in that
- 11 area?
- 12 A. As an advisor we'll offer opinion, but
- 13 we will not be making decisions.
- Q. Will you be highly involved in
- 15 day-to-day operations, do you think?
- 16 A. I think we will provide oversight and
- 17 advisory services in that area as well.
- 18 Q. Will you be advising Mr. Eppes, who I
- 19 believe is the general manager, about construction of
- 20 the system, decisions regarding purchased gas
- 21 supplies, decisions about purchase of pipeline
- 22 capacity, decisions regarding regulatory matters,
- 23 those kinds of things?
- A. As I've said, the intent is to be an
- 25 advisor and to bring all the necessary resources to

- 1 the table for Ozark Energy to be able to make the
- 2 day-to-day decisions that need to be made.
- 3 Q. Will Mr. Eppes be actually making the
- 4 final decisions?
- 5 A. I --
- 6 MR. STEINMEIER: Your Honor, I'm going
- 7 to object to any further questions along this line.
- 8 I think Mr. Cattron's qualifications as an expert
- 9 witness has been established. Some of these
- 10 questions may be interesting in Ozark's application
- 11 case, but I think that we have established his
- 12 qualifications and should be able to proceed with
- 13 rebuttal testimony.
- 14 MR. FISCHER: Your Honor, I'm gonna tie
- 15 this up very quickly, and it will be clearly relevant
- 16 here in just a second.
- 17 JUDGE LANE: All right.
- 18 BY MR. FISCHER:
- 19 Q. In this proceeding, Ozark's counsel
- 20 suggested an -- oh, I'm sorry.
- JUDGE LANE: Yes, go ahead and proceed
- 22 as long as you can tie it up.
- 23 BY MR. FISCHER:
- Q. I guess I asked you, Mr. Cattron,
- 25 whether Mr. Eppes will be making the final decisions

- 1 in these areas?
- 2 A. It's my understanding Mr. Eppes will be
- 3 reporting to a board of directors, and most policy
- 4 matters will actually be addressed by the board of
- 5 directors.
- 6 Q. In this proceeding Ozark's counsel
- 7 suggested that Ozark and Southern Missouri are in a
- 8 race to serve the Ozarks. Do you believe that is the
- 9 case?
- 10 A. I -- I don't know if I would call it a
- 11 race. I -- I would simply say that my client has a
- 12 vision and a passion to bring natural gas to that
- 13 region, and that's been our focus and attention, is
- 14 to try to fulfill on that vision that Dan Eppes has.
- Q. Okay. And Mr. Cattron, it's my
- 16 understanding you've reviewed Southern Missouri's
- 17 highly confidential feasibility study; is that
- 18 correct?
- 19 A. Yes, I have.
- 20 Q. On June 29th, 2007, I believe you signed
- 21 the Certificate of Compliance in this proceeding in
- 22 which you certified that you've reviewed the
- 23 Commission's rule prescribing the procedure for
- 24 handling confidential information; is that true?
- 25 A. Yes, I have.

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1 Q. That's CSR -- 4 CSR 240-2.135; is that
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- 2 your understanding?
- 3 A. I don't know the CSR number.
- 4 Q. Okay. But you personally read the
- 5 provisions of that particular rule?
- 6 A. Yes, I did.
- 7 Q. What's your understanding of who may
- 8 have access to highly confidential information under
- 9 that rule?
- 10 A. Consultants and advisors.
- MR. FISCHER: Your Honor, I'd ask --
- 12 THE WITNESS: Employees.
- 13 BY MR. FISCHER:
- 14 Q. I'm sorry. Employees?
- 15 A. And employees of the organization. So
- 16 like in the case of SMNG, highly confidential, their
- 17 employees could have access to that.
- 18 MR. FISCHER: Your Honor, I'd ask the
- 19 Commission to take official notice of its own rule of
- 20 4 CSR 240-2.135 at this time.
- 21 JUDGE LANE: Official notice is taken.
- 22 BY MR. FISCHER:
- Q. Mr. Cattron, is it your understanding
- 24 that highly confidential information may be disclosed
- 25 only to outside experts that have been retained for

- 1 purposes of this case?
- 2 A. I -- I don't know the full rule.
- 3 Q. Okay. But you --
- A. In my capacity, that's the capacity I am
- 5 in.
- 6 Q. But you have --
- 7 A. As an outside consultant.
- 8 Q. You have reviewed that rule?
- 9 A. Pardon me?
- 10 O. You have reviewed the rule?
- 11 A. Yes.
- 12 Q. Is it also your understanding that
- 13 employees, officers or directors of any of the
- 14 parties in a proceeding or any affiliate of any party
- may not be outside experts for purposes of this rule?
- 16 A. I'm not certain. I'd have -- I'd have
- 17 to have the rule in front of me to answer detailed
- 18 questions about it.
- 19 MR. FISCHER: Okay. Let me -- approach
- 20 the witness?
- JUDGE LANE: Of course.
- 22 BY MR. FISCHER:
- Q. Mr. Cattron, I'd refer you to
- 24 paragraph -- subparagraph 4.
- 25 JUDGE LANE: Could I take a look at that

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1 just to make sure that's our rule?
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- 2 MR. FISCHER: Yes, sir, yes, sir.
- 3 THE WITNESS: Do you want me just to
- 4 read A?
- 5 BY MR. FISCHER:
- 6 Q. Yeah, that -- I've highlighted the
- 7 portion I just quoted to you and I just wanted you to
- 8 confirm that that was correct.
- 9 A. (Witness complied.) Okay.
- 10 Q. Thank you.
- 11 A. Was there a question?
- 12 Q. Yes. Let me repeat it.
- 13 JUDGE LANE: Would you like the reporter
- 14 to read back the question?
- MR. FISCHER: Yeah, that would be great.
- 16 Or I can repeat it too. I found my place.
- 17 BY MR. FISCHER:
- 18 Q. Is it also your understanding that
- 19 employees, officers or directors of any of the
- 20 parties in the proceeding or any affiliate of any
- 21 party may not be outside experts for purposes of this
- 22 rule?
- 23 A. Could I -- could I have the rule back in
- 24 front of me again?
- 25 Q. Sure.

- 1 A. The rule states that, "Highly
- 2 confidential information may be disclosed only to the
- 3 attorneys of record or to outside experts that have
- 4 been retained for the purposes of the case." That's
- 5 paragraph 4.
- And then A is "Employees, officers, or
- 7 directors of any of the parties in a proceeding or
- 8 any affiliate of a -- of a party may not be outside
- 9 experts for the purpose of this rule." And is your
- 10 question --
- 11 Q. I'm just asking you to confirm that
- 12 that's your understanding of what that rule says.
- 13 A. That's what this document states.
- Q. Okay. I believe you've already
- 15 testified that you expect to be in an interim
- 16 management position at Ozark Energy if the Commission
- 17 grants a certificate in GA-2006-0561; is that
- 18 correct?
- 19 A. I've testified that we will be hired as
- 20 advisors that will assist in that capacity.
- 21 Q. And you testified you'll be advising
- 22 Mr. Eppes about many of the aspects like the
- 23 construction system and bringing people to the table
- 24 about gas pipeline supply decisions and that kind of
- 25 thing; is that correct?

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1 A. Are you wanting me to repeat --
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- 2 Q. That's what you've testified to?
- 3 A. Generally speaking, yes.
- 4 Q. Mr. Cattron, isn't it true that you have
- 5 a much broader role with Ozark Energy Partners now
- 6 and in the future than merely acting as an outside
- 7 expert in this proceeding?
- 8 A. No, I do not.
- 9 Q. Didn't you say you were very much
- 10 involved in the preparation of the economic
- 11 feasibility study in the other proceeding that's
- 12 pending?
- 13 A. No, I've not prepared any feasibility
- 14 study in the other proceeding. What I've done is
- 15 I've reviewed SMNG's feasibility study. That's all
- 16 I've done.
- 17 Q. And you'll be involved in the
- 18 management -- the interim management decisions after
- 19 the certificate's granted?
- 20 A. I will -- I will be hired just as I have
- 21 been now as a consultant and as an advisor in the
- 22 capacity as a consultant, in the -- hiring my firm to
- 23 provide that service.
- Q. You're going to be providing the primary
- 25 technical expertise for running the natural gas

- 1 company for Ozark; isn't that true?
- 2 A. Could you repeat that, please?
- 3 Q. You're going to be providing the primary
- 4 technical expertise for running the natural gas
- 5 system for Ozark natural gas -- or Ozark Energy
- 6 Partners?
- 7 A. No, I will not.
- 8 Q. What will your role be in that capacity?
- 9 A. As I've already --
- 10 MR. STEINMEIER: Objection, your Honor.
- 11 Asked and answered.
- 12 BY MR. FISCHER:
- 13 Q. Mr. Eppes doesn't have any experience
- 14 running a gas company, does he?
- 15 A. I don't know what his personal
- 16 experience is in all aspects. I know he's got
- 17 experience in contracting and water utility services
- 18 as well. Mr. Eppes will be here tomorrow in our
- 19 proceeding.
- 20 Q. And you've already testified, I believe,
- 21 that you'll be in an interim management position?
- 22 A. I have not testified I will be in an
- 23 interim management position. What I've testified is
- 24 that my firm, Cattron Enterprises, is going to be
- 25 hired to provide consulting and advisory services

just as we have been today.

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MR. FISCHER: Your Honor, I regret I
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     need to go in-camera for a few minutes.
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                 JUDGE LANE: All right. And you want to
 5
     go into --
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                 MR. FISCHER: I need to go in-camera and
     I'm gonna have to ask my own clients to leave the
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 8
     room for a little bit.
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                  JUDGE LANE: All right. Just a moment.
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                  (REPORTER'S NOTE: At this point, an
     in-camera session was held, which is contained in
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     Volume 5, pages 330 through 332 of the transcript.)
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1 JUDGE LANE: We are back in open
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- 2 session.
- 3 MR. FISCHER: Thank you, your Honor.
- 4 With leave of the Commission, at this time I would
- 5 make a Motion in Limine that would move that
- 6 Mr. Cattron's testimony in this proceeding be limited
- 7 to matters that are not related to Southern
- 8 Missouri's highly confidential information including
- 9 the feasibility study.
- 10 Mr. Cattron is not merely an outside
- 11 expert that has been retained for purposes of this
- 12 case which is required by 4 CSR 240-2.135. Instead,
- 13 he's being hired in a much broader capacity by Ozark
- 14 to be the interim general manager of its operations.
- As such, it's improper for him to
- 16 participate in this proceeding after he's been given
- 17 access to Southern Missouri's highly confidential
- 18 information and other highly confidential information
- 19 including the feasibility study based upon the
- 20 premise that he's merely an outside expert retained
- 21 for purposes of this case.
- 22 He's really been retained as an interim
- 23 manager of Ozark, and as such, he's now been given an
- 24 undue advantage in his efforts to compete with
- 25 Southern Missouri Gas in southwest Missouri, and to

- 1 feed the company's application in this case.
- 2 The only real remedy that the company --
- 3 that Southern Missouri has as a result of this review
- 4 of the -- the improper review, in our opinion, of the
- 5 company's highly confidential information, is to
- 6 respectfully request that the Commission exclude his
- 7 testimony and limit his testimony to matters that are
- 8 not related to highly confidential information
- 9 provided by Southern Missouri Natural Gas to him.
- 10 MR. STEINMEIER: Your Honor, obviously
- 11 Ozark Energy Partners strongly opposes that Motion in
- 12 Limine. Mr. Cattron has complied with 2.135. He is
- 13 not an employee, officer or director of Ozark Energy
- 14 Partners. There is no employment contract relating
- 15 to such a role in place in the future, and he's
- 16 testified here that Cattron Enterprises will be
- 17 involved in helping Ozark Energy Partners develop its
- 18 management team after certification by the
- 19 Commission, but that does not make Mr. Cattron an
- 20 employee, officer or director of OEP.
- 21 He has signed the proper documentation
- 22 and is playing the appropriate role for the review of
- 23 highly confidential information. Obviously, it's
- 24 very much in Southern Missouri Gas -- Gas Company's
- 25 best interest not to have somebody of Mr. Cattron's

- 1 qualifications and credentials critiquing its
- 2 feasibility study in this case, and that's
- 3 transparently the purpose for this Motion in Limine.
- 4 But we -- we would strenuously urge against the
- 5 granting of that motion.
- 6 MR. FISCHER: Your Honor, just in
- 7 response, Mr. Cattron is effectively be -- going to
- 8 be acting as the interim general manager of this
- 9 company. My general manager on -- has not been
- 10 permitted access to the highly confidential
- 11 information and will not be able to critique their
- 12 economic feasibility study.
- 13 It's not appropriate for someone to be
- 14 operating as a management person for a competitor and
- under the Commission's rules to be given access to
- 16 highly confidential information and then allowed to
- 17 critique the other company's perspective.
- 18 MR. STEINMEIER: And Mr. Cattron is not
- 19 playing a management role.
- JUDGE LANE: Mr. Fischer, my question
- 21 for you is, do you believe that you elicited
- 22 testimony in your voir dire that Mr. Cattron is a
- 23 current employee, officer or director of any of the
- 24 parties to this proceeding or an affiliate of any
- 25 party to this proceeding?

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1 MR. FISCHER: I would suggest that he is
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- 2 an affiliate.
- JUDGE LANE: Currently?
- 4 MR. FISCHER: In the -- he has indicated
- 5 that he will be operating as the interim general
- 6 manager in the future. That's the expectation.
- JUDGE LANE: Yes, I heard that
- 8 testimony, but that -- that's an expectation, that's
- 9 something that hasn't happened yet, right?
- 10 MR. FISCHER: Well, it's indicated that
- 11 that's what the -- what the company is expecting to
- 12 happen.
- JUDGE LANE: And what's your
- 14 definition -- are you -- are you -- what's your
- 15 definition -- what working definition of "affiliate"
- 16 are you using?
- 17 MR. FISCHER: Probably the one that's in
- 18 the affiliated transaction rule, your Honor.
- 19 JUDGE LANE: All right. I'm gonna deny
- 20 that motion.
- MR. FISCHER: Thank you.
- JUDGE LANE: Thank you.
- MR. FISCHER: That ends my voir dire,
- 24 your Honor.
- JUDGE LANE: You may proceed,

- 1 Mr. Steinmeier.
- 2 MR. STEINMEIER: Thank you very much,
- 3 your Honor.
- 4 DIRECT EXAMINATION (RESUMED) BY MR. STEINMEIER:
- 5 Q. Mr. Cattron, referring to what I think
- 6 you may have referred to their Appendix C as -- as
- 7 Exhibit 3, I think it was actually marked as
- 8 Exhibit 2 yesterday which would have been their first
- 9 amended application with HC and NP, and attached to
- 10 that would have been Appendix C which is the
- 11 feasibility study?
- 12 A. Yeah, it's probably easier for me to
- 13 refer to it as Appendix C.
- 14 Q. Let's do that.
- 15 A. Okay.
- 16 Q. Is Appendix C a Branson-specific
- 17 feasibility study for SMNG?
- 18 A. No, it is not.
- 19 Q. Does the SMNG feasibility study contain
- 20 an estimate of the number of customers, revenues and
- 21 expenses in its proposed Branson service area during
- 22 the first three years?
- 23 A. Those cannot be identified in
- 24 Appendix C.
- 25 Q. Yesterday we heard testimony from SMNG

- 1 that the \$6.5 million capital requirement for Branson
- 2 distribution would cover the cost of providing
- 3 service to the 4,250 customers -- excuse me while I
- 4 separate my Motion in Limine notes from my testimony.
- 5 That could be really confusing.
- 6 The testimony was that that \$6.5 million
- 7 capital figure of Appendix C would cover the cost of
- 8 providing service to the 4,520 customers projected in
- 9 the service area by the end of year 5. As reflected
- 10 in SMNG Appendix C at page 1 or the first page after
- 11 the cover page, that is \$1,500 distribution cost per
- 12 customer; is that right?
- 13 A. It's a very close approximation. If you
- 14 take 4,520 times 1,500, that does approximate
- 15 6.5 million.
- Q. What is the SMNG system historical
- 17 average capital cost per customer?
- 18 MR. FISCHER: Your Honor, just to
- 19 interrupt a minute, I think we are talking about
- 20 highly confidential information here.
- 21 JUDGE LANE: I think we're talking about
- 22 some items that are in the summary page, and I think
- 23 that is highly confidential, so --
- MR. FISCHER: I would request we go
- 25 in-camera, then.

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MR. STEINMEIER: I apologize, your
1
    Honor. I should have requested.
                 JUDGE LANE: Very well.
 3
 4
                 MR. STEINMEIER: Although there's nobody
    on our side who's here.
 6
                 MR. DORITY: They're listening.
 7
                 MR. STEINMEIER: Oh, "they." I forget
    about "them." Oops.
 8
9
                 (REPORTER'S NOTE: At this point, an
10
    in-camera session was held, which is contained in
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    Volume 5, pages 340 through 396 of the transcript.)
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1 JUDGE LANE: We're in open session again
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- 2 in Case No. GA-2007-0168, and the case in chief has
- 3 been presented of all the parties, and we're now
- 4 ready to receive the rebuttal testimony that's going
- 5 to be offered by SMNG.
- 6 Since that testimony is going to relate
- 7 to highly confidential exhibits that were admitted in
- 8 our last in-camera session, we'll be going in-camera
- 9 very shortly.
- I expect after that witness is complete,
- 11 unless there is a surrebuttal witness, I expect we'll
- 12 go -- have the closing statements and conclude the --
- 13 conclude the hearing. I think we need Mr. Steinmeier
- 14 but he's not here, so we'll just wait a moment or two
- 15 until he returns.
- MR. FISCHER: Judge, while you're kind
- 17 of between things, are you anticipating we won't
- 18 brief this, this case?
- 19 JUDGE LANE: No, I was actually going to
- 20 address that at the conclusion. I'll tell you right
- 21 now, I'm going to make a briefing and proposed
- 22 Findings of Fact and Conclusions of Law option.
- 23 If -- I'm not gonna order the parties to file them,
- 24 but if you do want to file them, I will give everyone
- 25 the opportunity to do that. We're only gonna have

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one round of briefs. There will be no reply briefs,
1
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     and everyone will be on the same schedule.
 3
                  All right. Mr. Steinmeier has returned
     so we're ready to proceed with the rebuttal
 4
 5
     testimony, and I'm going to take us in-camera now.
 6
                  (REPORTER'S NOTE: At this point, an
     in-camera session was held, which is contained in
 7
 8
     Volume 5, pages 399 through 442 of the transcript.)
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| 1  | I N D E X  |            |
|----|--|------------|
| 2  |  |            |
| 3  | INTERVENOR OEP'S EVIDENCE  |            |
| 4  |  |            |
| 5  | STEVEN CATTRON Direct Examination by Mr. Steinmeier                      | 313        |
| 6  | Voir Dire Examination by Mr. Fischer                                     | 316        |
| 7  | STEVEN CATTRON (IN-CAMERA)   | 0.04       |
| 8  | Voir Dire Examination by Mr. Fischer                                     | 331        |
| 9  | STEVEN CATTRON (PUBLIC)  |            |
| 10 | Direct Examination (Resumed) by Mr. Steinmeier                           | 337        |
| 11 | CHEVEN CAMBRON (IN CAMERA)   |            |
| 12 | STEVEN CATTRON (IN-CAMERA) Direct Examination (Continued)                | 2.4.0      |
| 13 | by Mr. Steinmeier<br>Cross-Examination by Mr. Poston                     | 340<br>364 |
| 14 | Cross-Examination by Ms. Shemwell<br>Cross-Examination by Mr. Fischer    | 366<br>369 |
| 15 | orest mammaten si m. risener   | 000        |
| 16 | APPLICANT'S REBUTTAL EVIDENCE  |            |
| 17 | RANDAL MAFFETT   |            |
| 18 | Direct Examination by Mr. Fischer  | 399        |
| 19 | Cross-Examination by Ms. Shemwell<br>Cross-Examination by Mr. Steinmeier | 416<br>422 |
| 20 | Redirect Examination by Mr. Fischer<br>Questions by Judge Lane           | 431<br>434 |
| 21 | Recross-Examination by Ms. Shemwell                                      | 437        |
| 22 |  |            |
| 23 |  |            |
| 24 |  |            |
| 25 |  |            |

| 1  | EXHIBITS INDEX   |        |       |
|----|--|--------|-------|
| 2  |  | MARKED | REC'D |
| 3  | Euhihit No. 7 HC   | MARKED | KEC D |
| 4  | Exhibit No. 7 HC Alliance asset transfer                   | 99     | 440   |
| 5  | agreement  | 99     | 440   |
| 6  | Exhibit No. 14 HC Historical Distribution Plan             | 340    | 364   |
| 7  | Exhibit No. 15 HC  |        |       |
| 8  | Graphical illustration of historical average cost          | 343    | 364   |
| 10 | Exhibit No. 16 HC<br>Capital expenditure<br>analysis       | 345    | 364   |
| 11 | -  | 343    | 304   |
| 12 | Exhibit No. 17 HC Residential Customer Conversion Analysis | 348    | 364   |
| 13 | Exhibit No. 18   |        |       |
| 14 | Taney County table DP 4 from the 2000 census               | 348    | 364   |
| 15 | Exhibit No. 19   |        |       |
| 16 | Stone County table DP 4 from the 2000 census               | 348    | 364   |
| 17 | Exhibit No. 20 HC  |        |       |
| 18 | Missouri Public Service Commission Staff data              |        |       |
| 19 | request No. 0002 provided to Alliance Gas Energy           |        |       |
| 20 | Corporation  | 355    | 364   |
| 21 | Exhibit No. 21 HC Graphical illustration of                |        |       |
| 22 | what has transpired from                                   | 356    | 261   |
| 23 | 2002 to 2006 historically                                  | 220    | 364   |
| 24 |  |        |       |

| 1  | EXHIBITS INDEX   | (CONTINUED) |        |
|----|--|-------------|--------|
| 2  |  | MARKED      | REC'I  |
| 3  |  |             | 1120 2 |
| 4  | Exhibit No. 22<br>SMNG recapitalization<br>operating and maintenance | 414         | 415    |
| 5  | Exhibit No. 23   | 414         | 410    |
| 6  | August 9th, 2000 letter to Mr. Maffett, signed by                    |             |        |
| 7  | Dana Eaves   | 419         | 422    |
| 8  |  |             |        |
| 9  |  |             |        |
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