

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of Southern Union Company       )  
d/b/a Missouri Gas Energy, Sigma Acquisition    )  
Corporation and Energy Transfer Equity, L.P.    )  
for an Order Authorizing them to Perform in     )  
Accordance with a Merger Agreement and        )  
to Undertake Related Transactions                )

**Case No. GM-2011-0412**

**STAFF RESPONSE TO COMMISSION ORDER**

**COMES NOW** the Staff of the Commission and in response to the Missouri Public Service Commission's December 7, 2011 Order Directing Staff to File Recommendation respectfully states as follows:

1. Staff, the Office of the Public Counsel ("OPC"), Southern Union Company d/b/a Missouri Gas Energy, Sigma Acquisition Corporation and Energy Transfer Equity, LP, (collectively the "Companies") are engaged in the process of pursuing a settlement of this matter. In this regard, a comprehensive settlement document has been prepared and circulated among the parties as the basis for negotiation.

2. While the ultimate outcome of these settlement negotiations cannot be determined at this time, with continued discussions, Staff, OPC and the Companies believe that they will be in a position, on or before January 18, 2012, to notify the Commission as to the status of these negotiations and indicate the likelihood of a resolution of these matters or whether the establishment of a procedural schedule might be appropriate.

**WHEREFORE**, Staff respectfully submits this response and requests that the Commission establish January 18, 2012 as the date on or before which the

Staff shall file its recommendation as to how the Commission should proceed to consider the subject application.

Respectfully submitted,

**/s/ Lera 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 6th day of January, 2012.

**/s/ Lera Shemwell**