

Exhibit No.:
Issue: Rate Design
Witness/ Fred E. "Gene"
Copeland
Type of Exhibits: Direct
Sponsoring Party: Noranda Aluminum, Inc.
Company: Associated Natural Gas
Co.
Case No.: GR-97-272

FILED

JUL 3 1997

MISSOURI
PUBLIC SERVICE COMMISSION

NORANDA ALUMINUM, INC.
INTERVENOR

TESTIMONY OF
FRED E. "GENE" COPELAND

BEFORE THE
MISSOURI PUBLIC SERVICE COMMISSION
Docket No. GR-97-272

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

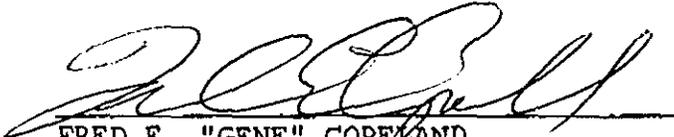
In the matter of ASSOCIATED NATURAL GAS)
COMPANY's tariff revision designed to)
increase gas rates for gas service)
provided to customers in the Missouri)
service area of the Company.) Case No. GR-97-272

AFFIDAVIT

STATE OF MISSOURI)
) ss.
COUNTY OF NEW MADRID)

Fred E. "Gene" Copeland, of lawful age, being first duly sworn, deposes and states:

1. My name is Fred E. "Gene" Copeland. I reside in New Madrid, New Madrid County, Missouri, and I am Missouri State Representative, representing the 161st District.
2. Attached hereto and made a part thereof for all purposes is my testimony consisting of pages 1 to 3, both inclusive.
3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct to the best of my knowledge and belief.

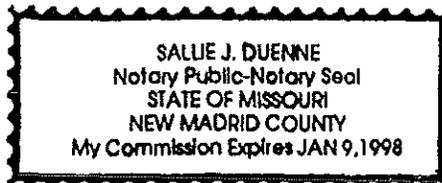
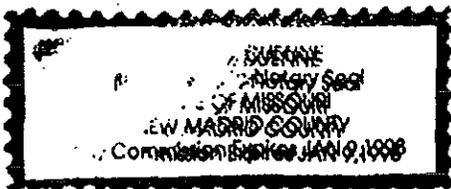

FRED E. "GENE" COPELAND

Subscribed and sworn to before me this 1st day of July, 1997.


Notary Public

(SEAL)

My Commission Expires:



PREPARED TESTIMONY OF FRED E. "GENE" COPELAND
MISSOURI STATE REPRESENTATIVE - 161ST DISTRICT
ON ASSOCIATED NATURAL GAS COMPANY
APPLICATION FOR RATE INCREASE
IN CASE NUMBER GR-97-272

Q. State your name.

A. Fred E. "Gene" Copeland.

Q. Where do you reside?

A. New Madrid, Missouri.

Q. Do you hold any elective office in the State of Missouri?

A. Yes.

Q. What office is that?

A. I am a member of the Missouri House of Representatives,
representing the 161st District.

Q. What counties to you represent?

A. Parts of New Madrid, Scott and Mississippi Counties.

Q. Are Scott and Mississippi Counties adjacent to New Madrid
County?

A. Yes.

Q. Have you been advised that Associated Natural Gas Company
is requesting a 3.7 million dollar rate increase?

A. Yes.

Q. Do you have any comments as to the rate designs proposed
by Associated Natural Gas Company between the various
classes of users?

A. Yes.

Q. What are your comments?

A. I understand that Associated Natural Gas Company is proposing a rate decrease for Noranda Aluminum to more properly reflect the cost of service of transporting natural gas. While I do not like to see any constituent pay high gas bills, I believe that any rate design between different classes of customers should be one based upon the costs of service to the particular class, with no class of customers subsidizing the others. It must be remembered that the financial well-being of the people of New Madrid County, as well as the adjoining counties, is tied to the continued operation of Noranda Aluminum, Inc. Without the continued operation of Noranda Aluminum, there would be mass, horrendous unemployment in my entire district. If Noranda Aluminum should shut down, the unemployment rate for this section of Missouri would in all probability "sky rocket."

Noranda Aluminum is vitally important economically to the entire Bootheel area, and particularly my District.

In the event of Noranda closing, it would not make any difference as to what the residential rate payers were paying for gas service because the people would not have any money with which to pay for the electricity. Not

only would there be mass unemployment but tremendously reduced taxes being paid to support county governments and the school district would both be forced into a financial bind.

For all of the above reasons, I sincerely urge the Missouri Public Service Commission to help us retain the employment we presently have from Noranda by adopting a rate design between classes which will result in the highest possible decrease in accord with costs of service to Noranda. Without the taxes being provided by Noranda, it would be extremely difficult, if not impossible, for the New Madrid County government to continue to function in any reasonable manner and the same is true as to the school district in New Madrid County. It is mandatory that it obtains the property taxes from Noranda if it is going to continue to operate on any kind of a basis that would give a decent education to our children. It is my opinion that the Missouri Public Service Commission should adopt a rate design which will result in Noranda paying the lowest possible amount of money for its delivery of natural gas. Without Noranda, there will be thousands of people in this county who will not have the money to pay for natural gas service, no matter how cheap it may be.

Q. Does this conclude your testimony at this time?

A. Yes.