

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

In the Matter of the Application of Southern)
Missouri Gas Company, L.P. d/b/a Southern)
Missouri Natural Gas for a Certificate of)
Public Convenience and Necessity Authorizing)
it to Construct, Install, Own, Operate, Control,)
Manage and Maintain a Natural Gas)
Distribution System to Provide Gas Service in)
Branson, Branson West, Reeds Spring, and)
Hollister, Missouri)

Case No. GA-2007-0168

MOTION TO POSTPONE HEARING

COMES NOW Ozark Energy Partners, LLC (hereinafter referred to as "Ozark" or "OEP"), Intervenor herein, by and through counsel, and moves the Commission to indefinitely postpone the hearing currently set in this matter for November 27 and 28, 2007, for the reasons set out below.

1. On October 24, 2007, Southern Missouri Gas Company, L.P. d/b/a Southern Missouri Natural Gas ("SMNG"), filed its "Proposed Procedural Schedule" in this case, proposing that hearing dates of November 27 and 28 be set aside for a hearing on the instant application, if ongoing settlement negotiations proved unfruitful.

2. On October 25, 2007, a hearing was scheduled for those dates by the Commission's *Order Adopting Proposed Procedural Schedule*.

3. Then, on November 5, 2007, SMNG filed its *Second Amended Application* in this case. The *Second Amended Application* not only proposed new rates for SMNG for its proposed Branson area service, but rates that are

dramatically higher than those previously sought by SMNG in this case. The *Second Amended Application* states:

Applicant proposes to use its existing approved rates and regulations for natural gas service in the proposed service area. However, Applicant proposes to add a \$.20 per Ccf charge in the distribution charges for all usage for all customer classes in the proposed service area to recover distribution system costs in the proposed service area. This additional distribution charge is intended to ensure that the expansion into the proposed service area will not be detrimental to SMNG's customers in its existing service area.

4. Although the *Second Amended Application* describes this new distribution charge as amending an "incorrect description of the proposed rates" of SMNG for the Branson area, the "correction" appears to result in a *very substantial increase* in SMNG's proposed rates for this proposed service area. Compared to SMNG's existing approved rates on file with the Commission, this additional 20-cent per Ccf charge is 56% higher than the commodity charge for SMNG's Residential and General Service classes, 58% above the maximum commodity charge for Large General Service (LGS) customers, and 60% above the maximum commodity charge for Large Volume Service (LVS) customers, from SMNG's current authorized rates.¹

5. Such a dramatic increase in proposed rates demands further review of SMNG's feasibility study in this case to determine the nature of the "correction" which prompted the filing of higher rates as that correction relates to the costs that went into the calculation of the original proposed rates. The correction demands closer examination of the feasibility study. The *Second*

¹ The increase for the LGS *minimum* commodity charge would be 233%, and for the LVS minimum commodity charge would be 400%, above SMNG's current tariffs.

Amended Application significantly changes this case from its status at the time early hearing dates of November 27 and 28 were set by the Commission.

6. In order to thoroughly examine the feasibility study of SMNG, in light of its dramatic proposed rate increase, additional time will be required for discovery and complete review of the new SMNG proposed rates. The two weeks remaining before the scheduled hearing are insufficient, especially considering the intervening Thanksgiving holiday.

7. OEP asks the Commission to cancel the November 27 and 28 hearing in this case, and to postpone the hearing until such time as the parties can agree on a new procedural schedule.

8. If the hearing dates are not changed, it is clear that both days would be required for hearing. The hearing will be prolonged by the additional live questions that will need to be posed on direct examination of OEP's witness and more extensive cross-examination, especially of SMNG witnesses, but also possibly of Staff and other witnesses. More extensive hearing time will be needed because of the inadequate time for discovery and evaluation, which would have permitted more efficient use of hearing room time.

9. In addition, OEP made it clear to SMNG that its primary expert is unavailable on November 28, as was alluded to in a footnote in SMNG's *Proposed Procedural Schedule*. In light of SMNG's new rates, and the questions that would need to be asked concerning those rates and their impact on SMNG's feasibility study, adjusting the order of witnesses would no longer be a sufficient remedy for Mr. Cattron's pre-existing and unavoidable scheduling conflict.

Rather, for OEP to meaningfully participate in the hearing, Mr. Cattron's presence in the hearing room would be required throughout the hearing for both days. Failure to postpone the hearing to dates on which OEP's primary expert witness is available, and to provide adequate time to evaluate the basis for the new proposed rates, would substantially and unduly prejudice OEP.

WHEREFORE, Ozark Energy Partners, LLC respectfully requests that the Missouri Public Service Commission enter an order indefinitely postponing the hearing in this case, currently set for November 27-28, 2007, until such time as the parties can agree on a new schedule of proceedings.

Respectfully submitted,

/s/ William D. Steinmeier

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CERTIFICATE OF SERVICE

I hereby certify that the undersigned has caused a complete copy of the attached document to be electronically filed and served on the Commission's Office of General Counsel (at gencounsel@psc.mo.gov) and the Office of Public Counsel (at opcservice@ded.mo.gov), and on counsel for all parties of record, on this 13th day of November 2007.

/s/ William D. Steinmeier
William D. Steinmeier