BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of the Application of United)	
Cities Gas Company, a Division of Atmos Energy)	
Corporation, for an Accounting Authority Order)	Case No. GA-98-464
Related to Investigation and Response Actions)	
Associated With Its Former Manufacturing Gas	')	
Plant Site in Hannibal, Missouri.)	

ORDER SETTING PREHEARING CONFERENCE AND DIRECTING FILING OF PROCEDURAL SCHEDULE

On February 25, 1999, the Commission granted United Cities Gas Company's (United Cities) Application for Accounting Authority Order (AAO). The order provided that the AAO would become null and void in the event that United Cities does not file tariff sheets proposing a general increase in rates by March 9, 2001. On February 5, 2001, United Cities filed a motion for modification of the AAO, stating that although it has been actively evaluating the possibility of filing a general rate case in the near future, United Cities does not believe it would be desirable to file a rate case before March 9, 2001. United Cities notes that if the time frame of the AAO is not extended, the company will be required to write off some \$377,000 in costs already incurred, as well as an additional \$123,000, which it expects to incur over the next 12 months.

On February 6, 2001, the Office of the Public Counsel (Public Counsel) filed a response opposing United Cities' request. United Cities filed a reply to Public Counsel's response on February 8, 2001.

The Staff of the Missouri Public Service Commission (Staff) filed its suggestions on March 2, 2001. Staff recommends that the Commission deny the request for a one-year extension in the duration of the AAO. Staff is also opposed to United Cities' alternative request that the Commission issue a subsequent accounting authority order authorizing the company to defer all costs associated with the investigation, assessment and environmental response actions at the Hannibal Manufactured Gas Plant site.

A prehearing conference should be scheduled to afford the parties the opportunity to discuss, define, and possibly resolve the issues presented in this case, or at least to agree on a procedural schedule. The Commission will also set a date for the filing of a proposed procedural schedule in order to ensure that this case progresses in a timely manner.

IT IS THEREFORE ORDERED:

- 1. That a prehearing conference will be held on March 15, 2001, beginning at 10:00 a.m. The prehearing conference will be held in Room 305 of the Governor Office Building, 200 Madison Street, Jefferson City, Missouri, a building that meets accessibility standards required by the Americans With Disabilities Act. If any person needs additional accommodations to participate in this prehearing, please call the Public Service Commission's Hotline at 1-800-392-4211 (voice) or 1-800-829-7541 (TDD) prior to the conference.
- 2. That the parties shall file a proposed procedural schedule no later than March 22, 2001.

3. That this order shall become effective on March 15, 2001.

BY THE COMMISSION

lok Hard Roberts

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge

(S E A L)

Vicky Ruth, Regulatory Law Judge, by delegation of authority pursuant to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri, on this 6th day of March, 2001.

STATE OF MISSOURI PUBLIC SERVICE COMMISSION JEFFERSON CITY March 6, 2001

CASE NO: GA-98-464

Office of the Public Counsel

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Enclosed find certified copy of ORDER in the above-numbered case(s).

Sincerely,

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge