

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the matter of Missouri Gas)
Energy Company's Application)
for a rate increase)
and modification of terms and)
conditions of service)

Case No. GR-98-140

FILED
NOV 21 1997
MISSOURI
PUBLIC SERVICE COMMISSION
GR 98-140

APPLICATION OF MOUNTAIN ENERGY CORP.
TO INTERVENE

COMES NOW MOUNTAIN ENERGY Corp. formally MOUNTAIN IRON & Supply Company and applies for and respectfully requests intervention in the above entitled proceeding.

1. MOUNTAIN ENERGY is a Kansas corporation qualified to do and doing business in and within the State of Missouri as a marketer and dealer in natural gas and transportation agent for shippers and transportation customers on pipelines and local distribution systems including that of Missouri Gas Energy (hereinafter "MGE").

2. Mountain Energy and its customers are wholly dependent upon the natural gas public utilities of Missouri including MGE for delivery of natural gas to end-users.

3. In the regular conduct of its business in the State of Missouri, Mountain Energy sells natural gas to and acts as transportation agent on behalf of certain customers of MGE who are resident in and use and consume natural gas within the State of Missouri. Those customers of MGE who are customers of Mountain Energy and for whom Mountain Energy acts as transportation agent in respect to MGE include, among others,

Children's Mercy, Kansas City, Missouri
Truman Medical Center, Kansas City, Missouri
Truman Medical Center East, Kansas City, Missouri
Veterans Affairs Medical Center, Kansas City, Missouri

4. Mountain Energy is "any" person or corporation as a designated by 4 CSR 240-2.070 (1) for the filing of a complaint against any public utility for any rule or charge in violation of law or rule of the Commission.

5. Notice, pleadings and correspondence to Mountain Energy in respect of this proceeding are to be addressed to:

Peter H. Beren,
Mountain Energy
257 N. Broadway Ste 200
Wichita, KS 67202
316-265-2211
FAX: 316-267-5534

Victor S. Scott
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P.O. Box 1438
Jefferson City, MO 65102-1438
573-634-3422
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On or about October 3, 1997, MGE filed herein its application to revise rate schedules, transportation provisions and general terms and conditions contained in its filed tariffs. Mountain Energy opposes the relief sought for the reason that the tariffs and revisions are unreasonable and discriminatory as hereinafter set forth.

- A. Sheet No. 30 should be made applicable to all commercial and industrial customers without any quantitative restrictions.
- B. Sheet No. 40 should be made applicable to all commercial and industrial customers without any quantitative restrictions.

- C. Sheet No. 42, as to Large Volume Service, should not include a customer charge; also, a reduction or elimination of the transportation charge for certain customers is discriminatory and should be eliminated.
- D. Sheet No. 40, as to Large volume Service, the 12 month written notice for customers switching from general sales service to transportation, or from transportation to general sales service is an excessive length of time considering the current competitive nature and the deregulation of the gas industry.
- E. Sheet No. 42, as to Large Volume Service, the customer charge is excessive and unreasonable.
- F. Sheet No. 42, as to Large Volume Service, the transportation charge is excessive and unreasonable.
- G. Sheet No. 44, as to Large Volume Service, the delayed payment charge is excessive, unreasonable, discriminatory, and usurious; also, the 15 day time frame is unreasonable and should be lengthened.
- H. Sheet No. 61, as to Pooled Transportation Service, the 1,000 Ccf daily average is unreasonably high and discriminatory.
- I. Sheet No. 61.3, as to Transportation Provisions TRPR - Unauthorized Use Charge, MGE should assess penalties from an interstate pipeline interruption or curtailment only when it is penalized and these penalties should only be passed through to the customer who exceed its usage. Further, MGE should only be allowed to assess penalties for unauthorized usage when MGE's system is in curtailment.
- J. Sheet No. 70, as to Electronic Gas Measurement Equipment, the minimum 12 months period for which a customer must wait before being allowed to resume transportation service after his transportation service has been canceled, is excessive, unreasonable, discriminatory and lacks any business justification for such a lengthy period of time.
- K. Sheet No. 83, as to Intrastate Transportation Service, the requirements that only customers who had executed transportation contracts prior to October 15, 1993, is unreasonable and discriminatory.
- M. Sheet No. 92, as to Intrastate Transportation Service - Delayed Payment charge - the 2.5% charge is excessive, unreasonable, discriminatory and usurious; also, the 15

day time frame is unreasonable and should be lengthened.

6. Mountain Energy as a gas marketing company, shipper, and transportation agent has an interest in this proceeding different from that of the general public; and granting of intervention would serve the public interest in lower rates, the availability of lesser cost gas and open-access transportation.

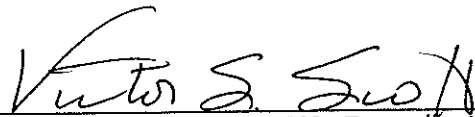
7. Other shippers of natural gas on MGE's transportation system who have intervened herein cannot adequately represent the public interest in unimpeded transportation of gas in MGE's service areas in that they will not challenge MGE's transportation threshold load; nor can they represent the interest of those who do not have alternate sources of supply; nor will they adequately challenge MGE's relations with its marketing affiliate.

8. Mountain Energy respectfully requests that it be permitted to intervene herein.

Respectfully submitted,

ANDERECK, EVANS, MILNE
PEACE & BAUMHOER

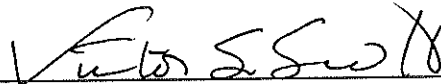
BY


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ATTORNEYS FOR MOUNTAIN ENERGY

CERTIFICATE OF SERVICE

I hereby certify that on the 21st day of November, 1997, a copy of the above and foregoing Application to Intervene was served on the parties of record of this proceeding by placing same in the United States mail, first class, postage prepaid.



Victor S. Scott