FILED

JUN 4 2001

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

Missouri Public Service Commission

In the matter of Missouri Gas Ener-)		
gy of Kansas City, Missouri re-)		
quested authority to file a tariff)	Case No.	GR-2001-292
reflecting a change in rates for)		
its Missouri customers	}		

MIDWEST GAS USERS' ASSOCIATION RESPONSE TO STIPULATION AND AGREEMENT FILED ON MAY 29, 2001

COMES NOW Midwest Gas Users' Association (Midwest) and in response to the document entitled "Stipulation and Agreement" filed herein on May 29, 2001 by selected parties, states:

- A Stipulation and Agreement (S&A) was filed by Staff, Public Counsel and Missouri Gas Energy (MGE) on May 29, 2001. Midwest did not join in this S&A.
- 2. The Commission's attention is respectfully drawn to the exculpatory language that the signatory parties have included, specifically paragraph 2 of the S&A, and the paragraph that begins on page 3 of the S&A. This language states that the signatory parties do not intend their proposed resolution of the specified issues for overall revenue requirement purposes to control or affect other issues of how these amounts are to be allocated among the company's revenue classes or to foreclose cross-examination as to those cost allocation issues. Those issues still remain in this proceeding, are not resolved or submitted for resolution by this S&A, and no proposed resolution

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of these issues was submitted to the Commission on May 29, 2001 or on any earlier date.

- 3. Midwest specifically requested inclusion of this language because we are concerned that there are numerous class cost allocation issues that are and may be involved in the development of and cross-examination regarding the listed issues for class cost allocation purposes. It is our explicit understanding that Commission acceptance of this S&A operates to reserve Midwest's position and rights regarding these issues and does not eliminate these matters as issues for class cost allocation purposes or affect any party's rights on those issues.
- 4. In Case No. GR-98-140, the Commission appeared to have misapprehended language that was thought sufficient at the time to reserve similar issues for decision in that case.

 Instead the Commission incorrectly assumed that a settlement in that case resolved these issues for all purposes in that case.

 That was not true in GR-98-140 and it is not the case in this proceeding.
- 5. In explicit reliance upon the exculpatory language that reserves Midwest's (and others') rights and position on these issues, the statements herein contained, and conditioned upon the Commission's acceptance of that reservation of these issues, Midwest does NOT object to the S&A and does NOT request a hearing under 4 CSR 240-2.115. Upon that understanding and reliance, Midwest further will not object to the Commission's

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treatment of this S&A as "unanimous" under the provisions of 4 CSR 240-2.115(1).

Respectfully submitted,

Stuart W. Conrad

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ATTORNEYS FOR MIDWEST GAS USERS' **ASSOCIATION**

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing pleading by hand, by electronic or prepaid overnight delivery to all parties by their attorneys of record as disclosed by the pleadings and orders herein.

Stuart W. Conrad

Dated: June 4, 2001