

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED²
APR 23 2001

Missouri Public
Service Commission

In the Matter of Laclede Gas Company's)
Tariff Filing to Implement an)
Experimental Fixed Price Plan and Other) Case No. GT-2001-329
Modifications to Its Gas Supply Incentive)
Plan.)

**AMERENUE'S RESPONSE TO STAFF'S MOTION PERMITTING USE OF
INFORMATION AND FOR EXPEDITED TREATMENT**

COMES NOW Union Electric Company d/b/a AmerenUE ("AmerenUE" or "Company") and in response to the Motion for Order Permitting Use of Information and for Expedited Treatment ("Motion") filed by the Missouri Public Service Commission Staff in the above-captioned proceeding states as follows:

1. On April 18, 2001, the Staff filed its Motion requesting authority to utilize highly confidential information pertaining to gas costs and volumes which certain Missouri local distribution companies ("LDCs") have provided in other proceedings, in order to develop a cost comparison between Missouri natural gas utilities.

2. AmerenUE has two concerns about the use of the gas supply information it has provided the Commission for such a comparison. First, such a comparison is not likely to provide a valid basis for drawing any conclusions about the relative success of LDCs in acquiring reliable, low cost gas supplies for their customers. The operational characteristics of each company are simply too different for such a comparison to be meaningful. For example, Laclede Gas Company acquires most of its gas supplies utilizing Mississippi River Transmission Corporation's interstate pipeline, which extends from receipt points in and around the Gulf Coast to delivery points in the St. Louis area. AmerenUE, on the other hand, utilizes Panhandle Eastern Pipe Line Company, which accesses gas in and around the Hugoton Basin in Kansas as the source for the lion's share of its gas supplies. Any

comparison between gas supplies accessed from these very different sources is an apples-to-oranges comparison that would be of questionable value to the Commission. Moreover, differences in the load profiles, population densities and locations of customers served by each LDC further diminish the value of any direct comparisons. If the Staff is proposing to use data supplied by AmerenUE to facilitate such a comparison, AmerenUE believes the Commission should deny the Staff's Motion because the comparison would not be relevant or meaningful to a Commission decision in this proceeding.

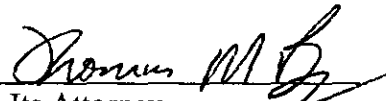
3. Second, and perhaps more importantly, AmerenUE has serious concerns about maintaining the confidentiality of its gas supply information, particularly from other local distribution companies that are in some cases its competitors in purchasing gas supplies from the same suppliers. AmerenUE's concerns in this regard are mitigated to the extent that only aggregated gas supply data from each company are used. But if parties to this proceeding are permitted to examine gas supply contracts and discount arrangements underlying aggregate gas supply cost numbers, there is a significant risk that AmerenUE's relationships with its gas suppliers could be compromised. This risk is not completely eliminated by treatment of gas supply information as "Highly Confidential" under the Commission's standard protective order. Even if discount information and other contract terms are treated in that manner, they will still be available to attorneys of Laclede Gas Company and potentially other local distribution companies, who may review gas supply and pipeline transportation contracts and have other types of involvement in the negotiation of gas supply arrangements. In spite of these parties' best efforts to comply with the letter and spirit of the Commission's standard protective order, it would be difficult, if not impossible, for such parties to "forget" the information that they discovered in this proceeding, the next time they are in a position to negotiate a gas supply arrangement. It is important to reiterate that this is not a criticism of

any of the other local distribution companies or their attorneys—for the same reasons AmerenUE should not be permitted to review the gas supply contracts of the other local distribution companies in the state. There is simply too great a risk that, consciously or unconsciously, this information will influence the gas supply decisions of the party that is permitted to review it.

WHEREFORE, for the reasons stated herein, AmerenUE respectfully requests that the Commission deny the Staff's Motion. In the alternative, the Commission should make it clear that the parties will be permitted to review and use only aggregate gas supply data that does not include the details of any specific gas supply or pipeline transportation arrangements, and that such information will be treated as "Highly Confidential."

Respectfully submitted,

UNION ELECTRIC COMPANY
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CERTIFICATE OF SERVICE

This is to certify that a copy of the foregoing Application to Intervene in Case No. GT-2001-329 was served on the following via overnight delivery on this 20th day of April 2001:

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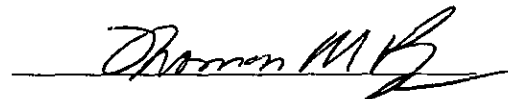
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