



Commissioners

SHEILA LUMPE
Chair

HAROLD CRUMPTON

CONNIE MURRAY

ROBERT G. SCHEMENAUER

M. DIANNE DRAINER
Vice Chair

Missouri Public Service Commission

POST OFFICE BOX 360
JEFFERSON CITY, MISSOURI 65102
573-751-3234
573-751-1847 (Fax Number)
<http://www.ecodev.state.mo.us/psc/>

March 8, 1999

GORDON L. PERSINGER
Acting Executive Director
Director, Research and Public Affairs

WESS A. HENDERSON
Director, Utility Operations

ROBERT SCHALLENBERG
Director, Utility Services

DONNA M. KOLLIS
Director, Administration

DALE HARDY ROBERTS
Secretary/Chief Regulatory Law Judge

DANA K. JOYCE
General Counsel

Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

RE: GA-99-107 and GA-99-236

FILED

MAR - 8 1999

Missouri Public
Service Commission

Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and fourteen (14) conformed copies of a **HEARING MEMORANDUM**.

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,

Lara L. Shepiwell
Assistant General Counsel
(573) 751-7431
(573) 751-9285 (Fax)

Enclosure
cc: Counsel of Record

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

FILED

MAR - 8 1999

Missouri Public
Service Commission

In the matter of the application of Union)
Electric Company d/b/a AmerenUE for)
a certificate of public convenience and)
necessity authorizing it to construct,)
install, own, operate, control, manage)
and maintain natural gas pipeline)
facilities and a gas distribution system)
for the public in a portion of St. Charles)
County, Missouri, as an expansion of its)
presently certificated area.)

Case No. GA-99-107

In the matter of the application of)
Laclede Gas Company for a certificate)
of public convenience and necessity)
authorizing it to construct, install, own,)
operate, control, manage, and maintain)
a gas distribution system for the public)
in portions of the city of Wentzville,)
Missouri as an extension of its presently)
certificated area.)

Case No. GA-99-236

HEARING MEMORANDUM

Submitted by:

The Staff of the Missouri Public Service Commission
Union Electric d/b/a AmerenUE
Laclede Gas Company
City of Wentzville, Missouri
Office of the Public Counsel

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

In the matter of the application of Union)
Electric Company d/b/a AmerenUE for)
a certificate of public convenience and)
necessity authorizing it to construct,)
install, own, operate, control, manage) Case No. GA-99-107
and maintain natural gas pipeline)
facilities and a gas distribution system)
for the public in a portion of St. Charles)
County, Missouri, as an expansion of its)
presently certificated area.)

In the matter of the application of)
Laclede Gas Company for a certificate)
of public convenience and necessity)
authorizing it to construct, install, own,)
operate, control, manage, and maintain) Case No. GA-99-236
a gas distribution system for the public)
in portions of the city of Wentzville,)
Missouri as an extension of its presently)
certificated area.)

HEARING MEMORANDUM

I. PROCEDURAL HISTORY

On September 15, 1998, Union Electric Company d/b/a AmerenUE ("UE") filed an application with the Commission requesting a certificate of public convenience and necessity (CCN) for authorization to construct, own, and operate natural gas pipeline facilities and a gas distribution system for the public in a certain identified portion of St. Charles County, immediately south of Wentzville, Mo. On January 21, 1999, UE filed an Amendment to its application. This case is designated as Case No. GA-99-107.

On October 19, 1998, Laclede Gas Company ("Laclede") filed an application to intervene in Case No. GA-99-107. The Commission granted Laclede's application in the Order Regarding

Intervention and Scheduling Early Prehearing Conference issued on November 3, 1998.

On November 24, 1998, Laclede filed an application with the Commission requesting a CCN for authorization to provide natural gas service to two identified portions of the city of Wentzville. This case is designated as Case No. GA-99-236.

Along with its application, Laclede filed a Motion to Consolidate Case Nos. GA-99-107 and GA-99-236. None of the Parties attending the November 30, 1998 prehearing conference expressed any opposition to the Motion. On December 3, 1998, the Commission issued an Order to Consolidate Proceedings and Provide Notice, effective December 14, 1998.

The Joint Recommendation for Procedural Schedule was filed on December 7, 1998 and accepted by the Commission's Order of December 10, 1999. The Order Granting Protective Order was issued by the Commission on December 9, 1998.

The City of Wentzville ("Wentzville") filed its Application to Intervene Out of Time on January 20, 1999, and that Application was granted by Order of February 1, 1999. Missouri Pipeline Company ("MPC") filed an Application to Participate without Intervention on January 29, 1999 and Participation was granted by the Commission's Order of February 16, 1999.

II. TESTIMONY

A. DIRECT TESTIMONY

On January 5, 1999, the following persons filed Direct Testimony:

1. On behalf of UE:

Robert W. Schmidt
Stephen R. Colyer
Robert G. Nichols

2. On behalf of Laclede:

Benjamin O. McReynolds
James K. Zeltmann
Michael R. Spotanski

3. The Staff of the Missouri Public Service Commission ("Staff") did not file Direct Testimony.

4. The Office of the Public Counsel did not file Direct Testimony.

5. The City of Wentzville did not file Direct Testimony.

B. REBUTTAL TESTIMONY

On February 11, 1999 the following persons filed Rebuttal Testimony:

1. On behalf of UE:

Robert W. Schmidt
Scott A. Glaeser

2. On behalf of Laclede:

Benjamin O. McReynolds
James K. Zeltmann
Michael R. Spotanski

3. On behalf of the Staff:

Randy L. Flowers
James A. Gray

4. The Office of the Public Counsel did not file Rebuttal Testimony.

5. The City of Wentzville did not file Rebuttal Testimony.

C. SURREBUTTAL OR CROSS-SURREBUTTAL

On March 3, 1999, the following persons filed Surrebuttal or Cross-Surrebuttal:

1. On behalf of UE:

Robert W. Schmidt
Stephen R. Colyer
Robert G. Nichols

2. On behalf of Laclede:

**Benjamin O. McReynolds
James K. Zeltmann
Michael R. Spotanski**

3. On behalf of Staff:

**Randy L. Flowers
James A. Gray**

4. The Office of the Public Counsel did not file Surrebuttal or Cross-Surrebuttal Testimony.

5. The City of Wentzville did not file Surrebuttal or Cross-Surrebuttal Testimony.

Unless otherwise indicated, by signing this hearing memorandum, no party shall be deemed to have acquiesced in the position or statements of any other party with respect to any issue or allegation of fact. Furthermore, by signing this hearing memorandum, the parties do not intend to preclude a party from cross-examining witnesses and briefing issues identified in this document for which no position is taken by that party in this memorandum.

All parties reserve the right to inquire into and establish a position concerning any issue that is pertinent to the proceedings as a new issue based on matters that could not reasonably have been contemplated based on the filings and pleadings herein as of the date hereof.

III. ISSUES

The contested issues are outlined below, followed by the positions of the parties. The first two issues pertain to construction of the pipeline, and the remaining questions pertain to the issue of the service territory.

1. Has UE demonstrated a need to construct the natural gas pipeline reinforcement facilities proposed in its application for a certificate of public convenience and necessity?

UE: UE believes that it has clearly demonstrated the need to construct its proposed pipeline reinforcement facilities. Since the construction of its Curryville-to-Wentville Feeder System over 30 years ago, UE's Wentzville District Service Area which is supplied by that system has experienced significant load and customer growth. As a consequence, such Feeder System is in jeopardy of not being able during peak conditions to provide adequate gas flows and pressures for UE's customers located at the southern end of the system, particularly customers in such communities as Wentzville, Wright City, Warrenton, Foristell and Moscow Mills. The engineering analysis performed by UE fully supports the existence of peak condition pressure deficiencies on the Curryville-to-Wentzville Feeder System and the necessity of constructing the proposed pipeline reinforcement facilities to correct such deficiencies. (Colyer Direct, pp. 3-9, Schedules 2-5; Colyer Surrebuttal pp. 1-3)

LACLEDE: Laclede agrees that UE's Wentzville District Service Area requires reinforcement. However, UE has created the need for expedited Commission approval in this proceeding by failing to adequately reinforce its system since at least the mid-1990's, when it first became apparent such reinforcement would be necessary. (Zeltmann Rebuttal, pp. 7-8)

STAFF: Yes. UE has demonstrated that its system needs reinforcement.

OFFICE OF THE PUBLIC COUNSEL: The Office of the Public Counsel takes no position with respect to this issue. Public Counsel reserves the right to cross-examine witnesses and file a brief on this issue.

WENTZVILLE: No position.

2. Should the Commission approve the location of the pipeline reinforcement facilities proposed by UE?

UE: UE believes that its proposed route for the pipeline reinforcement facilities is reasonable and should be approved by the Commission. Its location to the south of UE's Curryville-to-Wentzville Feeder System is the best solution for increasing pressures on the southern end of that system where the peak condition deficiencies will occur. Based on the topography of the area and right-of-way acquisition considerations, UE's proposed route should provide the least difficult construction conditions. UE's proposed route is near a developing area that was recently annexed and in an area which is ultimately expected to be annexed by the City of Wentzville where UE is certificated by the Commission and franchised by the City to serve. The route will enable UE to offer gas service to the public in an area where it is not currently available and a public need for it exists. UE believes that its proposed route is superior to Laclede's proposed route through the established urban area of Wentzville. Laclede's proposed route would involve significant and costly construction difficulties. (Nichols Direct pp.2-4, Schedule 1; Schmidt Direct pp. 8, 9, Schedule 5; Schmidt Rebuttal pp. 11-14, Schedules 2-5; Nichols Surrebuttal pp. 2-4; Schmidt Surrebuttal pp. 5-7, Schedules 2 and 3)

LACLEDE: No. UE has proposed an inefficient route for the location of its proposed pipeline running from Missouri Pipeline Company (MPC) to UE's Wentzville District Service Area. Compared to the most direct pipeline route between MPC and the Wentzville District Service Area, UE's route has several problems including:

- a) it is substantially longer;
- b) it traverses much more difficult terrain;
- c) it requires expensive crossings of Peruque Creek and Interstate Highway 70;

- d) it requires UE to obtain easements from numerous private landowners; and
- e) it will cost ratepayers nearly twice as much as a pipeline built on the more efficient route.

Laclede believes that UE has selected this inefficient route only because it traverses Laclede's certificated service territory in unincorporated St. Charles County, in the hope that the presence of this pipeline in Laclede's service territory will bolster UE's claim that it should be certificated to serve customers in Laclede's area. (Zeltmann Direct, pp. 8-10; Zeltmann Rebuttal, pp. 2-5; Zeltmann Surrebuttal, pp. 1-6).

STAFF: The proposed route is reasonable and necessary to reinforce UE's system. The proposed route interconnects with Missouri Pipeline Company near an area recently annexed by the City of Wentzville. The City is planning to continue annexation of residential developments in this area and only UE is certificated and franchised to serve within the city limits. It is reasonable to locate the interconnection through this area. (Flowers Rebuttal pp. 6-7).

OFFICE OF THE PUBLIC COUNSEL: The Office of the Public Counsel takes no position with respect to this issue. Public Counsel reserves the right to cross-examine witnesses and file a brief on this issue.

WENTZVILLE: The City of Wentzville takes no position on this issue.

3. **Should the Commission authorize UE to provide gas service in the area proposed in its application for a certificate of public convenience and necessity?**

UE: UE believes that the Commission should authorize UE to provide gas service in the unincorporated area of St. Charles County proposed in its application. While Laclede holds a Commission certificate to serve unincorporated St. Charles County, to date it has not constructed facilities in or provided gas service to the public in the area proposed in

UE's application. UE proposes this service area because from a construction and feeder system reinforcement standpoint, it provides the best location for UE to build its proposed pipeline reinforcement facilities; the area is adjacent to and ultimately expected to be annexed by the City of Wentzville where UE is already certificated by the Commission and franchised by the City to served; and it is an area which is currently not receiving gas service. UE asserts that it is in a better position than Laclede to provide gas to the public in this area. UE has a St. Charles County franchise and as indicated above, a Wentzville franchise which will apply upon the expected annexation of the area. UE has gas service personnel readily accessible to meet the needs of customers in the area and upon receipt of Commission authorization, UE will construct its proposed pipeline reinforcement facilities at a location which will make gas service economically accessible to the public in the area. (Schmidt Direct, pp. 5-16, Schedules 2, 4-9; Schmidt Rebuttal, p. 14, Schedule 6; Schmidt Surrebuttal, pp. 2-5, 9, 14-15, Schedule 1).

LACLEDE: No. UE's application requests authority to provide natural gas service in unincorporated St. Charles County, an area where Laclede already has a certificate of public convenience and necessity authorizing it to provide such service. Laclede is ready, willing and able to provide service to all customers located in its service territory pursuant to its tariff. Moreover, over the past decade Laclede has taken steps designed to ensure natural gas service will be available to the specific area that is at issue in this case. In 1989 Laclede played an instrumental role in Missouri Pipeline Company's decision to construct an intrastate pipeline to bring gas supplies to this area in anticipation of its ultimate development. Similarly, in 1998, Laclede arranged for Williams Pipelines

Central, Inc. to convert an existing products line to provide additional gas supplies from a different production area into this territory.

Because Laclede is ready, willing and able to serve customers in its St. Charles County service territory on reasonable terms, and because Laclede has taken steps to ensure that adequate gas supplies will be available to serve the particular portion of unincorporated St. Charles County that is at issue in this proceeding, the Commission should not grant UE's request for a certificate of public convenience and necessity to serve this area. Finally, there is no guarantee that the City of Wentzville will ever actually annex the area UE proposes for certification, as UE's application anticipates. (Spotanski Direct, pp. 2-7, McReynolds Direct, pp. 2-5)

STAFF: Both UE and Laclede are capable of providing safe and reliable natural gas service to customers in this area. They are both capable of doing so at reasonable rates. Only UE is certificated and franchised to serve the incorporated areas of the City of Wentzville. The area sought to be served by both companies is adjacent to and either annexed by or ultimately expected to be annexed by the City of Wentzville. It is an area that currently has no natural gas service.

The Commission should permit UE to continue to serve within the city limits of Wentzville and the adjacent area as permitted by UE's tariff. The term adjacent area has been interpreted by Staff to include the section adjacent to the boundary. UE should also be permitted to serve the area adjacent to its pipeline. Laclede should continue to serve the unincorporated areas of St. Charles County where they are currently certificated and franchised to serve.

OFFICE OF THE PUBLIC COUNSEL: The Office of the Public Counsel takes no position

with respect to this issue. Public Counsel reserves the right to cross-examine witnesses and file a brief on this issue.

WENTZVILLE: The City takes no position on this issue.

4. **Should the Commission authorize Laclede to provide gas service in the area south of Interstate Highway 70 and southwest of U.S. Highway 40/61 as proposed in its application for a certificate of public convenience and necessity?**

UE: UE asserts that the Commission should deny Laclede's application for a certificate to provide gas service in the southern portion of the City of Wentzville. This is an area that UE already has a certificate from the Commission and a franchise from the City to serve and operate in. UE desires and stands prepared to provide gas service to potential customers in this area. UE has gas service personnel located immediately within the City to respond to customer needs and has existing gas facilities in the southern portion of the City which makes gas service readily available. To authorize Laclede to serve this portion of Wentzville would be a wasteful duplication of facilities. UE asserts that Laclede is not in a better position than nor does it have advantages over UE in providing service to this area. Laclede does not presently have a franchise from the City of Wentzville which is a legal prerequisite to the Commission granting Laclede a certificate. (Schmidt Direct, p. 16, Schedules 2 and 7, Schmidt Rebuttal, pp. 2-7, 10, 11; Surrebuttal Schmidt, pp. 9, 11)

LACLEDE: Yes. When Laclede obtained its certificate of Public Convenience and Necessity authorizing it to serve unincorporated St. Charles County in the early 1960's, the City of Wentzville was located completely to the north of Interstate 70. Subsequently, Wentzville began annexing territory south of Interstate 70. In the late 1970's, the City annexed a small strip of territory immediately to the south of Interstate 70, and in the last

few years Wentzville has annexed substantially more territory south of Interstate 70. Wentzville has plans to annex substantially more territory south of Interstate 70, which would significantly increase the size of the city.

Wentzville's aggressive annexation program has had the unintended consequence of creating overlapping service territories for Laclede, the incumbent provider in unincorporated St. Charles County, and UE, the incumbent provider in the City of Wentzville. Laclede believes that the Commission should resolve the confusion created by Wentzville's annexation by drawing a sharp line between Laclede's and UE's service territories that will not move in the future, and will allow both utilities to plan future service. Laclede believes that the line between the companies' service territories should be drawn at Highway 70, except that UE should be permitted to continue serving a small area south of Highway 70 where it already provides service.

Laclede believes it is in a better position than UE to provide service south of Highway 70 because:

- a) In contrast to UE, Laclede has long planned to serve this area, and has arranged for adequate gas supplies from diverse production areas to be available;
- b) Laclede has substantially lower rates and connection charges, and a more liberal main and service extension policy than UE;
- c) As a gas utility, unlike an electric utility such as UE, Laclede aggressively markets natural gas as an energy alternative to electricity and other energy sources.

Laclede notes that its request for a franchise from the City of Wentzville has been approved by the City Board of Alderman and will be voted on in the April 6, 1999

election. The parties to this proceeding have agreed that the results of that election will be submitted as a late-filed exhibit, prior to the close of the record in this case. (McReynolds Direct, pp. 6-7, McReynolds Rebuttal, pp. 1-7, Spotanski Direct, pp. 8-9, Spotanski Surrebuttal, pp. 9-12 and 16-19)

STAFF: The Commission cannot certificate Laclede to serve this area because Laclede lacks the necessary franchise to serve within the city limits of Wentzville. It is Commission policy to only certificate a company to serve within a city when the company has a franchise to serve that city.

Both companies have made plans to serve this area and both are capable of doing so. However, it is also long established Commission policy to certificate only one gas utility in any particular area. This policy is intended to prevent overbuilding and inefficient use of resources, minimize construction hazards, and reduce confusion among customers. UE has been certificated to serve within the City of Wentzville for more than 30 years.

OFFICE OF THE PUBLIC COUNSEL: The Office of the Public Counsel takes no position with respect to this issue. Public Counsel reserves the right to cross-examine witnesses and file a brief on this issue.

WENTZVILLE: No position.

5. Considering that UE's and Laclede's certificate applications seek to serve overlapping geographic areas, is it reasonable and proper for the Commission in this case to determine a compromise territorial line to separate the two companies' service areas?

UE: The Commission has the statutory and regulatory authority to issue a certificate of convenience and necessity to a public utility even though such certificate will overlap with another public utility's service area. However, in order to minimize the duplication

of services and public confusion, and to promote the orderly construction of facilities, the Commission in this case should clearly demarcate UE and Laclede's service areas. UE has proposed a reasonable and appropriate service area consistent with its preexisting certificate authority and the City of Wentzville's plans for expansion. Accordingly, UE proposes that the Commission issue a certificate for the area of service proposed in the testimony of Robert Schmidt. (Schmidt Direct, pp. 8-11, Schedules 5 and 6; Schmidt Surrebuttal, pp. 3, 14 and 15)

LACLEDE: Yes. In order to eliminate uncertainty for all the parties to this proceeding and gas customers located in the area of dispute, the Commission should draw a sharp line between the service territories of Laclede and UE. The boundary between the companies' service territories should not continually move as an unintended consequence of each new annexation by the City of Wentzville. Accordingly, Laclede proposals that the Commission establish the boundary line as proposed in its application.

STAFF: The current boundary as defined by the tariffs of each company is a sufficient boundary. The area in dispute is south of the city and portions have been annexed by the city with additional annexations planned. The city has plans to annex the entire area sometime in the next ten years. Its future plans are well known to all involved.

UE is the only gas utility currently certificated and franchised to serve within the city limits. There is no reason for the Commission to change that certification. Laclede is certificated to serve in unincorporated St. Charles county. Likewise there is no reason for the Commission to modify that certificate.

OFFICE OF THE PUBLIC COUNSEL: Public Counsel believes that the Commission should, in the context of this proceeding definitively determine the service territories of

Laclede and UE. Public Counsel takes no position on where the boundaries should be drawn. Public Counsel reserves the right to cross-examine witnesses and file a brief on this issue.

WENTZVILLE: The City of Wentzville believes it is incumbent on the Commission to resolve the current uncertainty regarding the competing service authority claims of UE and Laclede. The City of Wentzville believes that if UE and Laclede cannot reach a private territorial boundary agreement (be to approved by the Commission), then the Commission should consider establishing a gas service territorial boundary line in this case.

6. Is any additional Commission authority required to clarify the scope of Laclede's right to serve the GM Assembly Plant and customers in the vicinity of the GM Plant and if so how much authority should be granted?

UE: As a condition precedent to obtaining a certificate of convenience and necessity to provide service to an area, a public utility must obtain a franchise from the proper municipal authority. §393.170(2) RSMo 1994. Similarly, the Commission shall not issue such a certificate unless the public utility demonstrates that it has received the required consent of the property municipal authorities. Id.

It is undisputed that Laclede does not have – nor has it ever had – a franchise from the City of Wentzville. It is also undisputed that the Commission has not granted Laclede a certificate to serve within the City of Wentzville. Accordingly, Laclede cannot as a matter of law satisfy the statutory requirements of §393.170 RSMo and its application for a certificate of convenience and necessity (GA 99-236) should be denied.

Since 1965, Missouri Edison Company, a former subsidiary of UE, has had a certificate of convenience and necessity to serve within the corporate limits of the City of

Wentzville. In 1981, Missouri Edison agreed to waive its rights to serve the newly constructed GM Plant along with specific tracts of land located near the plant. UE is not seeking in this proceeding to be relieved of those pre-existing contractual obligations or waivers.

Laclede, the City of Wentzville and the Commission through the approval of a tariff ultimately agreed to allow Laclede to serve the GM Plant. This approval process, however, did not include securing a franchise from the City of Wentzville or a certificate from the Commission. At no time did the Commission, either through its issuance of a certificate or the approval of a tariff, authorize Laclede to serve the 11 customers. In fact, Laclede acknowledges that prior to its application in GA-99-236, it has never sought a certificate to serve the GM Plant or the 11 customers.

The resolution of this issue is predominantly a legal question for the Commission and UE takes no position at this juncture as to whether the statutory requirements pertaining to the granting of certificates should be strictly construed. Rather, the legal sufficiency and/or deficiencies of Laclede's authority to serve within the City of Wentzville is for the Commission to determine.

The following issues are ripe for resolution by the Commission:

1. Did the Commission have the authority to approve Laclede's construction of natural gas pipeline facilities and service to the GM Plant in the absence of (a) an application for a certificate; and (2) a franchise from the City of Wentzville?
2. Has Laclede improperly served eleven (11) customers within the City of Wentzville without a certificate issued by the Commission? If so what is the remedy?
3. Under §393.170 and with regard to the GM Plant and the 11 customers, who is the "proper municipal authority," St. Charles County or the City of Wentzville?

LACLEDE: For the past 17 years, Laclede has been providing gas service to the General Motors Assembly Plant ("GM Plant") pursuant to authority granted by the Commission in an order issued on April 9, 1981. Although the site of the plant was annexed by the City of Wentzville in 1980, Laclede took substantial steps toward providing service to the plant prior to that annexation, when the location of the plant was in unincorporated St. Charles County. Both Missouri Edison Company (UE's predecessor in Wentzville), and the City of Wentzville consented to Laclede's provision of service to the plant and do not now object to Laclede's continued provision of service to the plant. Laclede believes that no additional authority is required for it to continue providing service to the GM Plant. But if the Commission determines Laclede requires additional authority to serve the plant, it should issue Laclede a certificate of public convenience and necessity authorizing such service.

Laclede has also provided service to 14 residential and small commercial customers located adjacent to the main serving the GM Plant, pursuant to Section 393.170 RSMo. 1994. Although these customers are located in territory that has been annexed by the City of Wentzville, UE does not have facilities located sufficiently close to these customers to allow UE to provide service to them on economical terms. Laclede believes that no additional authority is required for it to serve current and future customers located in the area adjacent to the main serving the GM Plant. However, if the Commission determines that additional authority is required, it should issue a certificate of public convenience and necessity authorizing Laclede to continue providing service to its existing customers, and to provide service to new customers located along the path of

the main who request service. (McReynolds Direct, pp. 8-12, Spotanski Surrebuttal, pp. 1-8)

STAFF: Laclede should continue to serve the GM plant as it has done for at least 17 years.

There is no question that Laclede agreed to serve the GM plant at a time when Missouri Edison could not and that it has benefitted the city of Wentzville to have the GM plant served by Laclede. If there were to be any legal challenges to Laclede's right to serve, those challenges should have been raised years ago. Laclede however, does not have proper authority to add any other customers along this line and should immediately cease any such additions.

OFFICE OF THE PUBLIC COUNSEL: Public Counsel supports the position of Laclede.

WENTZVILLE: No position.

IV. HEARING SCHEDULE

ORDER OF WITNESSES

Following is the order in which the witnesses will be presented at the hearing and the sequence in which the parties will conduct cross-examination of the witnesses.

Witnesses on behalf of UE:

1. Robert W. Schmidt
2. Stephen Colyer
3. Robert G. Nichols
4. Scott A. Glaeser

Sequence of Cross-examination: City of Wentzville, Office of Public Counsel, Staff, Laclede

Witnesses on behalf of Laclede:

1. Benjamin O. McReynolds
2. Michael R. Spotanski
3. James K. Zeltmann

Sequence of Cross-examination: City of Wentzville, Office of Public Counsel, Staff, UE

Witnesses on behalf of Staff:

1. Randy L. Flowers
2. James A. Gray

Sequence of Cross-examination: City of Wentzville, Office of Public Counsel, UE, Laclede

If no party objects, it is possible that the city will have a neutral witness to explain to the Commission the future annexation plans of the City as respects the service territory in question.

Respectfully submitted,

DANA K. JOYCE
General Counsel



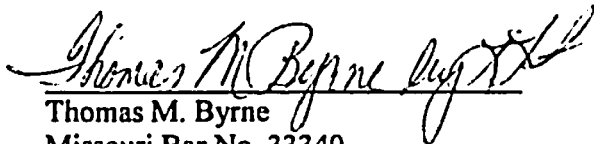
Lera L. Shemwell
Assistant General Counsel
Missouri Bar No. 43792

Attorneys for the Staff of the
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
573-751-6651
573-751-9285 (Fax)



Douglas E. Micheel
Missouri Bar No. 38371

Attorney for the
Office of the Public Counsel
P.O. Box 7800
Jefferson City, MO 65102
573-751-5560
573-751-5562 (Fax)



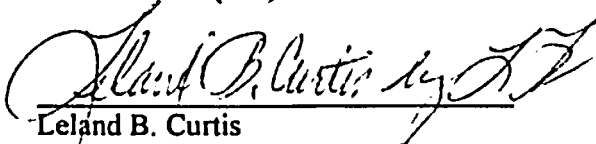
Thomas M. Byrne
Missouri Bar No. 33340
Ellen L. Theroff,
Missouri Bar No. 40956

Attorneys for
Laclede Gas Company
720 Olive Street, Room 1530
St. Louis, MO 63101
314-342-0536
314-421-1979(Fax)



Ronald K. Evans
Missouri Bar No. 22597
Susan B. Knowles
Missouri Bar No. 39680

Attorneys for
Union Electric Co. d/b/a Ameren UE
P.O. Box 66149 (M/C 1310)
St. Louis, MO 63166-6149
314-554-2156
314-554-3183 (Fax)



Leland B. Curtis
Missouri Bar No. 20550

Attorney for City of Wentzville
Curtis, Oetting, Heinz, Garrett & Soule, P.C.
130 South Bemiston, Suite 200
Clayton, MO 63105
314-725-8788
314-725-8789(Fax)

Certificate of Service

I hereby certify that copies of the foregoing have been mailed first-class mail, postage prepaid, sent via facsimile, or hand-delivered to all counsel of record as shown on the attached service list this 8th day of March, 1999.



SERVICE LIST FOR

CASE NO: GA-99-107 and GA-99-236

March 8, 1999

Douglas E. Micheel
Office of the Public Counsel
P.O. Box 7800
Jefferson City, MO 65102

Thomas M. Byrne
Laclede Gas Company
720 Olive Street, Room 1524
St. Louis, MO 63101

Ronald K. Evans/Susan B. Knowles
Ameren Services Company
P.O. Box 66149 (M/C 1310)
St. Louis, MO 63166-6149

Carl J. Lumley/Leland B. Curtis
Curtis, Oetting, Heinz, Garrett & Soule
130 S. Bemiston, Suite 200
Clayton, MO 63105

Dean L. Cooper
Brydon, Swearngen & England P.C.
P. O. Box 456
Jefferson City, MO 65102-0456