

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

KINDER MORGAN, INC., ) Formal Complaint No. FC-1319  
 )  
Complainant, )  
 )  
v. ) ORDER SCHEDULING STATUS  
 ) CONFERENCE  
CITY OF HASTINGS, NEBRASKA, a )  
municipal corporation, and its )  
municipal utilities department, )  
 )  
Respondent. ) Entered: December 14, 2004

BY THE COMMISSION:

On June 14, 2004, Kinder Morgan, Inc. (KM) filed a formal complaint against the City of Hastings, Nebraska (Hastings) alleging dual piping of natural gas service in and around the city. KM alleges that Hastings' installation of new natural gas piping to current KM customers in recently annexed portions of the city violates Neb. Rev. Stat. § 66-1852 (1) of the State Natural Gas Regulation Act<sup>1</sup> prohibiting installation of duplicative and redundant natural gas lines.

On September 13, 2004, Hastings filed a Motion to Stay any further proceedings on this docket in order to permit Hastings to proceed with its eminent domain action or with the purchase of the KM natural gas property at issue. Hastings further agreed that it would take no further action with regard to existing KM customers in the annexed areas at issue up to and including December 10, 2004.

The parties have indicated that they are currently in negotiations and that condemnation proceedings are pending. Furthermore, at the Commission's request, a letter was submitted by the parties on October 21, 2004, indicating that they were engaged in good faith negotiations regarding the complaint. Subsequent email communications also indicated that the eminent domain proceedings have been commenced with respect to the disputed areas and both parties have requested that the Commission not act upon the pending motion.

The Commission finds that in light of the October 21, 2004 letter and subsequent emails that the parties shall provide

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<sup>1</sup> Neb. Rev. Stat. §§ 66-1801, et seq. (2003 Supp.).

regular updates to the Commission regarding the status of negotiations and that a telephonic status conference will be held on the matter on **January 31, 2005, at 2:00 p.m.** in the Commission Library, 300 The Atrium, 1200 N Street, Lincoln, Nebraska. A telephone bridge will also be made available. The Commission further finds that the City of Hastings shall advise the Commission in writing that it shall continue to "stand still" with regard to existing Kinder Morgan customers in the subject annexed areas as expressed in its motion. The Commission shall refrain from acting on the motion to stay pending the outcome of the status conference.

O R D E R

IT IS THEREFORE ORDERED by the Commission that the parties shall update Commission staff on a regular basis regarding the status of negotiations.

IT IS FURTHER ORDERED that a status conference shall be held on **January 31, 2005, at 2:00 p.m.** in the Commission Library, 300 The Atrium, 1200 N Street, Lincoln, Nebraska and a telephone bridge will be made available.

IT IS FURTHER ORDERED that the City of Hastings shall advise the Commission in writing that it shall continue to "stand still" with regard to existing Kinder Morgan customers in the subject annexed areas as expressed in its motion.

IT IS FINALLY ORDERED that the Commission shall not act on the Motion to Stay pending the outcome of the status conference.

MADE AND ENTERED at Lincoln, Nebraska, this 14th day of December, 2004.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director