NEW YORK STATE PUBLIC SERVICE COMMISSION

CASE 05-M-0073 - Petition of M-GBC, LLC, For (1) a Certificate of Public Convenience and Necessity to Own, Operate and Maintain Existing Steam Plant, Electric Substation and Sprinkler Water Services Pursuant to the Public Service Law, (2) a Declaratory Ruling that it will be Subject Only to Lightened Regulation, (3) approval of Tariff for Steam Service, and (4) an Expedited Hearing.

CASE 05-S-0074 - New Tariff Schedule, PSC No. 1, for Steam Service in Calverton Industrial Park, filed by M-GBC, LLC.

PROCEDURAL RULING

(Issued July 25, 2005)

MICHELLE L. PHILLIPS, Administrative Law Judge

On July 18, 2005, a telephone conference was held on notice to all active parties in this proceeding. Counsel for M-GBC, LLC (M-GBC), the Calverton Owners Association (Association) and New York State Department of Public Service Staff (Staff) participated. The purpose of the procedural conference was to learn whether some or all of the issues in this proceeding had been resolved and, if necessary, to establish a revised, expedited schedule, including an evidentiary hearing date.

During the conference call, M-GBC and the Association reported that their discussion of the issues pending before the Commission was ongoing, but no global settlement had yet been reached. They, however, reported reaching agreement on a temporary steam rate of \$33 per 1000 pounds. Staff stressed that absent a global settlement of all pending issues, a briefing and evidentiary schedule should be established and that all issues raised in the M-GBC petition should be briefed. In light of Staff's concern, I responded that the scope of the briefs and hearing would be limited at this time only if M-GBC and the Association filed a stipulation requesting that the electric and sprinkler water issues raised in the petition be

held in abeyance. I requested that the stipulation be filed by Thursday, July 21, 2005. The parties also proposed the following revised schedule, for my consideration:

Date Action Required

August 24, 2005 Parties prefile direct testimony
September 7, 2005 Parties prefile responsive testimony
September 26, 2005 Evidentiary hearing in Albany, N.Y.

The joint proposal on a revised schedule is generally reasonable and is hereby adopted. In light of my receipt on July 21, 2005 of a facsimile copy of an executed stipulation between M-GBC and the Association regarding electric and sprinkler water service, the scope of the proceeding will be limited, for now, to the issues affecting steam service. The issues affecting electric and sprinkler water service will be held in abeyance pending determination of the steam issues.

The evidentiary hearing will begin at 10:00 a.m. and will be held in the Commission's Albany offices, Empire State Plaza, Agency Building 3, Third Floor, Hearing Room. A formal notice will be issued as we approach the September 26th date.

(SIGNED)

MICHELLE L. PHILLIPS