

**FILED**  
**May 2, 2007**  
**Missouri Public  
Service Commission**

*Exhibit No.:* .  
*Issues:* *Materials and Supplies, Prepayments,  
Customer Deposits, Customer  
Advances, Advertising, Dues and  
Donations, Postage, Mo PSC  
Assessments, Rate Case Expenses,  
and Customer Deposit Interest*  
*Witness:* "Kofi" Agyenim Boateng  
*Sponsoring Party:* MoPSC Staff  
*Type of Exhibit:* Direct Testimony  
*Case No.:* ER-2007-0004  
*Date Testimony Prepared:* January 18, 2007

**MISSOURI PUBLIC SERVICE COMMISSION**  
**UTILITY SERVICES DIVISION**

**DIRECT TESTIMONY**

**OF**

**"KOFI" AGYENIM BOATENG**

**AQUILA, INC., d/b/a AQUILA NETWORKS - MPS ELECTRIC**  
**and AQUILA NETWORKS - L&P ELECTRIC**

**CASE NO. ER-2007-0004**

*Jefferson City, Missouri*  
*January 2007*

*Staff* **Exhibit No.** 201  
**Case No(s).** ER-2007-0004  
**Date** 1-12-07 **Rptr** KF

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

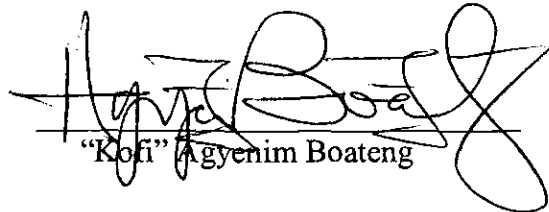
In the Matter of Aquila, Inc. d/b/a Aquila )  
Networks-MPS and Aquila Networks-L&P, for )  
authority to file tariffs increasing electric rates for )  
the service provided to customers in the Aquila )  
Networks-MPS and Aquila Networks-L&P service )  
area. )

Case No. ER-2007-0004

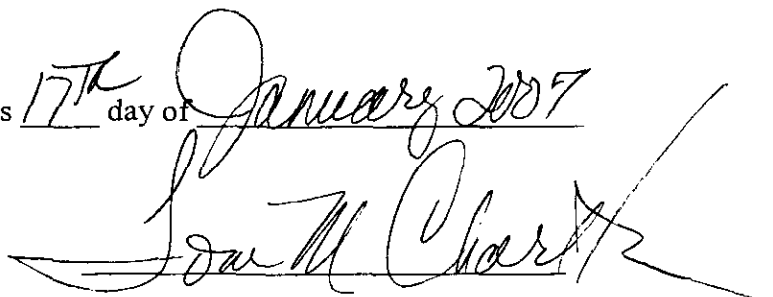
**AFFIDAVIT OF "KOFI" AGYENIM BOATENG**

STATE OF MISSOURI       )  
                                  )  
COUNTY OF COLE       )       ss.

"Kofi" Agyenim Boateng, of lawful age, on his oath states: that he has participated in the preparation of the foregoing Direct Testimony in question and answer form, consisting of 13 pages to be presented in the above case; that the answers in the foregoing Direct Testimony were given by him; that he has knowledge of the matters set forth in such answers; and that such matters are true and correct to the best of his knowledge and belief.

  
"Kofi" Agyenim Boateng

Subscribed and sworn to before me this 17<sup>th</sup> day of January 2007





TONI M. CHARLTON  
Notary Public - State of Missouri  
My Commission Expires December 28, 2008  
Cole County  
Commission #04474301

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**“KOFI” AGYENIM BOATENG**

**AQUILA, INC., d/b/a AQUILA NETWORKS - MPS ELECTRIC**  
**and AQUILA NETWORKS – L&P ELECTRIC**

**CASE NO. ER-2007-0004**

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Direct Testimony of  
"Kofi" Agyenim Boateng

1 Department of Revenue, Jefferson City. In 2006, I passed the Certified Public Accountant  
2 (CPA) examination.

3 Q. What has been the nature of your duties while employed by the Commission?

4 A. It is my responsibility to assist with audits and examinations of the books and  
5 records of utility companies operating under the Commission's jurisdiction within the state of  
6 Missouri.

7 Q. Have you previously worked on any other cases since your employment with  
8 the Commission?

9 A. Yes. I have been assigned to formal rate cases and a number of small informal  
10 rate cases. A listing of the cases that I have worked on since my employment began with the  
11 Commission is given in Schedule 1, which is attached to this direct testimony.

12 Q. What knowledge, skills, experience, training or education do you have in these  
13 areas of which you are testifying as an expert witness?

14 A. I have reviewed workpapers and testimony of Staff and other parties involved  
15 in other utility rate cases on the same issues I am sponsoring in this proceeding. Additionally,  
16 I participated in Staff's audit and filed testimony in the last Missouri electric rate case for  
17 Aquila Inc.'s d/b/a Aquila Networks-MPS Electric (MPS) and L&P Electric (L&P), Case No.  
18 ER-2005-0436. I have also reviewed workpapers and testimony from prior MPS Electric and  
19 L&P Electric rate cases brought before this Commission relating to the issues I am sponsoring  
20 to ensure that the consistency of the Staff's method and procedures are reasonably  
21 maintained. My prior academic education has also prepared me to successfully sponsor the  
22 ratemaking areas I have been assigned in this case. I have received certificates of training  
23 from National Association of Regulatory Utility Commissioners (NARUC)-sponsored

1 seminars in water, gas and electric utility cost of service and regulation. Further, I have  
2 attended in-house training seminars at the Commission specifically designed for continuing  
3 education and training in the areas of regulatory issues. I have also worked closely with  
4 Senior Staff members familiar with my areas of responsibility in this case.

5 **EXECUTIVE SUMMARY**

6 Q. Please give a brief summary of your direct testimony pertaining to this case.

7 A. The purpose of this direct testimony is to address the rate base additions of  
8 materials and supplies, and prepayments, as well as rate base deductions of customer deposits  
9 and customer advances for Aquila's MPS and L&P divisions in rate Case No. ER-2007-0004.  
10 I also discuss the income statement adjustments for advertising, dues and donations, postage,  
11 customer deposit interest expense, rate case expense and annualization of PSC assessment in  
12 this testimony.

13 The components classified as rate base additions represent funds expended by Aquila  
14 to maintain effective and efficient operations in the provision of reliable service to rate payers.  
15 In this instance, the Company is allowed a return on its investment. Conversely, the rate base  
16 deduction items represent funds contributed by ratepayers to a utility company, and in the  
17 case of customer deposits and customer advances, ratepayers are allowed to earn a return on  
18 their contributed funds. In this direct testimony, all computations were based on the 2005 test  
19 year and updated through September 30, 2006. The Staff used a 13-month average or the end  
20 of update period balance given the extent of fluctuations or trends that was recognized during  
21 the test year and/or the update period for the particular item.

22 The PSC assessment represents the most recent Commission assessment in effect for  
23 the fiscal year beginning July 1, 2006. The rate case expense is the total amount of this

1 expense actually incurred by Aquila through December 31, 2006. This will be updated to  
2 include additional costs incurred by Aquila for the processing of this rate case.

3 **PURPOSE OF TESTIMONY**

4 Q. With reference to Case No. ER-2007-0004, have you made an examination and  
5 analysis of the books and records of MPS and L&P (together, Aquila or Company) in regard  
6 to its request for an increase in electric revenues in this case?

7 A. Yes, in conjunction with the other members of the Commission Staff (Staff),  
8 I have specifically examined and analyzed the following documentation: Company responses  
9 to Staff data requests, general ledger information related to my assigned areas, and Company  
10 direct testimony and work papers.

11 Q. What is the purpose of your direct testimony?

12 A. The purpose of my testimony is to sponsor the rate base components of  
13 materials and supplies, prepayments, customer advances and customer deposits. I am also  
14 responsible for the Income Statement adjustments to advertising, dues and donations, postage,  
15 interest on customer deposits, rate case expense, and the annualization of the PSC assessment.

16 Q. Please identify the Adjustments that you are sponsoring in this case.

17 A. I am sponsoring the following Income Statement adjustments:

18 Advertising	MPS-S-34.2, S-48.2, S-73.3, S-73.4, and S-89.4
19	L&P-S-34.2, S-46.2, S-71.2, S-71.3, and S-88.4
20 Dues and Donations	MPS-S-13.2, S-33.2, S-35.2, S-48.3, S-67.4,
21	S-79.6, S-88.2, and S-88.3
22	L&P-S-11.2, S-33.2, S-65.4, S-78.7, S-87.2 and
23	S-83.3
24 Postage	MPS-S-69.4
25	L&P-S-67.4

Customer Deposit Interest :MPS-S-69.3  
L&P-S-67.3

Rate Case Expense: MPS-S-86.3  
L&P-S-85.3

PSC Assessment: MPS-S-86.2  
L&P-S-85.2

**MATERIALS AND SUPPLIES/PREPAYMENTS**

Q. Please describe the Staff's treatment of materials and supplies, and prepayments.

A. Materials and supplies, and prepayments, are represented in the Staff's rate base by thirteen (13)-month averages for the period ending September 30, 2006, the end of the update period in this case. Because there are fluctuations for these two items in the test year and update period, 13-month averages are developed to smooth out seasonal variations.

Q. What are materials and supplies?

A. Materials and supplies are miscellaneous items that are stored by the Company in inventory for use in day-to-day routine maintenance and operational projects. These items are also stored in inventory for the Company's construction projects. Items typically found in material and supplies inventory for electric utility operations are cable poles, electrical wire and cable, conduit, meters, transformers and breakers, etc.

Q. What are prepayments?

A. Prepayments relate to items that the Company "prepaid" so that the services will be on-hand during the normal course of the utility's operations. These types of items include the prepayment of postage, insurance, software licenses, etc. that are paid in advance of coverage. Staff Auditing witness Steve M. Traxler will address prepayments relating to pensions in his direct testimony.



1 Q. Were any of the prepayments not calculated using a 13-month average?

2 A. Yes. The corporate prepaid software costs that are allocated between MPS and  
3 L&P demonstrated a downward trend during the test year and update period. The ending  
4 account balances at September 30, 2006 were used instead of a 13-month average.

5 Q. Why would an ending balance be more appropriate to use instead of a  
6 13-month average?

7 A. In some instances, depending on the circumstances, the inventory account  
8 balances show a discernable trend, either increasing or decreasing, where an end of period  
9 balance would be more appropriate than would an averaging method. Where account  
10 balances fluctuate from one period to another, showing no discernable trend, an averaging  
11 method is more appropriate to reflect as a rate base investment. The appropriate levels of  
12 inventories are included in rate base, allowing investors to earn a return on monies invested  
13 for material and supplies and prepayments.

14 **CUSTOMER DEPOSITS**

15 Q. Please describe the customer deposits amount that is deducted from rate base.

16 A. Customer deposits generally represent funds received from utility companies'  
17 customers as security against potential loss arising from failure to pay for utility service.  
18 Customer deposits are required by companies to establish credit for customers. The deposit  
19 represents a liability to repay the funds received after a specified period or upon satisfaction  
20 of certain requirements. Since customer deposits are, in effect, an interest-free loan to the  
21 Company, a representative level is included as an offset to the rate base investment. This  
22 treatment allows utility customers to receive a "return" on the customer deposit amounts  
23 maintained by the Company. The customer deposits used in this rate case represent the

1 ending balance at September 30, 2006 for both Aquila's MPS and L&P divisions. A review  
2 of the customer deposits for the test year and up through the update period demonstrated an  
3 upward trend for MPS and L&P. This treatment is consistent with how customer deposits  
4 were treated in the prior rate cases involving this Company.

5 **CUSTOMER ADVANCES**

6 Q. Please describe this rate base reduction item.

7 A. Like customer deposits, the customer advances are represented in rate base by  
8 the update period balance of September 30, 2006 for MPS, and for L&P. Customer advances  
9 are funds provided by customers of the Company to assist in the costs of the provision of  
10 electric service. These funds, like customer deposits, represent interest-free money to the  
11 Company. Therefore, it is appropriate to include these funds as an offset to rate base.  
12 However, unlike customer deposits, no interest is paid to these customers for the use of the  
13 money.

14 Q. Is the use of an ending balance amount consistent with the method used by  
15 Staff in previous Aquila rate cases?

16 A. Yes. In Aquila's last rate case, Staff used the update period ending balance  
17 given the increasing trend that occurred during the test year.

18 **ADVERTISING EXPENSE**

19 Q. Please explain adjustments MPS S-34.2, S-48.2, S-73.3, S-73.4, and  
20 S-89.4; and L&P-Electric- S-34.2, S-46.2, S-71.2, S-72.3, and S-88.4.

21 A. These adjustments restate the test year advertising levels to disallow and allow  
22 certain advertising costs incurred by the Company.

1 Q. Please describe the past treatment of advertising expenses by the Commission.

2 A. As part of *In re Kansas City Power and Light Company*, 28 MO P.S.C. (N.S.)  
3 228 (1986) (hereinafter *KCPL*), the Commission adopted an approach that classifies  
4 advertisements into five categories and provides separate rate treatment for each category.  
5 The five categories of advertisements recognized by the Commission for purposes of this  
6 approach are:

- 7 1. General: advertising that is useful in the provision of adequate  
8 service;
- 9 2. Safety: advertising that conveys the ways to use the Company's  
10 service safely and to avoid accidents;
- 11 3. Promotional: advertising that encourages or promotes the use  
12 of the particular commodity the utility is selling;
- 13 4. Institutional: advertising that seeks to improve or retain the  
14 Company's public image;
- 15 5. Political: advertising which is associated with political issues.

16 The Commission adopted these categories of advertisements because it believed that a  
17 utility's revenue requirement should include the reasonable and necessary cost of general and  
18 safety advertisements (informational and instructional); should disallow the cost of  
19 institutional or political advertisements; and should include the cost of promotional  
20 advertisements only to the extent that the utility can provide cost-justification for the  
21 advertisement (*Ibid.*, pp. 269-271).

1           Q.     What standard did the Staff use to evaluate the Company's advertising expense  
2 in this case and to develop the adjustments?

3           A.     The Staff utilized the standards as initially established in the *KCPL* case  
4 identified above, and used in subsequent rate cases, to determine the test year level of  
5 advertising expense for the general, safety, institutional, promotional and political advertising  
6 categories. The Staff proposes to disallow advertisements that are institutional, promotional,  
7 unrelated to the electric industry or which ask for charitable donations. The Staff proposes to  
8 allow all general and safety-related advertisements to the extent that they were related to the  
9 electric industry and beneficial to Missouri electric ratepayers.

10          Q.     How did you apply the standard established in the *KCPL* case to your  
11 examination of advertising expense in this case?

12          A.     Staff reviewed the Company's advertising program utilized in the test year and  
13 the update period. I categorized all of the Company's advertisements on an ad-by-ad basis  
14 using the *KCPL* standard to determine the amount to be allowed or disallowed. I began by  
15 reviewing each advertisement to determine which of the following primary messages the  
16 advertisement was designed to communicate:

- 17               1.     the promotion of a service or product (Promotional);
- 18               2.     the dissemination of information and instruction necessary to  
19                      obtain safe and adequate electric service (General and Safety);
- 20               3.     the promotion of the Company image (Institutional); or
- 21               4.     the endorsement of a political candidate or any political  
22                      message (Political).

1       Once I determined the primary message, I classified the advertisements accordingly.  
2       Schedule 2, attached to this direct testimony, is the itemized analysis of the Company's  
3       advertising costs and copies of the Company's advertisements that Staff proposes to disallow  
4       for the test year based on information provided in response to Data Request No. 280.

5       Q.     How did the Staff develop its advertising adjustments?

6       A.     Based upon the data received in Data Request No. 280, the Staff allowed all  
7       general and safety-related advertisements to the extent that they were related to the electric  
8       industry and beneficial to Missouri electric ratepayers. The Staff disallowed all  
9       advertisements identified by the Company as safety or general, but which the Staff believes  
10      are institutional, promotional, or unrelated to the electric industry, as well as any cost relating  
11      to advertisements that could not be identified to a specific ad.

12      Q.     Describe the institutional advertisements that the Staff disallowed.

13      A.     The Staff disallowed the following advertisements as institutional in nature:  
14      A Tradition of Caring, Congratulations, class of 2005, Thank you, Helping Lee's Summit  
15      Grow, Helping Nevada Grow and We're Still Building For You, The Faces of Aquila, and  
16      Connect. These advertisements were disallowed because they were designed to build the  
17      Company's image and provided no information on electrical safety or necessary information  
18      for Aquila MPS and L&P customers.

19      **DUES AND DONATIONS**

20      Q.     Please explain adjustments MPS Electric-S-13.2, S-33.2, S-35.2, S-48.3,  
21      S-67.4, S-79.6, and S-88.2; and L&P Electric-S-11.2, S-33.2, S-65.4, 78.7, and S-87.2.

22      A.     These adjustments decrease test year expenses relating to various dues and  
23      donations the Company has included in its cost of service. Such dues and donations have

1 been excluded because they are not necessary for the provision of safe and adequate service,  
2 and thus do not provide any direct benefit to ratepayers. To allow the Company to recover  
3 these expenses through rates causes the ratepayer to involuntarily contribute to those  
4 organizations.

5 Q. Please describe adjustments MPS-S-88.3 and L&P-S-87.3.

6 A. These adjustments represent the annualized allowable portion of Edison  
7 Electric Institute (EEI) and Electric Power Research Institute (EPRI) membership dues.

8 Q. Did the Company book any charitable donations above-the-line?

9 A. No. The Company did not book any charitable donation expenses above-the-  
10 line in this case, so no amounts are included in the cost of service levels relating to the  
11 revenue requirement Staff is recommending in this case.

12 **POSTAGE EXPENSE**

13 Q. Please describe the Staff adjustment to postage expense.

14 A. Adjustment MPS-S-69.4 and L&P-S-67.4 reflect the \$0.02 (representing  
15 approximately 5.41%) increase in postal rates that became effective January 2006. The Staff  
16 used the number of Aquila's ratepayers as at September 30, 2006, the end of the update period  
17 and applied it to the current postage rate of \$0.39 to derive the annualized postage expense.

18 **INTEREST EXPENSE ON CUSTOMER DEPOSITS**

19 Q. Please explain income statement adjustment S-69.3 for MPS and adjustment  
20 S-67.3 for L&P.

21 A. The Staff's adjustments annualize interest expense related to customer  
22 deposits. Customer deposits are interest bearing, so the interest expense paid by MPS and

1 L&P to their respective customers that have provided the funds is included as an expense in  
2 the cost of service. The Staff used an 8.00% interest rate (prime rate 7.00% + 1.00%),  
3 reported on December 01, 2005 in the Wall Street Journal to determine the interest rate to  
4 apply to Aquila Networks' customer deposits balance as of September 30, 2006. The use of  
5 this method to determine interest expense on customer deposits is consistent with the  
6 methodology set forth within the Company's tariffs.

7 **RATE CASE EXPENSE**

8 Q. Please describe adjustment MPS Electric-S-86.3 and adjustment L&P Electric  
9 S-85.3.

10 A. These adjustments normalize rate case expense over a three-year period. The  
11 Staff selected three years to properly reflect an annual amount for rate case expense incurred  
12 for processing this rate case.

13 Q. How was the rate case expense adjusted for Case No. ER-2007-0004?

14 A. The total amount of actual rate case expense incurred by MPS and L&P  
15 through September 30, 2006, the end of the update period is being allowed at this time. Any  
16 additional rate case expense that is reasonably incurred will be considered for inclusion later  
17 in the case. This will allow costs such as consulting fees, employee travel expenditures and  
18 legal representation, which are directly associated with the length of the case through the  
19 prehearing and hearing process to be properly included in this case. The Staff will work with  
20 the Company through the duration of this case to establish a reasonable and ongoing  
21 normalized level of rate case expense for inclusion in rates. This means that any additional  
22 expenses associated with the processing of this rate filing by Aquila will be examined to  
23 determine their appropriateness for inclusion in this case.

1    **PSC ASSESSMENT**

2           Q.     Please discuss adjustments MPS-S-86.2, L&P-S-85.2 to annualize the PSC  
3   Assessment.

4           A.     These adjustments represent the difference between the Staff's annualized PSC  
5   Assessment and the test year recorded assessment expense.   The most recent PSC  
6   Assessment, in effect for the fiscal year beginning July 1, 2006 to June 30, 2007, was used in  
7   the Staff's annualization.

8           Q.     Does this conclude your direct testimony?

9           A.     Yes, it does.



**CASE PROCEEDING PARTICIPATION****“KOFI” AGYENIM. BOATENG**

<b>PARTICIPATION</b>		
<b>COMPANY</b>	<b>CASE NO.</b>	<b>FILING TYPE/ISSUES</b>
Suburban Water and Sewer Company	WR-2005-0455	Staff Memorandum
Noel Water Company, Inc.	WR-2005-0452	Staff Memorandum
Aqua Missouri Development	QS-2005-0008	Staff Memorandum
Aqua Missouri/RU Company	QW-2005-0099	Staff Memorandum
Aqua Missouri/CU Company, Inc.	QS-2005-0010	Staff Memorandum
Aqua Missouri/CU Company, Inc.	QW-2005-0011	Staff Memorandum
Aquila, Inc., d/b/a Aquila Networks-MPS and Aquila Networks-L&P	ER-2005-0436	Testimony: Materials and Supplies, Prepayments, Customer Deposits, Customer Deposits Interests, Customer Advances, PSC Assessments, Rate Case Expense
Aquila, Inc., d/b/a Aquila Networks-L&P	HR-2005-0450	Testimony: Materials and Supplies, Prepayments, PSC Assessments, Rate Case Expense
Public Service Commission of the State of Missouri v. Cass County Telephone Company Limited Partnership	TC-2005-0357	Stipulation and Agreement
Southtown Utilities, Inc.	WA-2005-0268	Staff Memorandum
New Florence Telephone Company	TC-2006-184	Stipulation and Agreement
The Empire District Electric Company	ER-2006-0315	Testimony: Plant and Depreciation, Reserve, Cash Working Capital, Property Taxes, Advertising, Dues and Donations, Outside Services, Banking Fees, Promotional Giveaways, Transmission Billing Adjustment, Maintenance
Algonquin Water Resources of Missouri, LLC	WR-2006-0425	Testimony: Revenues, Electric Expense, Office Rents, Postage, Telephone Expense, Rate Case Expense (case still pending)

Customer Informational & Safety Advertisements - FERC Account 906000  
for the 3 months ending December 31, 2005

Customer Informational & Safety Advertisements - FERC Account 900000 for the 3 months ending December 31, 2005															
Period	Resource Cod	DeptID	Voucher	Vendor Name		Amount	Percent Allot	Amount Allowed	Amount Disallowed	MPS		L&P		Category/Reason	
										2005	2006	2005	2006		
11	1900	8124	1204500	Missouri Press Service		2,354	0%	-	2,354	100%	100%	0%	0%	Not MO Electric	
12	1900	5342				74	100%	74	-	74	74	-	-	Info & Instructional	
						2,428		-	2,428	74	74	-	-		
										15.56%	24.20%	4.46%	6.90%		
10	1903	5711	01164866	37880 CSI/SSP Inc	Gas, Not MO Electric	51	5,145.80	0%	-	5,146	-	-	-	Gas, Not MO Electric	
10	1903	5711	01164867	37880 CSI/SSP Inc	Not MO Electric	52	1,269.56	0%	-	1,270	-	-	-	Not MO Electric	
10	1903	5711	01164868	37880 CSI/SSP Inc	Not MO Electric	53	2,307.21	0%	-	2,307	-	-	-	Not MO Electric	
10	1903	5711	01164870	37880 CSI/SSP Inc	Not MO Electric	54	5,195.29	0%	-	5,195	-	-	-	Not MO Electric	
10	1903	5711	01164871	37880 CSI/SSP Inc	Gas, Not MO Electric	55	2,369.99	0%	-	2,370	-	-	-	Gas, Not MO Electric	
10	1903	5711	01164872	37880 CSI/SSP Inc	Gas, Not MO Electric	56	2,966.40	0%	-	2,966	-	-	-	Gas, Not MO Electric	
10	1903	5711	01165734	37880 CSI/SSP Inc	Gas, Not MO Electric	57	5,039.57	0%	-	5,040	-	-	-	Gas, Not MO Electric	
10	1903	5711	01168318	37880 CSI/SSP Inc	Not MO Electric	58	121.34	0%	-	121	-	-	-	Not MO Electric	
10	1903	5711	01164865	37880 CSI/SSP Inc	Not MO Electric	59	53.50	0%	-	54	-	-	-	Not MO Electric	
10	1903	5711	01180180	1245 Moore Wallace North America Inc	Gas, Not MO Electric	50	14,436.71	0%	-	14,437	-	-	-	Gas, Not MO Electric	
10	1903	5711	01171400	1245 Moore Wallace North America Inc	Not MO Electric	60	8,348.46	0%	-	8,348	-	-	-	Not MO Electric	
10	1903	5711	01171407	1245 Moore Wallace North America Inc	Not MO Electric	61	23.88	0%	-	24	-	-	-	Not MO Electric	
11	1903	5711	01172809	35650 Harmony Printing & Development	Connected Newsletter-Nov. 2005	62	29,911.78	25%	7,478	22,434	1,163	1,810	333	516	Info & Instructional
12	1903	5711	01182148	37880 CSI/SSP Inc		66	2,805.72	0%	-	2,806	-	-	-	-	Not MO Electric
12	1903	4120	01183130	11782 J2 Printing Company	Guide to Electric Services In MO	67	1,313.31	100%	1,313	-	204	318	59	91	Promote Safety
12	1903	5711	01181351	1245 Moore Wallace North America Inc		64	14,297.82	0%	-	14,298	-	-	-	-	Not Mo electric
12	1903	5711	01181352	1245 Moore Wallace North America Inc		65	25.33	0%	-	25	-	-	-	-	Not Mo electric
12	1903	5711	01182137	16648 PSI Group Inc	Handbooks - All States	63	18,000.00	100%	18,000	-	2,800	4,356	802	1,242	Info & Instructional
						113,631.45		26,791	86,840	4,166	6,483	1,194	1,849		
										66.70%	78.30%	19.00%	21.70%		
10	1999	1171467	3361 Raytown Post	Helping Lee's Summit Grow		125	75.00	0%	-	75	-	-	-	-	Institutional
10	1999	1163983	10136 St. Joseph News-Press			124	364.50	100%	365	-	243	285	69	79	Info & Instructional
10	1999	1170785	10136 St. Joseph News-Press	We Put Our Energy Into Partnership		126	225.00	100%	225	-	150	176	43	49	Info & Instructional
11	1999	1181372	10717 City Directory Inc	We Put Our Energy Into Partnership		128	104.00	100%	104	-	69	81	20	23	Info & Instructional
11	1999	1176352	7513 Liberty Publishing Group	We Put Our Energy Into Partnership		127	20.00	100%	20	-	13	16	4	4	Info & Instructional
12	1999	1188677	6629 Kaan Inc	A Garland of Greetings .....		133	71.40	100%	71	-	48	56	14	15	Info & Instructional
12	1999	1186006	11913 Lee's Summit Journal	Aquila		129	20.00	100%	20	-	13	16	4	4	Info & Instructional
12	1999	1186295	11913 Lee's Summit Journal	Aquila		131	197.00	100%	197	-	131	154	37	43	Info & Instructional
12	1999	1184082	26590 Pleasant Hill Times	Aquila		130	60.00	100%	60	-	40	47	11	13	
12	1999	1189245	10136 St. Joseph News-Press	We Put Our Energy Into Partnership		132	364.50	100%	365	-	243	285	69	79	Info & Instructional
12	1999	1189211	5477 The Kansas City Star	We Put Our Energy Into Partnership		134	650.00	100%	650	-	434	509	124	141	Info & Instructional
						2,151.40		2,076.40	75.00	1,384.89	1,626	395	451		
						2,151.40		2,076.40	75.00	1,385	1,626	395	451		

116,211 26,868 86,343 6,627 6,164 1,668 2,259

Advertising

Customer: Informational & Safety Advertisements - FERC Account 808000  
For the 9 months ending September 30, 2006

Unit	Account	Resource Description	Amount	% Allowed	Amount Allowed	Ad Campaign	Category	Ref No	Voucher	Name	Date
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	(4,177.47)	100%	(4,177)	Aquila 24 hours		1	0120743	TMP WORLDWIDE	1/10/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	(2,782.81)	100%	(2,783)	Aquila 24 hours	Not MO Electric Related	2	01211522	TMP WORLDWIDE	2/8/2006
NETCO	809000	Handouts/Brochures/Collateral	12,917.34	0%	-	Gas Handbooks	General and Informational	3	0120869	MOORE WALLACE NORTH AMERICA INC	2/17/2006
NETCO	809000	Handouts/Brochures/Collateral	17,714.02	100%	17,714	Connected		4	01212888	HARMONY PRINTING & DEVELOPMENT CON	2/17/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	(2,822.83)	100%	(2,823)	Aquila 24 hours		5	01220679	TMP WORLDWIDE	3/14/2006
NETCO	809000	Handouts/Brochures/Collateral	18,857.20	100%	18,857	Connected	General and Informational	6	01228243	HARMONY PRINTING & DEVELOPMENT CON	4/6/2006
NETCO	809000	Handouts/Brochures/Collateral	436.90	0%	-	Emergency flyers-laminated, IA Gas	Safety and Informational, IA Gas	7	01225091	HENRY WURST	4/6/2006
NETCO	809000	Handouts/Brochures/Collateral	463.40	0%	-	Disconnect	General and Informational, Colorado	8	01229233	J2 PRINTING COMPANY	4/17/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	(2,583.30)	100%	(2,583)	Aquila 24 hours		9	01231077	TMP WORLDWIDE	4/24/2006
NETCO	809000	Handouts/Brochures/Collateral	18,800.44	0%	-	WPSR Transition/Ad Not Available	Michigan	10	01237804	CSI / SSP INC	5/8/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	443.21	50%	222	The Faces of Aquila	General and Institutional	11	01242785	LEE'S SUMMIT JOURNAL	5/24/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	538.74	50%	269	The Faces of Aquila	General and Institutional	12	01239518	ST JOSEPH NEWS PRESS	5/24/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	303.97	50%	152	The Faces of Aquila	General and Institutional	13	01239784	RAYTOWN POST	5/24/2006
NETCO	809000	Handouts/Brochures/Collateral	6,657.65	0%	-	Ad Not Available	Nebraska Gas	14	01235997	J2 PRINTING COMPANY	5/24/2006
NETCO	809000	Handouts/Brochures/Collateral	3,264.96	0%	-	Ad Not Available	Nebraska Gas	15	01239303	J2 PRINTING COMPANY	5/24/2006
NETCO	809000	Handouts/Brochures/Collateral	1,421.48	0%	-	Aquila Cold Weather	General and Informational, Minnesota	16	01240800	MOORE WALLACE NORTH AMERICA INC	5/24/2006
NETCO	809000	Handouts/Brochures/Collateral	21,000.00	100%	21,000	Postage	General	17	01244850	PSI GROUP INC	5/28/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	207.42	50%	104	The Faces of Aquila	General and Institutional	18	01244810	LEE'S SUMMIT JOURNAL	5/31/2006
NETCO	809000	Handouts/Brochures/Collateral	(18,800.44)	100%	(18,800)			19			
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	212.63	50%	106	The Faces of Aquila	General and Institutional	20	01247954	PLEASANT HILL TIMES	6/8/2006
NETCO	809000	Handouts/Brochures/Collateral	18,708.45	100%	18,708	Connected	General and Informational	21	01246320	HARMONY PRINTING & DEVELOPMENT CON	6/8/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	(3,484.92)	100%	(3,485)	Aquila 24 hours		22	01246132	TMP WORLDWIDE	6/27/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	565.43	50%	283	The Faces of Aquila	General and Informational	23	01250809	CASS COUNTY PUBLISHING COMPANY	7/19/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	(2,059.00)	100%	(2,059)	Aquila 24 hours		24	01256555	TMP WORLDWIDE	7/20/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	(2,894.83)	100%	(2,895)	Aquila 24 hours		25	01240708	TMP WORLDWIDE	7/20/2006
NETCO	809000	Handouts/Brochures/Collateral	18,041.72	100%	18,042	Connected		26	01261852	HARMONY PRINTING & DEVELOPMENT CON	8/3/2006
NETCO	809000	Handouts/Brochures/Collateral	1,345.44	100%	1,345	Aquila	General and Informational	27	01261824	BUSINESS SYSTEMS INC	8/21/2006
NETCO	809000	Handouts/Brochures/Collateral	4,006.47	100%	4,006	Phone Number Correction	General and Informational	28	01264009	J2 PRINTING COMPANY	8/21/2006
NETCO	809000	Handouts/Brochures/Collateral	2,715.87	0%	-	Ad Not Available		29	01287271	CSI / SSP INC	8/31/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	(1,180.89)	100%	(1,181)	Aquila 24 hours		30	01266880	TMP WORLDWIDE	9/5/2006
NETCO	809000	Handouts/Brochures/Collateral	26.31	0%	-	Ad Not Available	Gas	31	01271927	J2 PRINTING COMPANY	9/15/2006
NETCO	809000	Handouts/Brochures/Collateral	5,493.57	0%	-	Ad Not Available		32	01273210	CSI / SSP INC	9/22/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	(1,359.66)	100%	(1,360)	Aquila 24 hours		33	01272227	TMP WORLDWIDE	9/29/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	78.00	100%	78			See 33			1/1/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	(63.00)	100%	(63)			See 32			1/1/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	63.00	50%	32	Congratulations West Plate Jays	General and Institutional	34	01201573	MCHERSON PUBLISHING COMPANY	1/8/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	78.00	0%	-	Ad Not Available		35	01201855	LEE'S SUMMIT JOURNAL	1/9/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	2,353.86	0%	-	What you can't see can hurt you	General and Safety, But Gas related	36	01204500	MISSOURI PRESS SERVICE	1/13/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	14,982.77	100%	14,983	Don't Take Chances Cat Before You Dig	General and Informational	37	01204503	MISSOURI PRESS SERVICE	1/13/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	384.00	100%	384	Happy Holidays From Aquila	General and Informational	38	01205543	LEE'S SUMMIT JOURNAL	1/17/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	399.00	0%	-	Ad Not Available		39	01206254	MID-PLAINS MARKETING INC	1/17/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	235.00	100%	235	Contact	General	40	01207113	AMERICAN COMMUNITY NEWSPAPER LLC	1/23/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	2,837.00	100%	2,837	We Put Our Energy Into Partnerships	General and Informational	41	01207199	THE PLATTE COUNTY CITIZEN	1/23/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	150.00	100%	150	Contact	General and Informational	42	01210100	RAYTOWN POST	2/8/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	325.00	100%	325	We Put Our Energy Into Partnerships	General and Informational	43	01211930	LIBERTY PUBLISHING GROUP	2/10/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	100.00	0%	-	Ad Not Available		44	01218983	UNIVERSITY OF MISSOURI EXTENSION	3/7/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	119.00	0%	-	Vernon County Youth Fair	Institutional	45	01218950	INTEGRITY PUBLISHING	3/9/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	350.76	0%	-	Letter to Cass County Residents	Institutional	46	01220448	CASS COUNTY PUBLISHING COMPANY	3/9/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	1,130.86	0%	-	Letter to Cass County Residents	General and Informational	47	01220868	RAYTOWN AREA CHAMBER OF COMMERCE	3/9/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	450.00	100%	450	We Put Our Energy Into Partnerships	General and Informational	48	01224729	THE PLATTE COUNTY CITIZEN	3/24/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	200.00	100%	200	We Put Our Energy Into Partnerships	General and Informational	49	01223075	ANTHEM PUBLISHING INC	3/27/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	645.00	0%	-	Aquila, Your Partner	Promotion	50	01224784	LEE'S SUMMIT JOURNAL	3/27/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	253.00	0%	-	Helping Lee's Summit Grow	Institutional	51	01226717	INTEGRITY PUBLISHING	4/8/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	497.44	0%	-	Letter to Cass County Residents	Institutional	52	01226361	CASS COUNTY PUBLISHING COMPANY	4/8/2006
NETCO	809000	Mega2/Newspaper/Yellow Pg Ads	1,741.15	0%	-	Letter to Cass County Residents	Institutional				

Advertising

NETCO	909000	Other Advertising & Promo	61.20	0%	-	Ad for Rural Communities	Institutional	53	01225977	KAMM INC	4/8/2006
NETCO	909000	Magazine/weekly/above Pg Ads	195.00	100%	195	We Put Our Energy into Partnerships	General and Informational	54	01231821	HARRISONVILLE AREA CHAMBER OF COM	4/18/2006
NETCO	909000	Magazine/weekly/above Pg Ads	230.00	0%	-	Helping Nevada Grow	Institutional	55	01232360	NEVADA DAILY MAIL	4/18/2006
NETCO	909000	Magazine/weekly/above Pg Ads	259.53	100%	280	Contact	Informational	56	01232898	CITY MAGNET INC	4/24/2006
NETCO	909000	Magazine/weekly/above Pg Ads	125.00	100%	125	Empowering Our Communities	General and Informational	57	01234812	LEXINGTON AREA CHAMBER OF COMMERCE	4/29/2006
NETCO	909000	Magazine/weekly/above Pg Ads	295.00	100%	295	Contact	Informational	58	01234737	LAWTON PUBLICATIONS INC	5/2/2006
NETCO	909000	Magazine/weekly/above Pg Ads	210.00	100%	210	We Put Our Energy into Partnerships	General and Informational	59	01231520	LIBERTY PUBLISHING GROUP	5/2/2006
NETCO	909000	Magazine/weekly/above Pg Ads	645.00	0%	-	Aquila Your Partner	Promotion	60	01233938	ANTHEM PUBLISHING INC	5/12/2006
NETCO	909000	Magazine/weekly/above Pg Ads	175.38	0%	-	Letter to Cass County Residents	Institutional	61	01237337	INTEGRITY PUBLISHING	5/15/2006
NETCO	909000	Magazine/weekly/above Pg Ads	439.38	0%	-	Letter to Cass County Residents	Institutional	62	01231936	PLEASANT HILL TIMES	5/24/2006
NETCO	909000	Magazine/weekly/above Pg Ads	173.40	100%	173	Community workshop	General and Informational	63	01230627	ST JOSEPH NEWS-PRESS	5/24/2006
NETCO	909000	Magazine/weekly/above Pg Ads	225.00	100%	225	We Put Our Energy into Partnerships	General and Informational	64	01238758	RAYTOWN POST	5/24/2006
NETCO	909000	Magazine/weekly/above Pg Ads	445.00	100%	445	Emergency contact	Informational	65	01244591	TARGET DIRECT MARKETING INC	5/29/2006
NETCO	909000	Magazine/weekly/above Pg Ads	175.38	100%	175	Questions Regarding Area Power Plant	General and Informational	66	01246125	INTEGRITY PUBLISHING	5/31/2006
NETCO	909000	Magazine/weekly/above Pg Ads	875.00	100%	875	Empowering Our Communities	General and Informational	67	01234753	LAWTON PUBLICATIONS INC	6/1/2006
NETCO	909000	Magazine/weekly/above Pg Ads	331.61	100%	332	We Put Our Energy into Partnerships	General and Informational	68	01239889	LIBERTY PUBLISHING GROUP	6/1/2006
NETCO	909000	Magazine/weekly/above Pg Ads	1,235.00	100%	1,235	We Put Our Energy into Partnerships	General and Informational	69	01244879	LAWTON PUBLICATIONS INC	6/1/2006
NETCO	909000	Magazine/weekly/above Pg Ads	650.00	100%	650	Empowering Our Communities	General and Informational	70	01244882	LAWTON PUBLICATIONS INC	6/1/2006
NETCO	909000	Magazine/weekly/above Pg Ads	800.00	100%	800	Aquila	Safety and Informational	71	01247638	ST JOSEPH NEWS-PRESS	6/8/2006
NETCO	909000	Magazine/weekly/above Pg Ads	645.00	0%	-	Aquila Your Partner	Promotion	72	01241291	ANTHEM PUBLISHING INC	6/8/2006
NETCO	909000	Magazine/weekly/above Pg Ads	45.00	0%	-	Ad Not Available	General and Informational	73	01251256	TRENTON AREA CHAMBER OF COMMERCE	6/26/2006
NETCO	909000	Magazine/weekly/above Pg Ads	1,211.83	50%	606	Questions Regarding Area Power Plant	General and Informational	74	01248349	ST JOSEPH NEWS-PRESS	6/26/2006
NETCO	909000	Magazine/weekly/above Pg Ads	450.00	100%	450	Empowering Our Communities	General and Informational	75	01238913	CASS COUNTY PUBLISHING COMPANY	7/5/2006
NETCO	909000	Magazine/weekly/above Pg Ads	375.00	100%	325	Empowering Our Communities	General and Informational	76	01255310	BLUE SPRINGS CHAMBER OF COMMERCE	7/13/2006
NETCO	909000	Magazine/weekly/above Pg Ads	13,088.12	100%	13,088	Don't Take Chances Call Before You Dig	General and safety	77	01255806	THE OCEANS	7/13/2006
NETCO	909000	Magazine/weekly/above Pg Ads	195.00	100%	195	We Put Our Energy into Partnerships	General and Informational	78	01258115	MISSOURI PRESS SERVICE	7/18/2006
NETCO	909000	Magazine/weekly/above Pg Ads	3,256.58	0%	-	What you can't see can hurt you	General and Informational	79	01268079	RAYTOWN POST	7/25/2006
NETCO	909000	Magazine/weekly/above Pg Ads	164.25	0%	-	Ad Not Available	General and Informational	80	01255901	MISSOURI PRESS SERVICE	7/28/2006
NETCO	909000	Magazine/weekly/above Pg Ads	178.00	0%	-	Ad Not Available	General and Informational	81	01256216	ST JOSEPH NEWS-PRESS	8/2/2006
NETCO	909000	Magazine/weekly/above Pg Ads	135.00	0%	-	Ad Not Available	Institutional	82	01256217	ST JOSEPH NEWS-PRESS	8/2/2006
NETCO	909000	Magazine/weekly/above Pg Ads	60.00	25%	15	Youth Fair - 2006	Institutional	83	01264175	NEVADA DAILY MAIL	8/9/2006
NETCO	909000	Magazine/weekly/above Pg Ads	30.00	100%	30	Bravo!	General and Informational	84	01263520	THE RAYTOWN ARTS COUNCIL	8/14/2006
NETCO	909000	Magazine/weekly/above Pg Ads	520.20	100%	520	We want to hear from you	General and Informational	85	01264385	TAMKO LIONS CLUB	8/14/2006
NETCO	909000	Magazine/weekly/above Pg Ads	250.00	0%	-	Aquila welcomes Triumph's Foods	General and Informational	86	01263887	ST JOSEPH NEWS-PRESS	8/16/2006
NETCO	909000	Magazine/weekly/above Pg Ads	285.00	0%	-	Helping Let's Summit Grow	Institutional	87	01265544	ST JOSEPH NEWS-PRESS	8/16/2006
NETCO	909000	Magazine/weekly/above Pg Ads	445.00	100%	445	Empowering Our Communities	General and Informational	88	01268664	LEES SUMMIT JOURNAL	8/16/2006
NETCO	909000	Magazine/weekly/above Pg Ads	394.00	100%	394	Empowering Our Communities	General and Informational	89	01264622	CASS COUNTY PUBLISHING COMPANY	8/16/2006
NETCO	909000	Magazine/weekly/above Pg Ads	557.75	100%	557	We Put Our Energy into Partnerships	General and Informational	90	01260914	ST JOSEPH NEWS-PRESS	8/21/2006
NETCO	909000	Magazine/weekly/above Pg Ads	80.00	100%	80	Empowering Our Communities	General and Informational	91	01268684	COTTEE COLLEGE	8/30/2006
NETCO	909000	Magazine/weekly/above Pg Ads	300.00	0%	-	A Tradition of Partnership	Institutional	92	01270011	PLEASANT HILL TIMES	8/31/2006
NETCO	909000	Magazine/weekly/above Pg Ads	1,082.50	100%	1,083	We Put Our Energy into Partnerships	General and Informational	93	01266235	THE EXAMINER CORPORATION	9/1/2006
NETCO	909000	Magazine/weekly/above Pg Ads	20.00	100%	20	Holiday Guide	General and Informational	94	01268566	LEES SUMMIT TRIBUNE INC	9/1/2006
NETCO	909000	Magazine/weekly/above Pg Ads	21.32	100%	21	Holiday Guide	General and Informational	95	01268566	LEES SUMMIT TRIBUNE INC	9/1/2006
NETCO	909000	Magazine/weekly/above Pg Ads	14,338.77	100%	14,339	Winter is just around the corner	General and Informational	96	0126767	CSI / SSP INC	9/1/2006
NETCO	909000	Magazine/weekly/above Pg Ads	279.00	100%	279	We Put Our Energy into Partnerships	General and Informational	97	01273260	RAYTOWN POST	9/14/2006
NETCO	909000	Magazine/weekly/above Pg Ads	833.70	100%	834	Emerging Our Communities	General and Informational	98	01273302	LAWTON PUBLICATIONS INC	9/15/2006
NETCO	909000	Magazine/weekly/above Pg Ads	145.00	100%	145	We Put Our Energy into Partnerships	General and Informational	99	01273255	LIBERTY PUBLISHING GROUP	9/18/2006
NETCO	909000	Magazine/weekly/above Pg Ads	780.00	100%	780	We Put Our Energy into Partnerships	General and Informational	100	01273277	LAWTON PUBLICATIONS INC	9/18/2006

NETCO	909000	Magazine/weekly/above Pg Ads	2,105.40	100%	2,105	Aquila 24 hours	1/10/2006
NETCO	909000	Magazine/weekly/above Pg Ads	6,942.00	100%	6,942	Aquila 24 hours	2/6/2006
NETCO	909000	Magazine/weekly/above Pg Ads	2,148.00	100%	2,148	Aquila 24 hours	3/14/2006
NETCO	909000	Magazine/weekly/above Pg Ads	2,752.00	100%	2,752	Aquila 24 hours	4/24/2006
NETCO	909000	Magazine/weekly/above Pg Ads	2,697.00	100%	2,697	Aquila 24 hours	4/29/2006
NETCO	909000	Magazine/weekly/above Pg Ads	3,614.73	100%	3,615	Elderly Registration	5/2/2006
NETCO	909000	Magazine/weekly/above Pg Ads	2,782.00	100%	2,782	Aquila 24 hours	5/12/2006
NETCO	909000	Magazine/weekly/above Pg Ads	3,333.00	100%	3,333	Aquila 24 hours	5/15/2006
NETCO	909000	Magazine/weekly/above Pg Ads	1,788.00	100%	1,788	Aquila 24 hours	5/24/2006
NETCO	909000	Magazine/weekly/above Pg Ads	(38.00)	100%	(38)	Aquila 24 hours	5/24/2006
NETCO	909001	Magazine/weekly/above Pg Ads	22,991.07	100%	22,991	Aquila 24 hours	6/30/2006
			5,111,720			5,111,720	
			1,237,288.20			1,237,288.20	
			108,676.03			108,676.03	

# The Faces of Aquila are the Faces in your Community

## **Congratulations to Debbie Leonard,**

*this year's recipient of the BI-County United Way Community Builder Award for tireless and extraordinary service.*

An External Affairs Manager at Aquila, Debbie has a passion for helping people and reflects a company-wide commitment to community service.

Debbie and Aquila are proud to be part of this community. We've made a 24/7 commitment to provide safe and reliable energy and the finest customer service to our customers, so call us any time at

**1-800-303-0752**



**Aquila**

Providing Energy  
For Better Living™



# Aquila

Providing Energy For Better Living™

# Connected

November 2005

**A Newsletter for Energy Customers**

## Aquila Agrees To Sell Selected Operations

Aquila has reached agreements to sell its natural gas operations in Michigan, Minnesota and Missouri, as well as its electric systems in Kansas. Natural gas systems in Colorado, Iowa, Kansas and Nebraska and electric operations in Colorado and Missouri will remain part of Aquila's ongoing operations.

Regulatory agencies are expected to take up to 12 months to review and approve the sales agreements. In the meantime, customers will continue to be served by Aquila. They will still call 1-800-303-0752 for customer service or 1-800-303-0357 for emergency service, receive their energy bills from Aquila and send payments to Aquila. Customers will be notified before any changes are made.

Planned purchases include: the Michigan and Minnesota natural gas systems by WPS Resources, based in Green Bay, Wisconsin; Missouri natural gas operations by Empire District Electric of Joplin, Missouri; and Kansas electric operations by Mid-Kansas Electric Company, a coalition of six Kansas rural electric cooperatives.

## Natural Gas Prices

**Aquila's Gas Supply Purchasing Helps Moderate Price Volatility**

Aquila wants what you want – an ample supply of energy at affordable prices. We are working to make that possible through our purchasing strategy, billing

options and other assistance programs. And you can help too, by taking steps to use energy wisely. Energy prices have been making news across the

*(Continued on page 2)*

## Aquila Cares

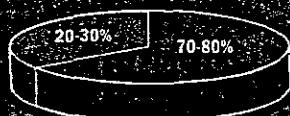
**Helping Your Neighbors**

Through Aquila Cares, you can assist those in your community who need help with their energy bills or emergency energy-related expenses. Plus, Aquila will match your tax-deductible contribution up to a total Aquila contribution of \$250,000.

Aquila already has donated an additional \$250,000 to the program. If customers and employees donate the full \$250,000, the program will provide a total of \$750,000 in assistance funds.

It's simple. You can contribute year-round by having as little as \$1 a month added to your monthly Aquila bill. Just fill out the form on the back and return it with your payment. Or, you can make a one-time contribution by mailing a check, money order or cashier's check payable to: Aquila Cares, P.O. Box 11975, Kansas City, MO 64138.

### Where Do Your Energy Dollars Go?



☐ Cost of natural gas and pipeline transportation from the wellhead

☐ Cost of distributing energy to your home or business

# Minnesota Operations Continue Focused Effort To Help Fight Hunger

This summer, "The Aquila Run to End Hunger Relay,"

a 1.5 mile race, kicked off the Rochester Fest parade in Minnesota. The Aquila-sponsored fundraiser is the latest step in a carefully thought-out effort begun more than a year ago. That's when Aquila's Minnesota operations decided to focus their community involvement and contributions on a specific organization – the state's Channel One Food Bank and Food Shelf.

In developing Aquila's "signature" Minnesota

effort, Operations Manager Stan Shreve met with the external relations team of Art Barr, Rory Lenton and Russ Liupakka to begin the process of choosing an organization. The group focused on locations, employee access and statewide availability when making their selection. After weighing their options, the team decided upon food shelves.

The initial plan called for volunteers to donate time unpacking boxes and stocking shelves, combined with financial donations. Greg Walters, Aquila manager of external affairs in Minnesota, anticipates approximately \$20,000 will be donated to the food

shelves in 2005. "We've been told by a food shelf that they can provide five meals for \$1, so our \$20,000 should be able to provide 100,000 meals," he says.

Some of the other ways Aquila supports the food shelves include: partnering with a bank in St. Charles, Minn., to install floor heat; servicing a cooler; conducting client surveys; and volunteering monthly to unload a delivery truck in Worthington, Minn.

The cooperation of Aquila's Minnesota managers and their employees "has created so much value not only for the food shelves but also the feeling of satisfaction that we have heard from the employees who have participated," says Lenton.

Comments Aquila employee Anita Longtin: "To volunteer there and experience the volume of food that is handled in just one day is unbelievable. It makes us as Aquila employees and shareholders appreciate Aquila's role in the community."

The Channel One Food Shelf refers to the "Aquila Model" when recruiting companies to help the organization, Lenton says.

"We are so honored to have been selected by Aquila as a recipient of the signature program," says Carla Johnson, executive director of the Channel One Food Bank and Food Shelf. "Many businesses contribute money to community organizations, but very few allow their staff to volunteer during paid time – something that all Aquila employees can take pride in."

Greg Walters, Lisa Milbrandt, Linda Herr and Rory Lenton pack food boxes at the Channel One Food Bank and Food Shelf in Rochester, Minn.



Scott Anderson and Mark Vacura volunteer their expertise to install a boiler donated to a St. Charles, Minn., food shelf.

## Aquila Payment Options

Aquila continues to offer convenient ways to make your utility payment...

**Mail:** Mail your payment in the envelope provided with your bill.

**Bank Withdrawal:** Have your bill automatically paid from your bank account each month through CheckLINE®.

**Phone®:** Call 1-800-303-0752 to pay with Visa, MasterCard, Discover Card or check.

**Internet®:** Go to [www.aquila.com](http://www.aquila.com) to pay online.

**Third-Party Pay Station®:**

Visit [www.aquila.com](http://www.aquila.com) to find a nearby location.

\*The payment service provider may require a convenience fee for this option. Visit [www.aquila.com](http://www.aquila.com) for details.

## IMPORTANT NUMBERS

Customer Service: 1-800-303-0752

Emergency: 1-800-303-0357

### Call Before You Dig

Colorado: 1-800-922-1987  
Iowa: 1-800-292-8989  
Kansas: 1-800-344-7233  
(1-800-DIG SAFE)  
Michigan: 1-800-482-7171  
Minnesota: 1-800-252-1166  
Missouri: 1-800-344-7483  
(1-800-DIG RTE)

Nebraska: 1-800-331-5666  
Oklahoma: 1-800-522-6543  
South Dakota: 1-800-781-7474  
Texas: 1-800-245-4545 or  
Texas Evacuation Safety System  
1-800-344-8377

**Service Guard Repairs  
or Enrollment:** 1-800-504-2000



**Aquila**

Providing Energy  
For Better Living™

Connected is published by Aquila, Inc., which operates electricity and natural gas distribution utilities serving more than 1.3 million customers in seven U.S. states. Based in Kansas City, Missouri, Aquila also owns and operates power generation assets.

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(Continued from page 1)

country, particularly since hurricanes disrupted production facilities in the Gulf of Mexico. Even before that, energy prices were up due to higher worldwide oil prices and increased demand for natural gas used to generate electricity. Compared to other goods and services, energy continues to be a good value for the price.

To help maintain more stable energy prices for customers, Aquila relies on a portfolio approach when buying natural gas. Aquila begins purchasing its normal winter gas requirements in late spring and buys up to 80 percent of its gas supply in fixed price contracts, gas placed in storage facilities and options contracts. The remaining portion of winter gas supply is purchased at market prices at the beginning of each month, or daily as necessary.

Fixed-cost and storage supplies help keep customers' bills down when gas prices go up, and

monthly market purchases offer the opportunity to benefit when prices go down. This gas purchasing approach helps Aquila lessen the potential for adverse effects that gas price volatility would have on your bill.

Aquila does not benefit from higher prices because we provide gas to our customers at the same price we are able to purchase supplies. During extreme winter weather, gas commodity costs and pipeline transportation from the wellhead where it is produced can comprise up to 80 percent of your bill. Aquila's cost to deliver gas within local communities comprises the rest of the bill.

Aquila earns its rate of return on the costs associated with the distribution of gas from the pipeline carriers to homes and businesses in your community. Federal and state agencies regulate transportation and distribution costs.

## How to Read Your Bill

Seventy to eighty percent of your energy bill is for the cost of energy and transportation of natural gas from the wellhead where it's produced, or electric transmission. These costs are labeled on your bill as a separate line item. Depending on where you live, the label will be one of the following:

■ **PGA: Purchased Gas Adjustment**    ■ **GCR: Gas Cost Recovery**    ■ **ECA: Energy Cost Adjustment**

The remainder of your bill is for Aquila's distribution of energy to homes and businesses in your community. The distribution cost includes a customer charge for services such as meter reading, billing, system maintenance expenses and costs associated with maintaining the equipment used to deliver energy. Federal and state agencies regulate transportation and distribution costs.

**Aquila Cares contributions are distributed by the following local assistance agencies in each state.**

<b>Colorado:</b>	Energy Outreach Colorado	<b>Michigan:</b>	The Heat and Warmth Fund (THAW)
<b>Iowa:</b>	Project Helper, administered by the Iowa Community Action Association	<b>Minnesota:</b>	HeatShare, administered by the Salvation Army
<b>Kansas:</b>	HeatShare, administered by the Salvation Army and Warm Hearts of Douglas County	<b>Missouri:</b>	United Way of Greater St. Joseph and Mid-America Assistance Coalition
		<b>Nebraska:</b>	HeatShare, administered by the Salvation Army

Please detach and return this form with your payment or send to Aquila Cares, P.O. Box 11975, Kansas City, MO 64138. You must complete and return the form before any dollars can be directed to the Aquila Cares program. Money you add to your utility payment without first completing and returning the form will be credited to your next utility bill.

**I would like to include my monthly contribution to Aquila Cares on my utility bill.**

My monthly contribution is: \$1\_\_\_ \$3\_\_\_ \$5\_\_\_ \$10\_\_\_ \$20\_\_\_ \$ Other\_\_\_

My utility account # \_\_\_\_\_

Street Address \_\_\_\_\_

*I authorize Aquila to add my monthly contribution to my utility bill. I understand that my contribution amount will be separately detailed on my bill and that I may revoke it at any time by calling Aquila at 1-800-303-0752.*

Signature \_\_\_\_\_ Date \_\_\_\_\_

Name (please print) \_\_\_\_\_

Phone (home) \_\_\_\_\_ (work) \_\_\_\_\_

**Thank you for helping your community.**



# Natural Gas, Carbon Monoxide Awareness

As temperatures drop, it's important to take steps to heat your home or business safely. Chances are slim you will encounter a gas leak, but you still need to know how to prevent leaks and what steps to take if one does occur.

Be alert for carbon monoxide – a colorless, odorless gas produced when fuels like natural gas aren't burned completely. Carbon monoxide can make you sick, sometimes to the point of death.

Below are tips to help you prevent, as well as identify and detect, carbon monoxide and natural gas leaks. We also tell you what to do if you encounter either. If you have questions on natural gas or carbon monoxide safety, please call Aquila anytime at 1-800-303-0752.

	Natural Gas	Carbon Monoxide
PREVENT	Have all natural gas appliances and flexible connectors installed, inspected and repaired by trained professionals.	Don't idle your car in the garage, even if the garage door is open.
	Keep objects away from gas connectors and piping.	Consider installing a carbon monoxide detector.
DETECT	Before you begin any project that involves digging, call your state's Call-Before-You-Dig number to locate buried lines. Find your state's number on the back of this issue of <i>Connected</i> .	Have all appliances installed and routinely inspected by a professional. Make sure that heating units, natural gas appliances and chimneys are working and properly vented.
	Be alert for the smell of natural gas. A chemical called mercaptan is added to natural gas to give it a distinct smell, like rotten eggs.	Be alert for physical symptoms of carbon monoxide poisoning, such as scratchy throat, runny nose, shortness of breath, headache, drowsiness or nausea.
ACT	Look for signs like dead plants above buried piping, a meter dial that moves after all gas appliances and equipment have been shut off or a sudden unexplained increase in gas use.	Other signs include excessive humidity in your home or business, often indicated by frosted windows or a furnace or fireplace that doesn't seem to be working properly.
	<b>If you think you may have a gas leak:</b>	<b>If you experience any of the above symptoms:</b>
	Leave the area immediately. Don't look for the source of the leak or try to fix it; don't open or close doors or windows; and don't do anything that might make a spark, like lighting matches, turning lights or appliances on or off, using the phone or ringing the doorbell.	Open doors and windows, turn off gas appliances and go to a neighbor's house to call Aquila at 1-800-303-0357 or call 911. Call your natural gas provider if not Aquila. Trained service personnel will conduct a thorough safety inspection.
	Go to a neighbor's house and call Aquila at 1-800-303-0357 or call 911. Call your natural gas provider if not Aquila. Trained service personnel will conduct a thorough safety inspection.	If symptoms are severe, go to a hospital emergency room and tell a doctor that you suspect carbon monoxide poisoning.



## Need Assistance?

Paying winter energy bills can be tough. If you are unable to pay your Aquila utility bill during cold-weather months, call us anytime at 1-800-303-0752. (Alternatively, you may visit our Web site, [www.aquila.com](http://www.aquila.com), or e-mail us at [custserv@aquila.com](mailto:custserv@aquila.com)).

We'll work with you to arrange a payment plan or direct you to local agencies that will determine if you qualify for assistance.

## Tips To Help You Manage Your Energy Costs

With the high cost of energy, it is important now more than ever to winterize your home and use energy efficiently. Follow these steps to help save money this winter on your energy bill.

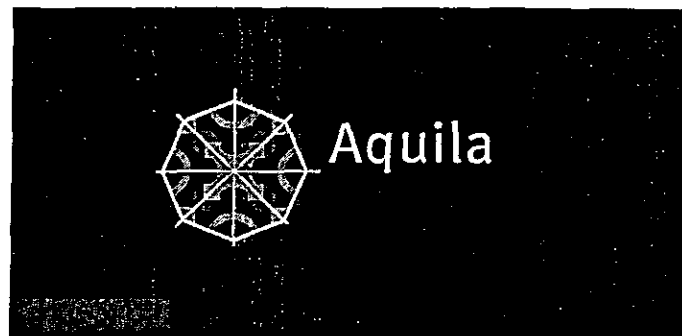
### Furnace Maintenance And Use:

- Have a professional inspect your furnace annually to make sure it's operating safely and efficiently.
- If you need to replace your furnace, consider installing a high-efficiency unit. It may cost a little more, but you will likely save money in the long run.
- Set your thermostat to 68 degrees during the day and lower it at night, or consider installing a programmable thermostat to adjust the temperature automatically.
- Clean or replace the furnace filter monthly to ensure proper air circulation.
- Check the furnace pilot light and burner for a mostly blue flame. A yellow flame indicates poor combustion.
- Make sure the furnace vent is in good condition and isn't blocked. This will ensure that all fumes are vented outside.

### Other Tips:

- Weatherstrip around windows and doors to prevent warm air from leaking out.
- Lower the water heater temperature a few degrees and use cold water whenever possible.
- Consider buying a humidifier; a humidified house at 68 degrees is as comfortable as a dry house at 75 degrees.
- Make sure your attic, basement, walls and crawl space are well insulated.
- Wear warm, loose-fitting clothing to help retain body heat.
- Clear snow and ice from appliance exhaust vents to ensure proper combustion.
- Remove snow and ice around the natural gas meter so the regulator can function properly.
- More energy-saving tips are available at [www.aquila.com](http://www.aquila.com).





## A Tradition Of Caring

Through **Aquila Cares**, you can help those in your community who are disabled, elderly or disadvantaged and need help with their energy bills or emergency energy-related expenses. Plus, Aquila will match fifty cents of each dollar you contribute, up to a total Aquila contribution of \$100,000.

It's simple. You can contribute year-round or include a one-time contribution with your Aquila bill payment.

Your tax-deductible\* contributions to Aquila Cares will go directly to the participating assistance agency in your state, which verifies eligibility and distributes funds to those in need in your community.

- **Colorado:** Energy Outreach Colorado, formerly the Colorado Energy Assistance Foundation
- **Iowa:** Project Helper, administered by the Iowa Community Action Association
- **Kansas:** HeatShare, administered by the Salvation Army; and Warm Hearts of Douglas County
- **Michigan:** The Heat and Warmth Fund (THAW)
- **Minnesota:** HeatShare, administered by the Salvation Army
- **Missouri:** United Way of Greater St. Joseph and Mid American Assistance Coalition
- **Nebraska:** HeatShare, administered by the Salvation Army.

\* Please retain a record of your contributions for tax purposes.

**Here's how to contribute:**

1. Contribute year-round. Simply complete the form below and enclose it with your utility bill stub and payment check.

**OR**

2. Make a one-time contribution by mailing a check, money order, or cashier's check payable to: Aquila Cares, P.O. Box 11975, Kansas City, MO 64138.

**Remember:** You must first complete and return the contribution form before any dollars can be directed to the Aquila Cares program. Money added to your utility bill without first completing and returning the form will be credited to your next utility bill.

***I would like to include my monthly contribution to Aquila Cares on my utility bill. My monthly contribution is:***

☐ \$1 ☐ \$3 ☐ \$5 ☐ \$10 ☐ \$20 ☐ \$Other \_\_\_\_\_

My utility account #: \_\_\_\_\_

Street Address: \_\_\_\_\_

I authorize Aquila to add my monthly contribution to my utility bill. I understand that my contribution amount will be separately detailed on my bill and that I may revoke it at any time by calling Aquila at 1-800-303-0752.

Signature: \_\_\_\_\_

Name (please print): \_\_\_\_\_

Date: \_\_\_\_\_

Phone (home): \_\_\_\_\_

(work): \_\_\_\_\_

***Thank you for helping your community.***

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## ***A Tradition of Service Helping Nevada Grow***

At Aquila, we are proud to be a part of Nevada. We deliver safe, reliable, competitively priced electric and natural gas service to energize Nevada's growth and prosperity. Our employees are energy professionals, as well as your neighbors.

We serve Nevada in other ways, too. Our economic development programs, scholarships, volunteerism, charitable contributions and the taxes we pay all help make Nevada an even better place to live.

We're at your service whenever you need us, day or night. Call us at 1-800-303-0752 or visit us at [www.aquila.com](http://www.aquila.com).



**Aquila**

Providing Energy  
For Better Living.

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Aquila

A Tradition of Service

## ***Helping Lee's Summit Grow***

At Aquila, we are proud to be a part of Lee's Summit. We deliver safe, reliable, competitively priced electric service to energize Lee's Summit's growth and prosperity. Our employees are energy professionals, as well as your neighbors.

We serve Lee's Summit in other ways, too. Our economic development programs, scholarships, volunteerism, charitable contributions, and the taxes we pay, all help make Lee's Summit an even better place to live.

We're at your service whenever you need us, day or night. Call us at 800-303-0752 or visit us at [www.Aquila.com](http://www.Aquila.com).

Dear Cass County Residents,

The Aquila South Harper Peaking Facility is necessary for the residents of Cass County and all customers who need a reliable power source during peak usage periods, such as hot summer days. As the communities within the county continue to grow, the need for a reliable energy source will only increase.

For nearly 100 years, Aquila has been an integral part of Cass County. We currently provide approximately 90 percent of its electrical needs (either directly or indirectly). It is because of our commitment to the betterment of Cass County – in fact, any community in which Aquila does business – that we are committed to an open, honest and, most of all, fact-based dialog related to the facility.

When construction began in 2005, Aquila believed it had the necessary authority from the Missouri Public Service Commission (MPSC) to construct the facility. During that process, Aquila diligently pursued and obtained all the necessary construction approvals.

Since completion, we have been entirely sincere in our efforts to work hand-in-hand with the residents of the county to address their concerns and work with the community at large to enhance our long-term commitment to the area. While we respect the concerns of the Cass County residents who oppose the presence of the facility, we feel it is unfortunate that misperceptions and emotions, though related to very valid concerns, have consistently overshadowed and prolonged the public debate over the fate of the facility.

Although it was Aquila's interpretation of previous MPSC decisions that our general authorization (from the MPSC) to provide electric service in Cass County was sufficient to allow construction and future operations, the Court of Appeals disagreed with our interpretation.

The Court of Appeals has given us two alternate paths to pursue: (1) either obtain zoning approval from Cass County, or (2) work with the MPSC for specific authorization for this plant. Though we chose to work with the county first, our zoning application was refused. Therefore, we have placed the fate of the South Harper Peaking Facility in the hands of the MPSC, which, after giving due process to the rights of all to be heard, will hopefully render a decision soon.

To better understand all the emotion and media attention surrounding this issue, it is beneficial to take a step back and review how we all came to this point. As such, it is very important to note certain dates and events since 2004.

#### Summer 2004

After a series of meetings with Cass County officials, Aquila filed for a special use permit to build a generating facility near Harrisonville called Camp Branch. The zoning board denied the filing for the Camp Branch location.

Aquila received an invitation from the City of Peculiar to construct a facility at a site in an unincorporated area two miles from the city limits. Aquila chose the Peculiar location with a commitment from Peculiar to annex the plant site.

#### October 2004

The Peculiar Board of Aldermen withdrew its annexation resolution before final vote when it was determined its legal authority to annex was unclear. Given the need to have power available by the summer of 2005, Aquila made the decision to proceed with construction under its existing Certificate of Public Convenience and Necessity (issued by the MPSC in 1938) in order to meet its legal obligation to serve the public.

#### December 2004

Cass County sued Aquila claiming county approval was required to build the facility. The suit claimed that, even if county approval was not required, Aquila lacked MPSC authority to continue construction.

#### January 2005

In a trial in the Circuit Court of Cass County, the court agreed that Aquila was exempt from county land use regulations if it had MPSC authority. The court agreed with Cass County that Aquila lacked MPSC

authority (which Aquila appealed). However, the company was allowed to proceed with construction pending appeal of the decision.

#### February 2005

Aquila appealed the Circuit Court decision to the Missouri Court of Appeals. Aquila also filed an application for specific authority from the MPSC or, alternatively, confirmation that it already had specific authority.

#### April 2005

The MPSC issued an order confirming by a four to one vote that Aquila's existing authority was sufficient.

#### May 2005

Cass County sued the MPSC in the Circuit Court of Cass County claiming the MPSC acted illegally, without due process, and lacked the authority to interpret its prior orders. Aquila intervened in support of the MPSC's order. The circuit court judge stayed the lawsuit pending a Court of Appeals ruling on the underlying case between Cass County and Aquila.

#### June 2005

The Court of Appeals issued an opinion, which was subsequently withdrawn, holding that the MPSC lacked the authority to allow Aquila to construct the facility unless the right to construct power plants had been previously approved through a "county franchise." By statute, a county may grant a utility a franchise to place poles and wires wherever necessary to provide electricity. However, unlike cities, counties do not have statutory authority to grant franchises for the construction of power plants or substations.

This ruling from the Court of Appeals created industry-wide concern because it meant that all utility construction would have been in jeopardy, as county franchises throughout the industry addressed only "poles and wires" (as provided by statute) and not specifically power plants.

Aquila completed construction of the South Harper plant and put it into service. It has since been started 57 times, run 429 hours and generated 74,000 megawatts of energy for Aquila's customers.

#### July 2005

Aquila's General Counsel met with Cass County attorneys to explore a settlement. In a subsequent letter, Cass County attorneys said the county would accept and process a special use permit from Aquila. At that time, in an effort to get the community up to date on the issues, we began meeting with individual land owners to listen to their concerns.

#### August 2005

To foster better understanding with Peculiar and Cass County residents, Aquila began a series of community meetings and plant tours at the South Harper Peaking Facility. The goal of these meetings is to provide local residents with the most current information and create an open forum to hear dissenting opinions.

Additionally, Aquila undertook a program to pave local roads, plant trees, conduct emissions testing and construct additional sound protection for residents whose homes were located closest to the facility. At the same time, Aquila purchased the homes of some persons living adjacent to the plant (residents who chose not to stay in the area, despite property improvements).

The County's attorneys sent Aquila a letter stating that Cass County would not accept a special use permit application until litigation ceased. The letter also pointed out that Aquila could not remedy its zoning violation by filing a special use permit application.

#### October 2005

The Court of Appeals withdrew its June opinion and granted Aquila's request for a re-hearing.

#### December 2005

The Court of Appeals issued a new opinion that supported Aquila's contention that the facility was exempt from county land use regulations if it had the necessary MPSC authorization (but found that Aquila's existing certificates were not suf-

ficient). Of note, the court also stated that Aquila could retroactively obtain zoning approval from the county or specific MPSC authorization for the facility.

#### January 2006

In a letter from the presiding Cass County commissioner, we were advised that the county would only process Aquila's zoning application if the plant was removed.

At that time, Aquila's General Counsel had a phone call with Cass County attorneys in which they continued to assert:

- The MPSC may not authorize any utility construction unless Cass County first provides its authority.

- They would not allow the county planning and zoning office to consider Aquila's special use permit unless the plant was torn down.

Aquila's general counsel later sent Cass County attorneys a letter advising them of a filing with the Circuit Court requesting a stay of the injunction and noting significant long-term benefits to the county – including consent to further county approval over utility construction, if the zoning application were processed and approved.

Aquila filed an application to the MPSC for specific authority for the South Harper Peaking Facility and Peculiar substation.

The Cass County Circuit Court extended the stay of the permanent injunction against South Harper until May 31, 2006, and ordered Aquila to commence dismantling the facility if it did not receive specific authority from the MPSC.

#### February 2006

Cass County attorneys sent Aquila a letter in which they indicated the county would accept and process a special use zoning permit.

The Cass County Circuit Court entered a consent judgment in the lawsuit in which the County accused the MPSC of acting illegally, without due process, and in excess of its authority. This judgment remanded the matter to the MPSC and instructed the MPSC to set aside and vacate its April 2005 order which had clarified that Aquila's existing authority was sufficient for the construction of the South Harper facility.

#### March 2006

The MPSC vacates its April 2005 clarifying order.

Aquila files a joint motion (with the MPSC staff and other case interveners) to the MPSC, requesting a procedural schedule for its application for specific authority. This proposed schedule addresses due process considerations, and includes a late March public hearing in Cass County, followed by a hearing and closing arguments before the MPSC in April, with a MPSC order in May. Cass County, StopAquila.Org, and certain landowners file a joint motion requesting a procedural schedule that would not have a hearing and arguments with the MPSC until July.

Cass County lawyers continue to assert that the MPSC does not have the authority to retroactively approve the facility; the MPSC cannot approve construction of a plant unless the county first grants zoning; and, removal of the plant is the only remedy to this issue.

Aquila is continuing its efforts to ensure an open, honest fact-based dialog on this issue. Hopefully the above chronology helps illustrate that. I encourage anyone interested in learning more about the issues surrounding the South Harper Peaking Facility to visit [https://networks.aquila.com/south\\_harper/](https://networks.aquila.com/south_harper/).

For all parties concerned, especially the citizens of Peculiar and Cass County, we hope to resolve this issue expeditiously, with due regard for the MPSC's process and the right of all interested parties to be heard. Most importantly, we look forward to continuing our relationship with Cass County to provide its residents with reliable, accessible electricity.

Thank You.

Norma F. Dunn  
Senior Vice President  
Communications and Stakeholder Outreach  
Aquila, Inc.