

**AQUILA, INC.**  
**CASE NO. EF-2003-0465**  
**OFFICE OF PUBLIC COUNSEL**  
**DATA REQUEST NO. OPC-637**

FILED

DEC 05 2003

**DATE OF REQUEST:** October 3, 2003

**DATE RECEIVED:** October 16, 2003

**DATE DUE:** October 18, 2003

**REQUESTOR:** James Busch

**QUESTION:**

Please disaggregate and provide all supporting documentation for each individual component of Mr. Busch's alleged \$7.5 million underestimation of Missouri's working capital.

**RESPONSE:**

A correction to Lowndes Surrebuttal testimony is necessary. The amount noted should have read \$6.3 million.

Attached is a schedule from Mr. Busch's workpapers that compares by line item the components of the allocated Missouri share of the Company's peak working capital needs. Surrebuttal testimony explains why the Company believes the various assumptions used by Mr. Busch were not correct. The storage adjustment made by Mr. Busch had both a price and allocation component to it. Although Aquila does not agree with using budgeted prices that were 8 months old at the time the working capital study was performed, Aquila does not disagree with the allocation methodology used by Mr. Busch; therefore an adjustment has been made to calculate the allocated component for Missouri of the peak working capital using Mr. Busch's allocation methodology, but not his price assumptions.

**ATTACHMENT:** OPC0637.xls

**ANSWERED BY:** Carol Lowndes

**SIGNATURE OF RESPONDENT**

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**Exhibit No.** \_\_\_\_\_  
**Case No(s).** EF-2003-0465  
**Date** 10-20-03 **Rptr** TLL

Aquila, Inc.  
 OPC0637

**Gas Supply**

Working Capital Model  
 State's Percentage of Load  
 State's Portion

Difference noted in Testimony	Difference Busch/Aquila	Modified	Original	Mr. Busch
1,994,467	1,994,467	15,007,360	15,007,360	13,012,893

Purchased Power  
 Power Plant Notional  
 Sub-Total

(733,820)	(733,820)	16,222,218	16,222,218	16,956,038
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Gas Supply Total

1,260,647	1,260,647	31,229,578	31,229,578	29,968,931
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**Storage**

Working Capital Model  
 State's Percentage of Load  
 State's Portion

218,981	1,552,492	2,610,865.35	3,944,376	2,391,884
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**Pipeline Capacity**

Working Capital Model  
 State's Percentage of Load  
 State's Portion

92,896	92,896	1,802,043	1,802,043	1,709,147
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**Payroll**

Working Capital Model  
 State's Percentage of Customers  
 State's Portion

640,118	640,118	2,124,301	2,124,301	1,484,184
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**Incremental Gas Stress Test**

Working Capital Model  
 State's Percentage of Load  
 State's Portion

1,322,977	1,322,977	4,031,405	4,031,405	2,708,428
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Total Cash Needs

**Cash Receipts**

Working Capital Model  
 State's Percent of cash receipts  
 State's Portion

(2,819,017)	(2,819,017)	46,197,053	46,197,053	49,016,070
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**Peak Cash Requirement**

6,354,636	7,688,147	(4,398,860)	(3,065,349)	(10,753,496)
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Gas Storage Injection Forecast  
Aquila Response to PSC DR 5012

		April	May	June	July	August	September
<u>Harry Ono:</u>	Michigan						
Volumes		212,762	1,127,636	1,258,826	1,279,136	967,161	994,276
Dollars	\$	1,153,559	\$ 5,959,870	\$ 6,717,942	\$ 6,838,471	\$ 5,194,629	\$ 5,297,073
Average Price	\$	5.42	\$ 5.29	\$ 5.34	\$ 5.35	\$ 5.37	\$ 5.33
Aquila's prices			\$ 5.57	\$ 5.67	\$ 5.74	\$ 5.76	\$ 5.72
Dollars			\$ 6,280,932.52	\$ 7,137,543.42	\$ 7,342,240.64	\$ 5,570,847.36	\$ 5,687,258.72
<u>Shawn Gillespie:</u>	MO, KS, CO						
Volumes		-	383,304	611,943	628,953	628,953	628,953
Dollars	\$	-	\$ 1,862,005	\$ 2,921,279	\$ 3,002,075	\$ 3,004,922	\$ 2,979,112
Avg Price = NYMEX less basis differences	\$	-	\$ 4.86	\$ 4.77	\$ 4.77	\$ 4.78	\$ 4.74
Aquila's prices			\$ 5.57	\$ 5.67	\$ 5.74	\$ 5.76	\$ 5.72
Dollars			\$ 2,135,003.28	\$ 3,469,716.81	\$ 3,610,190.22	\$ 3,622,769.28	\$ 3,597,611.16
<u>John Bogatz:</u>	IA, MN, NE						
Volumes		449,749	464,749	1,951,565	1,966,557	2,100,000	2,200,000
Dollars	\$	2,212,765	\$ 2,284,202	\$ 9,699,278	\$ 9,793,454	\$ 10,458,000	\$ 10,868,000
Avg Price = NYMEX less \$0.20 estimate	\$	4.92	\$ 4.91	\$ 4.97	\$ 4.98	\$ 4.98	\$ 4.94
Aquila's prices			\$ 5.57	\$ 5.67	\$ 5.74	\$ 5.76	\$ 5.72
Dollars			\$ 2,588,651.93	\$ 11,065,373.55	\$ 11,288,037.18	\$ 12,096,000.00	\$ 12,584,000.00
<u>Total</u>							
Volumes		662,511	1,975,689	3,822,334	3,874,646	3,696,114	3,823,229
Dollars	\$	3,366,324	\$ 10,106,077	\$ 19,338,499	\$ 19,634,000	\$ 18,657,551	\$ 19,144,185
Avg Price	\$	5.08	\$ 5.12	\$ 5.06	\$ 5.07	\$ 5.05	\$ 5.01
Aquila's prices			\$ 5.57	\$ 5.67	\$ 5.74	\$ 5.76	\$ 5.72
Dollars	\$	-	\$ 11,004,588	\$ 21,672,634	\$ 22,240,468	\$ 21,289,617	\$ 21,868,870

	Winter 03-04				MoPub	SJLP
MO-MPS	4,147,219	Missouri	4,798,170	26.52%	2,391,884.31	2,067,385.71
MO-SJ	650,951	Kansas	8,405,527	46.47%	4,190,149.20	324,498.61
Michigan	18,017,980	Colorado	4,886,007	27.01%	2,435,671.00	
Minnesota	23,259,521		18,089,704	100.00%		
Kansas	8,405,527					
Colorado	4,886,007	Iowa	13,761,824	26.93%	8,690,720.95	
Iowa	13,761,824	Minnesota	23,259,521	45.52%	14,688,605.70	
Nebraska	14,078,579	Nebraska	14,078,579	27.55%	8,890,754.70	
	87,207,608		51,099,924	100.00%		
			69,189,628			
MO-MPS	4,147,219	86.43%	87,207,608			
MO-SJ	650,951	13.57%				
	4,798,170					

Gas Storage Injectio  
Aquila Response to

October

Harry Ono:

Volumes		560,205			
Dollars	\$	2,978,310	\$	34,139,854	32.66% \$ 20,026,867
Average Price	\$	5.32			
Aquila's prices	\$	5.81			
Dollars	\$	3,254,791.05	\$	35,273,614	30.74% \$ 18,849,186

Shawn Gillespie:

Volumes		341,661		3,223,767	
Dollars	\$	1,603,112	\$	15,372,505	14.71% \$ 9,017,705
Avg Price = NYME>	\$	4.69			
Aquila's prices	\$	5.81			
Dollars	\$	1,985,050.41	\$	18,420,341	16.05% \$ 9,843,291

John Bogatz:

Volumes		1,966,571			
Dollars	\$	9,695,195	\$	55,010,894	52.63% \$ 32,270,081
Avg Price = NYME>	\$	4.93			
Aquila's prices	\$	5.81			
Dollars	\$	11,425,777.51	\$	61,047,840	53.20% \$ 32,622,177

Total

Volumes		2,868,437		20,722,960	
Dollars	\$	14,276,617	\$	104,523,253	\$ 61,314,653
Avg Price	\$	4.98			
Aquila's prices	\$	5.81			
Dollars	\$	16,665,619	\$	114,741,795	\$ 61,314,653

\$61,314,653 Using these storage levels  
in Aquila's model for  
January 2, 2004 amount.

MO-MPS	Missouri %	26.52%
MO-SJ	MO/KS/CO Storage dollars	9,843,291
Michigan	Missouri \$	2,610,865
Minnesota		
Kansas		
Colorado		
Iowa		
Nebraska		

MO-MPS  
MO-SJ