STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 11th day of January, 2007.

In the Matter of the Tariffs of Aquila, Inc., d/b/a Aquila Networks – MPS and Aquila Networks – L&P Increasing Electric Rates for the Services Provided to Customers in the Aquila Networks – MPS and Aquila Networks – L&P Service Areas

Case No. ER-2007-0004 Tariff No. YE-2007-0001

ORDER GRANTING MOTION TO MODIFY NOTICE PUBLICATION REQUIREMENT

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Issue Date: January 11, 2007

Effective Date: January 21, 2007

On July 3, 2006, Aquila, Inc., submitted proposed tariff sheets designed to implement a general rate increase for retail electric service provided by Aquila to customers in its Aquila Networks – MPS and Aquila Networks – L&P service areas. On November 16, 2006, the Commission issued its Order Setting Local Public Hearings and Directing Notice. On November 21, 2006, the Commission issued its Order Setting to Crder Setting Additional Public Hearings. Each of those orders prescribed the text of the notice that was required to be provided to each of Aquila's customers no later than ten days before the scheduled local hearings. In addition, each of the orders required Aquila to place advertisements in the newspapers serving its service territory and specified the information to be contained in the advertisements.

On January 8, 2007, Aquila filed a Motion for an Order Modifying the Requirement to Publish Notice of Local Public Hearings in all Newspapers Published in the Company's Service Area (Motion to Modify). In support of its Motion to Modify Aquila identified seventy-two (72) daily and weekly newspapers serving subscribers in its operating territory.¹ Aquila stated that it would be very costly for the company to purchase the one-half page advertisement necessary to contain all of the information required by the Commission in each of those newspapers. Aquila asks the Commission to instead allow it to publish the prescribed notice in only the twenty-eight (28) major daily newspapers within the company's service area.² Aquila notes that each customer will receive an individual notice of all public hearings along with his or her regular, monthly electric bill. Aquila further stated that it has discussed this proposal with the Office of the Public Counsel, and that the Public Counsel does not object to Aquila's request; "provided that the Commission concludes that publication in the major daily newspapers will provide adequate coverage to customers."

The Commission finds that publication in the twenty-eight (28) major daily newspapers in Aquila's service area will provide adequate coverage to Aquila's customers given that each customer will also receive individual notice in their regular monthly bill. Further, the Commission's Public Information Office was required to provide the members of the General Assembly and to the media that serve Aquila, Inc.'s service area with copies of the Commission orders scheduling local public hearings in this case. The Commission finds Aquila's request to be reasonable and it will be granted.

¹ The seventy-two (72) publications are set out in Exhibit A to the Motion to Modify.

² The twenty-eight (28) publications are set out in Exhibit B to the Motion to Modify.

IT IS ORDERED THAT:

1. Aquila, Inc., is relieved of its obligation to place advertisements in all the newspapers serving its service territory.

2. Aquila, Inc., shall place advertisements in the twenty eight (28) major daily newspapers listed on Exhibit B to its January 8th Motion. The advertisements shall contain the information from the customer notice relevant to the customers in the newspaper's circulation area.

3. This order shall become effective on January 21, 2007.

BY THE COMMISSION

Colleen M. Dale Secretary

(SEAL)

Davis, Chm., Murray, Gaw, Clayton, and Appling, CC., concur.

Voss, Regulatory Law Judge