STATE OF MISSOURI MISSOURI PUBLIC SERVICE COMMISSION

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In the matter of Aquila, Inc. d/b/a Aquila Networks-L&P, for authority to file tariffs changing the steam Quarterly Cost Adjustment for service provided to customers in the Aquila Networks - L&P service territory.

HR-2008-0340

APPLICATION TO INTERVENE OF ST. JOSEPH STEAM USERS

This application requests intervention in this proceeding for AG PROCESSING INC, A COOPERATIVE ("AGP"), NESTLE PURINA/FRISKIES PETCARE ("Friskies"), AGRILIANCE [OMNIUM], INC. ("Agriliance") and TRIUMPH FOODS ("Triumph"), collectively called ST. JOSEPH STEAM USERS ("SJSU"). Pursuant to 4 C.S.R. 240-2.075 SJSU applies to intervene and to become a party. In support, SJSU states:

1. AGP is an agricultural cooperative and is a large manufacturer and processor of soybean meal, soy-related food products, and other grain products throughout the central and upper Midwest, including the State of Missouri. AGP is the largest cooperative soybean processing company in the world, the third-largest supplier of refined vegetable oil in the United States and the third-largest commercial feed manufacturer in North America.

2. AGP operates a major processing facility in St. Joseph, Missouri where it is believed to be the largest industrial steam customer of the applicant utility Aquila, Inc. ("Aquila") in the St. Joseph service area.

3. AGP's interest in proceedings affecting the rates, terms and conditions of steam and other utility services from Aquila, Inc. has been previously recognized by the Missouri Public Service Commission in permitting AGP's intervention in prior Aquila rate design and rate-related proceedings. AGP has actively participated in such cases. Specifically, AGP actively participated in Case No. HR-2005-0450, the steam rate case that resulted, inter alia, in the quarterly adjustment mechanism that is addressed in this filing and in subsequent quarterly adjustment filings denominated HR-2007-0028 and HR-2007-0399.

4. Friskies, Agriliance and Triumph are also large volume steam users on the L&P Steam distribution system. Each is an Aquila steam customer and, although the levels vary, each is a major employer in St. Joseph, Missouri. In combination with AGP, it is believed that these customers represent roughly 80% or more of the steam volumes sold through the L&P steam distribution system.

5. Correspondence or communications regarding this application, including service of all notices and orders of this Commission, should be addressed to:

Stuart W. Conrad, Esq. David L. Woodsmall^{1/} FINNEGAN, CONRAD & PETERSON, L.C.

 $[\]frac{1}{2}$ Mr. Woodsmall is the firm's resident attorney at its Jefferson City Office. His Jefferson City address is: 428 East Capitol Avenue, Suite 300, Jefferson City, MO 65101,

1209 Penntower Office Center 3100 Broadway Kansas City, Missouri 64111 Voice: (816) 753-1122 Fax: (816) 756-0373 E-mail: stucon@fcplaw.com

and to:

Mr. Gary Chesnut Corporate Purchasing Manager Ag Processing Inc. 12700 West Dodge Rd. Omaha, NE 68154

6. On July 11, 2008 Aquila L&P filed a proposed steam service tariff sheet providing the current Quarterly Cost Adjustment for service provided to steam customers in the company's L&P service territory. The filing proposes a change to the current Quarterly Cost Adjustment associated with the provision of steam service with a proposed effective date of September 1, 2008.

7. AGP was instrumental in the development of this mechanism. Preliminary investigation indicates that the proposed quarterly adjustment is facially consistent with the mechanism provided in Aquila's steam tariffs and, insofar as AGP and SJSU is presently able to verify, comports with that mechanism. Accordingly, suspension of the proposed quarterly adjustment is not requested, but, rather that the tariff be further suspended but rather that the matter be processed consistent with the mechanism negotiated and approved by the Commission in Case No. HR-2005-0450.

8. SJSU will be bound or adversely affected by any Commission order in this proceeding. Because of the structure of the rate schedules under which Aquila L&P sells industrial steam 70746.1 - 3 - to SJSU, and because of members' size and consistency of steam usage for production purposes, SJSU is in the special position of representing its own interest that is direct, immediate, different from that of the general public, and that cannot adequately be represented by any other party. Therefore, it will aid the Commission and serve and protect the public interest that SJSU is permitted to intervene in this proceeding to protect its interests.

9. For purposes of 4 C.S.R. 240-2.075(2), SJSU opposes discriminatory and excessive pricing of public utility services, including those provided by Aquila L&P but insofar as this proposed change is consistent with the negotiated and approved mechanism, does **not** oppose Commission acceptance of this proposed change subject to SJSU's participation in the annual true-up process negotiated and referenced in Aquila L&P's steam tariffs.

WHEREFORE, SJSU and each member thereof prays: (a) that it be permitted to intervene and be a party to this case with all rights to have notice of and participate in any proceedings and hearings to present evidence, to cross-examine witnesses, file

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briefs and present any argument; and (b) for all other relief to which any member is entitled.

Respectfully submitted,

FINNEGAN, CONRAD & PETERSON, L.C.

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ATTORNEYS FOR ST JOSEPH STEAM USERS

CERTIFICATE OF SERVICE

I certify that I have served a copy of the foregoing Application to Intervene on each of the persons identified as proper parties for service according to the Commission's records on its EFIS system.

Stuart W. Conrad, an attorney for within applicants

Dated: July 23, 2008