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-2007-0028

APPLICATION TO INTERVENE OF AG PROCESSING INC, A COOPERATIVE

This application requests intervention in this proceeding for AG PROCESSING INC, A COOPERATIVE ("AGP"). Pursuant to 4 C.S.R. 240-2.075 AGP applies to intervene and to become a party. In support, AGP 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.

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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.

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

Stuart W. Conrad, Esq. FINNEGAN, CONRAD & PETERSON, L.C. 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

5. On July 18, 2006 Aquila 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.

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6. AGP was instrumental in the development of this mechanism. Preliminary investigation indicates that the proposed quarterly adjustment is facially consistent with the agreed mechanism provided in Aquila's steam tariffs. Insofar as AGP is presently able to verify, comports with that mechanism. Accord-ingly, AGP does **not** request 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.

7. Although AGP is vitally interested in the level of and in adjustments to Aquila's steam tariffs, it appears that the adjustment proposed by Aquila is consistent with the negotiated ad Commission-approved adjustment mechanism. That mechanism provides for quarterly adjustments (if needed) and annual trueups. AGP seeks to intervene not to protest or object to this filing or oppose its implementation, but rather to position itself so as to be a party to the proceeding(s) in which that true-up will occur.

8. AGP will be bound or adversely affected by any Commission order in this proceeding. Because of the structure of the rate schedules under which Aquila sells industrial steam to AGP, and because of AGP's size and consistency of steam usage for production purposes, AGP 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

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and serve and protect the public interest that AGP be permitted to intervene in this proceeding to protect its interests.

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

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

Respectfully submitted,

FINNEGAN, CONRAD & PETERSON, L.C.

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ATTORNEYS FOR AG PROCESSING INC.

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 applicant

Dated: August 2, 2006