

**OFFICE OF THE PUBLIC COUNSEL  
DATA REQUEST**

**AQUILA, INC.  
CASE NOS.  
ER-2004-0034  
HR-2004-0034**

**FILED<sup>4</sup>**

**APR 29 2004**

**Missouri Public  
Service Commission**

Requested From: Denny Williams  
Requested By: Ted Robertson  
Date Requested: February 18, 2004

Information Requested: Regarding the surrebuttal testimony of Mr. Dennis R. Williams, page 8, lines 4-20, please provide the following:

1. Copies of all documents (i.e., accounting, tax, etc.) that specifically show, by year, that the deferred income tax accrual/benefits Mr. Williams discusses relating to the EO-90-114 and EO-91-358 AAOs were flowed-through to customers for regulatory ratemaking tax purposes.
2. Copies of all Commission orders authorizing Company (please highlight the specific language referenced in each order) to flow-through rather than normalize the AAO deferred income tax accrual/benefits for regulatory ratemaking tax purposes.

Response Provided:

See Attached

The information provided to the Office of the Public Counsel in response to the above information request is accurate and complete, and contains no material misrepresentations or omissions based upon present facts known to the undersigned. The undersigned agrees to immediately inform the Office of the Public Counsel if any matters are discovered which would materially affect the accuracy or completeness of the information provided in response to the above information.

Date Received: \_\_\_\_\_ Received By: \_\_\_\_\_

Prepared By: \_\_\_\_\_

Exhibit No. 154  
Case No(s). ER-2004-0034  
Date 2/24/04 Rptr RF

Response to OPC DR 1047

1. Please see attached worksheets from ER-93-37 rate case which shows a) no accumulated deferred income tax associated with an AAO and b) income tax calculation showing add back of amortization of AAO's in order to provide current taxes on amortization portion only. Both are reflective of tax flow-through treatment of the AAO's.

2. To my knowledge the question of flow through treatment of the EO-91-114 and EO-91-358 AAO's subsequent to the 1993 case referenced in #1 above has not been an issue in any Commission proceeding.

Responded by: Denny Williams

Attachments: Workpapers from MPS Case Number ER-93-37

February 23, 2004

REPORT 5  
12-Jan-93  
10:31 AM

UTILICORP. UNITED INC.  
D/B/A MISSOURI PUBLIC SERVICE  
CASE # ER-93-37

COMPANY'S ELECTRIC RATE BASE

(W/INC TAX)

DESCRIPTION

ELECTRIC  
RATE BASE

10 PLANT IN SERVICE	776,235,017
LESS:	
4 RESERVE FOR DEPRECIATION	231,888,426
	-----
NET UTILITY PLANT	544,346,591
	=====
PLUS:	
WORKING CAPITAL	
239 MATERIALS & SUPPLIES	13,702,067
PREPAYMENTS	630,324
41 FUEL INVENTORIES	13,017,596
267 CASH WORKING CAPITAL	(16,658,258)
	-----
TOTAL WORKING CAPITAL	10,691,729
	=====
13 Plus: ER-90-101 AAO Rebuild & Western Coal	2,565,856
13 1993 AAO Rebuild & Western Coal	2,217,053
Manufactured Gas Plant	290,875
LESS OFFSETS -	
313 CUSTOMER DEPOSITS	4,052,715
314 CUSTOMER ADVANCES	3,609,341
DEFERRED INCOME TAXES	59,386,559
OPEB OFFSET	548,715
	-----
TOTAL OFFSETS	67,597,330
	=====
TOTAL ELECTRIC RATE BASE	492,514,774
	=====

		TOTAL			
		COMPANY	ELECTRIC	ELECTRIC	
		@ 9/30/92	JURIS	NON-JURIS	GAS
281.00	POLLUTION CONTROL	224,948	215,050	9,898	
282.10	ACCUM DIT ELECTRIC	52,211,435	50,953,139	1,258,296	
282.10	ACCUM DIT GAS	3,465,106			3,465,106
282.10	ACCUM DIT COMMON	6,128,782	5,346,486	132,032	650,264
282.20	ACCUM DIT REMOVAL ELECTRIC	0	0	0	
282.20	ACCUM DIT REMOVAL GAS	0			0
282.31	ACC DIT JEC INT FED	1,282,391	1,225,966	56,425	
282.34	ACC DIT JEC INT STATE	73,292	70,067	3,225	
282.37	ACC DIT JEC TAX FED	319,058	305,019	14,039	
282.38	ACC DIT JEC TAX STATE	18,230	17,428	802	
282.40	ACC DIT FERC JURIS	1,180,980		1,180,980	
282.60	ACC DIT FED REPAIR ALLO ELECTRI	810,275	790,747	19,528	
282.70	ACC DIT FED PEN ELECTRIC	0	0	0	
282.70	ACC DIT FED PEN GAS	0			0
282.80	ACC DIT FED-ST 1969 ELECTRIC	343,652	335,370	8,282	
282.80	ACC DIT FED-ST 1969 GAS	95,071			95,071
282.80	ACC DIT FED-ST 1969 COMMON	(727)	(634)	(16)	(77)
282.92	ACC DIT FED TAX & PEN CAP EL	219,860	214,561	5,299	
282.92	ACC DIT FED TAX & PEN CAP GAS	17,650			17,650
282.94	ACC DIT ST TAX & PEN CAP EL	13,461	13,137	324	
282.94	ACC DIT ST TAX & PEN CAP GAS	1,079			1,079
255.00	ITC 3% ONLY ELECTRIC	808,300	788,820	19,480	
255.00	ITC 3% ONLY GAS	39,740			39,740
SUB-TOTAL		67,252,583	60,275,157	2,708,593	4,268,833
190.00	Advances and CIAC - Elec	(1,000,899)	(888,598)	(112,301)	
190.00	Advances and CIAC - Gas	(154,325)			(154,325)
TOTAL		66,251,684	59,386,559	2,596,292	4,268,833

SOURCE: LIABILITY LEDGER

1 DEMAND	0.9648	0.0352
2 PLANT	0.9772	0.0228
3 BASIS 19	0.8878	0.1122

REPORT 6  
12-JUN-93  
09:14 AM

UTILICORP UNITED INC.  
D/B/A MISSOURI PUBLIC SERVICE  
CASE # ER-93-37

INCOME TAX CALCULATION

	TAXABLE INCOME	
NET OPERATING INCOME BEFORE TAX	50,791,509	E 20-45
ADD: ANNUALIZED DEPRECIATION	27,351,754	
TRANSPORTATION DEPRECIATION	579,507	E 20-5
TOTAL ADDITIONS	27,931,261	
LESS: CUSTOMER ADVANCES	(50,004)	E 20-5
CONTRIBUTION IN AID	(335,000)	
TAX DEPRECIATION	35,370,901	
→ Old AAO - ER-90-101 & New AAO	(256,274)	
COST OF REMOVAL	1,579,554	
20% Meals & Entertain	(77,920)	
Sibley Outage	(47,986)	
TOTAL DEDUCTIONS	36,183,271	
TAXABLE INCOME BEFORE INTEREST	42,539,499	
LESS: INTEREST	22,261,668	*
TAXABLE INCOME	20,277,831	E 20-20

\* Rate base x wtd cost of debt

492,514,774 E 20-100

x .0452 E 20-105

\$ 22,261,667

E 20-10

REPORT 6  
12-Jan-93  
09:14 AM

UTILICORP UNITED INC.  
D/B/A MISSOURI PUBLIC SERVICE  
CASE # ER-93-37

INCOME TAX CALCULATION

	INCOME	
FEDERAL INCOME TAXES	TAXES	
-----	-----	
TAXABLE INCOME	20,277,831	E 20-10
LESS: MISSOURI INCOME TAX	680,741	
KANSAS INCOME TAX	0	
-----	-----	
FEDERAL TAXABLE INCOME	19,597,090	
FEDERAL INCOME TAX	6,663,011	
LESS: ITC USED	1	
SURTAX		
-----	-----	
PROVISION FOR FEDERAL INCOME TAX	6,663,010	
=====		
MISSOURI INCOME TAXES		
-----		
TAXABLE INCOME	20,277,831	E 20-10
LESS: PROV FOR FEDERAL INCOME TAX	6,663,010	
-----	-----	
ADJUSTED TAXABLE INCOME	13,614,822	
MO. APPORTIONMENT RATE	1	
-----	-----	
MISSOURI TAXABLE INCOME	13,614,822	
-----	-----	
PROVISION FOR MISSOURI INCOME TAX	680,741	
=====		
KANSAS INCOME TAXES		
-----		
TAXABLE INCOME	20,277,831	E 20-10
ADD : KC EARNINGS TAX	0	
-----	-----	
ADJUSTED TAXABLE INCOME	20,277,831	
KS APPORTIONMENT RATE	0	
-----	-----	
KANSAS TAXABLE INCOME	0	
-----	-----	
KANSAS INCOME TAX	0	
LESS : SURTAX	0	
-----	-----	
PROVISION FOR KANSAS INCOME TAX	0	
=====		
TOTAL INCOME TAX CURRENT	7,343,751	
=====		

E 20-20

REPORT 6  
12-Jan-93  
08:47 AM

UTILICORP UNITED INC.  
D/B/A MISSOURI PUBLIC SERVICE  
CASE # ER-93-37

INCOME TAX CALCULATION

DEFERRED  
TAXES

DEFERRED TAXES

3,357,661

SCHEDULE M'S

PLUS : CUSTOMER ADVANCES	(50,004)
CONTRIBUTION IN AID	(335,000)
COST OF REMOVAL	0
20% Meals & Entertain	0
Sibley Outage	0
STAFF'S DEFERRED TAX ADJUST	0

E20-5  
+

TOTAL	(385,004)
DEFERRED TAX RATE	0.3622

DEFERRED TAXES ON SCHEDULE M'S	(139,448)
LESS: AMORTIZATION OF DEFERRED TAXES	210,124

E20-5

NET DEFERRED TAXES

3,008,089

E20-15