

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Tariff Filing of Aquila,)
Inc., to Implement a General Rate Increase for)
Retail Electric Service Provided to Customers)
in its Aquila Networks—MPS and Aquila)
Networks—L&P Missouri Service Areas.)

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

STAFF’S RENEWED RECOMMENDATION TO REJECT TARIFF SHEETS

COMES NOW the Staff (“Staff”) of the Missouri Public Service Commission (“Commission”) and for its Renewed Recommendation the Commission Reject Tariff Sheets Aquila filed on May 25, 2007 to comply with the Commission’s *Report and Order* and the Commission’s May 25, 2007 *Order Granting Expedited Treatment, Approving Certain Tariff Sheets And Rejecting Certain Tariff Sheets*, states:

1. The Staff, for the grounds stated in its recommendation and attached memorandum recommended the Missouri Public Service Commission reject the four (4) tariff sheets Aquila filed on May 25, 2007. Aquila filed those four sheets after the Commission issued its *ORDER GRANTING EXPEDITED TREATMENT, APPROVING CERTAIN TARIFF SHEETS AND REJECTING CERTAIN TARIFF SHEETS*. These four tariff sheets bear effective dates of June 25, 2007. Unless the Commission acts on them prior to the effective date, they go into effect on June 25, 2007, by the terms of § 393.140(11) RSMo. 2000. The four (4) sheets are intended by Aquila to implement the fuel adjustment clause the Commission ordered for Aquila and would allow Aquila to recover through the fuel adjustment clause: a) SO₂ emission allowances, and b) interest on deferred electric energy costs on a monthly basis.

2. Due to the stated effective date of June 25, 2007 the tariff sheets bear, the Staff recommends the Commission reject with an order bearing an effective date before June 25, 2007 the four (4) tariff sheets Aquila filed on May 25, 2007.

WHEREFORE, because the Commission's *Report and Order* does not allow recovery of SO₂ emission allowance costs or interest on deferred electric energy costs on a monthly basis from ratepayers through a fuel adjustment clause, the Staff of the Missouri Public Service Commission recommends the Commission reject with an order bearing an effective date before June 25, 2007, the four (4) proposed tariff sheets Aquila, Inc. filed on May 25, 2007, to wit:

Aquila Networks – L&P and – MPS, P.S.C. MO. No. 1, Electric Rates

Original Sheet No. 124
Original Sheet No. 125
Original Sheet No. 126
Original Sheet No. 127

Respectfully submitted,

/s/ Nathan Williams

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 8th day of June, 2007.

/s/ Nathan Williams_____