

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

**In the matter of Aquila, Inc. d/b/a)
Aquila Networks L&P and Aquila)
Networks MPS to implement a general) ER-2004-0034
rate increase in electricity)**

**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 this proceeding. 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 a major industrial electrical customer of Aquila, Inc., d/b/a Aquila Networks L&P ("Aquila").

Upon information and belief, AGP may be the largest electric customer of Aquila in the L&P service territory.^{1/}

3. AGP's interest in proceedings affecting the rates, terms and conditions of electricity from Aquila has been previously recognized by the Missouri Public Service Commission in permitting AGP's intervention in prior Aquila and St. Joseph Light & Power rate design and rate-related proceedings. AGP has actively participated in such cases.

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 3, 2003 Aquila filed proposed tariffs with the Commission intending to increase its rates for electric

^{1/} The validity of the merger between UtiliCorp United, Inc. and St. Joseph Light & Power remains the subject of judicial review. No statement herein made should be inferred to modify any AGP contention in connection with that pending judicial review.

service in its entire Missouri service area by roughly \$65 million in its MPS service area and \$14.6 million in its L&P area, or roughly \$80 million in total. The reasons alleged for the filing include increased costs of operations and a claimed insufficient return on investment as well as claimed increased natural gas costs affecting the cost of generation. Although the tariffs affect different service areas, the filing has been combined by Aquila.^{2/}

6. AGP is vitally interested in this proposed tariff, in its terms and conditions, and its impact on ratepayers generally and upon AGP's operations in St. Joseph specifically. As a major electric customer of Aquila, AGP is in a position to be directly affected by the proposed increases and may be bound or adversely affected by any Commission order issued in this proceeding. Because Aquila provides electricity to AGP under separate contracts or rate schedules and because of AGP's size and load factor, AGP is in the special and unique position of representing an interest which will not and cannot be represented adequately by any other party and which interest is direct and immediate and differs from that of the general public. Therefore, it will aid the Commission and protect and advance the public interest that AGP be permitted to intervene in this

^{2/} Pending completion of judicial review of the prior merger proceeding, AGP reserves its position as to the ability of Aquila Inc. to submit proposed tariffs affecting the former St. Joseph Light & Power service area.

proceeding so as to protect its members' interest which no other party is in a position properly to protect and adequately represent.

7. For purposes of 4 C.S.R. 240-2.075(2), AGP states that it is opposed to discriminatory pricing of electricity and related utility services, is opposed to increases that are not reasonable and are not related to prudent costs that are incurred by the utility in providing utility service, and is opposed to a utility being permitted to earn what may be an unreasonably high rate of return in order to extricate itself from a financial situation of its own making. Moreover, utility ratepayers are not understood by AGP to be the ultimate guarantors of a utility's financial health. Rather utility management should be accountable to its shareholders for the proper and prudent management of the assets that they have provided for public service. A more detailed statement of position and identification of issues with respect to the July 3, 2003 filing may be submitted following a more extensive review of the tariff filing and the materials claimed to support such filing.

WHEREFORE, AGP prays (without prejudice to later requests for relief): (a) that AGP be permitted to intervene herein and be made a party hereto with all rights to have notice of and participate in hearings, to present evidence, cross-examine witnesses, file briefs and participate in argument,

should any be had; (b) that a procedural schedule be adopted providing for a hearing and the filing of exhibits and testimony; (c) that following such investigation the matter be set for hearing before the Commission in which the applicant utility shall be put to its proof regarding the need for the proposed tariff and all aspects of its proposed methodology of recovery; and (d) for all other needful and proper relief appropriate in the premises.

Respectfully submitted,

FINNEGAN, CONRAD & PETERSON, L.C.



Stuart W. Conrad MBE #23966
3100 Broadway, Suite 1209
Kansas City, Missouri 64111
(816) 753-1122
Facsimile (816)756-0373
Internet: stucon@fcplaw.com

ATTORNEYS FOR AG PROCESSING INC., A
COOPERATIVE

July 17, 2003

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing Application for Leave to Intervene by U.S. mail, postage prepaid addressed to all parties by their attorneys of record as provided by the Secretary of the Commission.



Stuart W. Conrad

Dated: July 17, 2003