

**BEFORE THE PUBLIC SERVICE COMMISSION
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)	<u>Case No. ER-2007-0004</u>
Networks—MPS and Aquila Networks—L&P)	Tariff No. YE-2007-0001
Missouri Service Areas.)	

**STAFF'S RECOMMENDATION TO APPROVE CERTAIN TARIFF SHEETS FILED BY
AQUILA TO COMPLY WITH THE COMMISSION'S APRIL 12, 2007 ORDER
APPROVING STIPULATION AND AGREEMENT AS TO CERTAIN ISSUES AND THE
COMMISSION'S MAY 17, 2007 REPORT AND ORDER**

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and, for its Recommendation the Commission Approve Certain Tariff Sheets Aquila, Inc. filed on May 21, 2007, and as substituted on May 23, 2007, to comply with the Commission's *Order Approving Stipulation and Agreement as to Certain Issues* and the Commission's *Report and Order*, states:

1. In the attached Memorandum, which is labeled Appendix A, the Staff recommends the Missouri Public Service Commission, with the exception of the last three (3) tariff sheets, approve the sixty-two (62) tariff sheets Aquila filed on May 21, 2007, as substituted on May 23, 2007. Aquila filed the tariff sheets to comply with the Commission's *Order Approving Stipulation and Agreement as to Certain Issues* and the Commission's *Report and Order*. As to the last three (3) sheets, which are intended to implement the fuel adjustment clause the Commission ordered for Aquila, the Staff recommends the Commission reject them as not complying with the Commission's *Report and Order*, Commission Rule 4 CSR 240-20.090 and Section 386.266 RSMo Supp. 2005 on the grounds set out in the *Staff's Recommendation*

Regarding Aquila's Tariff Sheets and Staff's Position on Hedging Costs filed with the Commission May 22, 2007.

2. The sixty-two tariff sheets filed on May 21, 2007, as substituted on May 23, show proposed effective dates of June 20, 2007. With its tariff filing on May 21, 2007 Aquila filed its *Revised And Amended Motion For Expedited Consideration And Approval Of Tariff Sheets Filed In Compliance With Commission Report and Order* in which it requested the Commission allow the tariff sheets to go into effect on May 31, 2007. In its *Report and Order*, at ordered paragraph 4, the Commission states, "Aquila shall file proposed electric service tariff sheets in compliance with this Report and Order no later than midnight on May 20, 2007." The Staff believes, that with regard to the first fifty-nine (59) tariff sheets, Aquila is substantially in compliance with the Commission's *Report and Order* and that this constitutes "good cause shown" pursuant to Section 393.140(11) RSMo 2000 to allow the first fifty-nine (59) tariff sheets to go into effect on less than thirty (30) days' notice.

3. Because, as finally substituted, the first fifty-nine (59) tariff sheets comply with *Stipulation and Agreement as to Certain Issues* and the Commission's *Report and Order*, the Staff recommends the Commission issue an Order approving the first fifty-nine (59) tariff sheets to become effective May 31, 2007. Further, the Staff recommends that the Commission reject the last three (3) tariff sheets because, even as finally substituted, they do not comply with one or more of the following: the Commission's *Report and Order*, the Commission Rule and the statute.

WHEREFORE, the Staff of the Missouri Public Service Commission recommends the Commission approve the first fifty-nine (59) tariff sheets Aquila, Inc. filed on May 18, 2007, as

substituted on May 21, 2007, and as further substituted on May 23, 2007, to become effective on May 31, 2007, to wit:

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

3rd Revised Sheet No. 2, Canceling 2nd Revised Sheet No. 2
2nd Revised Sheet No. 18, Canceling 1st Revised Sheet No. 18
2nd Revised Sheet No. 19, Canceling 1st Revised Sheet No. 19
2nd Revised Sheet No. 21, Canceling 1st Revised Sheet No. 21
2nd Revised Sheet No. 22, Canceling 1st Revised Sheet No. 22
2nd Revised Sheet No. 23, Canceling 1st Revised Sheet No. 23
2nd Revised Sheet No. 24, Canceling 1st Revised Sheet No. 24
2nd Revised Sheet No. 25, Canceling 1st Revised Sheet No. 25
2nd Revised Sheet No. 28, Canceling 1st Revised Sheet No. 28
2nd Revised Sheet No. 29, Canceling 1st Revised Sheet No. 29
2nd Revised Sheet No. 30, Canceling 1st Revised Sheet No. 30
2nd Revised Sheet No. 31, Canceling 1st Revised Sheet No. 31
2nd Revised Sheet No. 33, Canceling 1st Revised Sheet No. 33
2nd Revised Sheet No. 34, Canceling 1st Revised Sheet No. 34
2nd Revised Sheet No. 35, Canceling 1st Revised Sheet No. 35
1st Revised Sheet No. 36, Canceling Original Sheet No. 36
2nd Revised Sheet No. 41, Canceling 1st Revised Sheet No. 41
2nd Revised Sheet No. 42, Canceling 1st Revised Sheet No. 42
2nd Revised Sheet No. 43, Canceling 1st Revised Sheet No. 43
2nd Revised Sheet No. 44, Canceling 1st Revised Sheet No. 44
1st Revised Sheet No. 46, Canceling Original Sheet No. 46
2nd Revised Sheet No. 47, Canceling 1st Revised Sheet No. 47
2nd Revised Sheet No. 48, Canceling 1st Revised Sheet No. 48
1st Revised Sheet No. 49, Canceling Original Sheet No. 49
2nd Revised Sheet No. 50, Canceling 1st Revised Sheet No. 50
2nd Revised Sheet No. 51, Canceling 1st Revised Sheet No. 51
2nd Revised Sheet No. 52, Canceling 1st Revised Sheet No. 52
2nd Revised Sheet No. 53, Canceling 1st Revised Sheet No. 53
2nd Revised Sheet No. 54, Canceling 1st Revised Sheet No. 54
2nd Revised Sheet No. 55, Canceling 1st Revised Sheet No. 55
2nd Revised Sheet No. 56, Canceling 1st Revised Sheet No. 56
2nd Revised Sheet No. 57, Canceling 1st Revised Sheet No. 57
1st Revised Sheet No. 58, Canceling Original Sheet No. 58
2nd Revised Sheet No. 59, Canceling 1st Revised Sheet No. 59
2nd Revised Sheet No. 60, Canceling 1st Revised Sheet No. 60
2nd Revised Sheet No. 61, Canceling 1st Revised Sheet No. 61
2nd Revised Sheet No. 66, Canceling 1st Revised Sheet No. 66
2nd Revised Sheet No. 67, Canceling 1st Revised Sheet No. 67
2nd Revised Sheet No. 68, Canceling 1st Revised Sheet No. 68
1st Revised Sheet No. 69, Canceling Original Sheet No. 69

2nd Revised Sheet No. 70, Canceling 1st Revised Sheet No. 70
2nd Revised Sheet No. 71, Canceling 1st Revised Sheet No. 71
2nd Revised Sheet No. 74, Canceling 1st Revised Sheet No. 74
2nd Revised Sheet No. 76, Canceling 1st Revised Sheet No. 76
2nd Revised Sheet No. 79, Canceling 1st Revised Sheet No. 79
2nd Revised Sheet No. 80, Canceling 1st Revised Sheet No. 80
1st Revised Sheet No. 82, Canceling Original Sheet No. 82
2nd Revised Sheet No. 88, Canceling 1st Revised Sheet No. 88
2nd Revised Sheet No. 89, Canceling 1st Revised Sheet No. 89
2nd Revised Sheet No. 90, Canceling 1st Revised Sheet No. 90
2nd Revised Sheet No. 91, Canceling 1st Revised Sheet No. 91
2nd Revised Sheet No. 92, Canceling 1st Revised Sheet No. 92
1st Revised Sheet No. 94, Canceling Original Sheet No. 94
2nd Revised Sheet No. 95, Canceling 1st Revised Sheet No. 95
2nd Revised Sheet No. 97, Canceling 1st Revised Sheet No. 97
2nd Revised Sheet No. 99, Canceling 1st Revised Sheet No. 99
2nd Revised Sheet No. 100, Canceling 1st Revised Sheet No. 100
2nd Revised Sheet No. 103, Canceling 1st Revised Sheet No. 103
2nd Revised Sheet No. 104, Canceling 1st Revised Sheet No. 104

and reject the last three (3) tariff sheets, 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

Respectfully submitted,

/s/ Nathan Williams

Nathan Williams
Deputy General Counsel
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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 23rd day of May, 2007.

/s/ Nathan Williams