Exhibit No.:

Issues: Steam Service

Reliability

Witness: Glenn P. Keefe

Sponsoring Party: Aquila Networks-L&P

Case No.: HR-2005-0450

FEB 2 4 2006

Before the Public Service Commission of the State of Missouri

Missouri Public Service Commission

Surrebuttal Testimony

of

Glenn P. Keefe

Case No(s). HR -2005
Date 1-09-06 Aptr X

## BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI SURREBUTTAL TESTIMONY OF GLENN P. KEEFE ON BEHALF OF AQUILA, INC. D/B/A AQUILA NETWORKS-L&P CASE NO. HR-2005-0450

| 1  | Q. | Please state your name and business address.   |  |  |  |
|----|----|--|--|--|--|
| 2  | A. | My name is Glenn P. Keefe. My business address is 10750 East 350 Highway, Kansas City      |  |  |  |
| 3  |    | Missouri.  |  |  |  |
| 4  | Q. | By whom are you employed and in what capacity?   |  |  |  |
| 5  | A. | I am employed by Aquila, Inc. as Operating Vice-President, Missouri Electric (Networks     |  |  |  |
| 6  |    | MPS and Networks-L&P).   |  |  |  |
| 7  | Q. | Are you the same Glenn P. Keefe who submitted rebuttal testimony in this case?             |  |  |  |
| 8  | A. | Yes, I am.   |  |  |  |
| 9  |    | EXECUTIVE SUMMARY  |  |  |  |
| 10 | Q. | What is the purpose of your surrebuttal testimony?   |  |  |  |
| 11 | A. | The purpose of this surrebuttal testimony is to respond to prepared comments of Terry      |  |  |  |
| 12 |    | McClatchey, representing AG Processing (AGP) at the public hearing held in St. Joseph,     |  |  |  |
| 13 |    | Missouri on November 17, 2005.   |  |  |  |
| 14 | Q. | What issue did Mr. McClatchey bring to the Commission's attention to which you wish        |  |  |  |
| 15 |    | to respond?  |  |  |  |
| 16 | A. | Mr. McClatchey expressed concern about service reliability, stating in particular that     |  |  |  |
| 17 |    | "AGP normally experiences up to nineteen electrical and steam outages per year." I will    |  |  |  |
| 18 |    | provide statistics that will reflect good service reliability provided by Aquila, Inc. for |  |  |  |

| 2  |    | STEAM SERVICE RELIABILITY  |
|----|----|--|
| 3  | Q. | Mr. McClatchey included steam outages together with electrical outages for his           |
| 4  |    | insinuation of poor reliability. What about steam outages?                               |
| 5  | A. | Aquila believes the steam service provided is highly reliable. We supply steam customers |
| 6  |    | with steam for the entire year. There are more steam outages than electrical outages but |
| 7  |    | mostly due to what is defined as an outage. Aquila's Lake Road Plant supplies AGP with   |
| 8  |    | three types of steam as follows:   |
| 9  |    | 1) 850 pound steam   |
| 10 |    | 2) AGP 1 steam which is normally 160# steam  |
| 11 |    | 3) AGP 2 steam which is also 160# steam but used on non-critical processes               |
| 12 | Q. | What constitutes an outage for AGP steam?  |
| 13 | A. | AGP and Aquila have agreed to the following standard to class "steam outages":           |
| 14 |    | 1) 850 pound steam: If pressure drops below 765 psi for 10 minutes                       |
| 15 |    | 2) AGP 1: If pressure drops below 150 psi  |
| 16 |    | 3) AGP 2: If pressure drops below 100 psi  |
| 17 | Q. | How has your steam service been year to date September 2005 based on these strict        |
| 8  |    | parameters?  |
| 19 | A. | Year to date through September the following "steam outages" had occurred: 623           |
| 20 |    | minutes for the 850 pound steam, 348 minutes for AGP 1 steam, and 237 minutes for        |
| 21 |    | AGP 2 steam. Of the 393,120 minutes possible during the period, steam availability is    |

1

steam service.

- 1 99.8 % for the 850 pound service, 99.9 % for the AGP 1 service, and 99.9 % for the AGP
- 2 2 service.
- 3 Q. Do you consider these steam reliability numbers excellent?
- 4 A. Yes.
- 5 Q. Do you think that Aquila has done an adequate job working with AGP in supplying
- 6 service to them?
- 7 A. Yes. We meet with them on a regular basis to discuss their concerns. We have a contact
- 8 that will respond to them when needed. AGP recently announced a \$55 million
- 9 expansion at their soybean processing facility in St. Joseph. The expansion will increase
- the soybean crushing capacity of the plant 60%, making it AGP's largest facility. The St.
- Joseph News-Press quoted AGP's Mike Maranell, senior vice president of corporate and
- member relations as follows: "One of the reasons AGP decided to build at the St. Joseph
- facility is the relationship with the local utility. We've had a long-term relationship that's
- been very good. One of the things our plant requires is a lot of energy."
- O. Does this conclude your prefiled surrebuttal testimony?
- 16 A. Yes.

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

| State of Missouri  | ) ss<br>)  |  |  |   |
|--|--|--|--|---|
|  | AFFI   | DAVIT OF GLEN  | N P. KEEFE   |   |
| sponsors the accomp<br>said testimony was<br>were made as to the | panying testimon<br>prepared by hit<br>facts in said test<br>d testimony and | ony entitled "Surret<br>im and under his d<br>stimony and schedu | outtal Testimony of irection and superviles, he would respon   | de is the witness who Glenn P. Keefe;" that is inquiried as therein set forth pest of his knowledge |
|  |  | 4  | Alam O.  | ) Lula  |
|  |  |  | Glenn P.   | Keefe   |
| Subscribed and sworn   | n to before me   | this 6th day of  | December   | , 2005.   |
| ·  |  |  | alle ya A<br>Notary P  | ienes,  |
| My Commission expi   | ires:  | NUNA NUNA  | un.  |   |
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County of Jackson