

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

In the matter of KCP&L Greater Missouri Operations)	
Company, for authority to file tariffs changing the)	
steam Quarterly Cost Adjustment for service provided)	<u>Case No. HR-2007-0028</u>
to customers in the KCP&L Greater Missouri)	
Operations Company service territory. ¹)	

In the matter of KCP&L Greater Missouri Operations)	
Company, for authority to file tariffs changing the)	
steam Quarterly Cost Adjustment for service provided)	<u>Case No. HR-2007-0399</u>
to customers in the KCP&L Greater Missouri)	
Operations Company service territory.)	

STAFF’S RESPONSE TO ORDER DIRECTING FILING

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and, for its response to the Commission’s January 29, 2010 *Order Directing Filing*, states:

1. In its January 29, 2010 *Order Directing Filing* the Commission ordered, “No later than February 8, 2010, any party may respond to the Commission’s docketing question as stated in the body of this order.” In the body of its order, among other things, the Commission stated:

It is the Commission’s preference that this complaint be a separate case and be given a complaint number. Understanding, however, that “behind the scenes” of the Commission’s Docket Sheet for these cases there may be work papers, data requests, and so forth that the Commission and the Regulatory Law Judge are not aware of, the Commission is asking for the parties’ opinions and preferences as to whether these cases should be one separate complaint case, remain as the individual “HR” cases, or be consolidated into one of the existing “HR” cases.

¹ When these cases started the company was called Aquila, Inc. and was authorized by the Commission and Missouri Secretary of State to do business as Aquila Networks-L&P and Aquila Networks-MPS. In Case EM-2007-0374, the Commission authorized the parent of Kansas City Power & Light Company—Great Plains Energy, Inc—to acquire Aquila, Inc., after Aquila divested most of its assets other than its Missouri regulated electric and steam operations. In Case Nos. EN-2009-0164 and HN-2009-0165, the Commission approved Aquila's name change from Aquila, Inc. to KCP&L Greater Missouri Operations Company.

2. The complaint referenced in the body of the order is a complaint brought by Ag Processing, Inc., a cooperative, against KCP&L Greater Missouri Operations Company (“GMO”) (f/k/a Aquila, Inc. and formerly d/b/a Aquila Networks-L&P and Aquila Networks-MPS) to challenge the prudence of the costs of a fuel hedging program GMO used for its steam operations from March of 2006 until November 21, 2007.

3. As alleged by Ag Processing, Inc. in its complaint, in Case No. HR-2005-0450 the Commission approved a stipulation and agreement that authorized GMO (then known as Aquila, Inc.) to adjust its steam rates between general rate cases based on changes in its fuel and fuel-related costs for generating steam. These above-captioned cases are where filings were made regarding those interim rate case adjustments to rates for the years 2006 and 2007.

4. Because the issues in the complaint are related to, yet distinct from, the matters in the above-captioned cases, the Staff agrees with the Commission’s preference that Ag Processing, Inc.’s complaint be assigned a separate case number. However, because information in the above-captioned cases is relevant to the complaint and it may speed the processing of the complaint, the Staff has no objection to the Commission taking official notice in that separate case of the filings made in these above-captioned cases. Further, for the same reasons, the Staff has no objection with data request responses made in Case Nos. HR-2007-0028 and HR-2007-0399 being used and relied on by the parties in the complaint case as if asked, served and responded to in that case.

WHEREFORE, the Staff of the Missouri Public Service Commission submits this response to the Commission’s January 29, 2010 *Order Directing Filing*.

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 emailed to all counsel of record this 8th day of February 2010.

/s/ Nathan Williams