

**STATE OF MISSOURI
MISSOURI PUBLIC SERVICE COMMISSION**

**In the matter of Aquila, Inc. d/b/a)
Aquila Networks-L&P, for authority)
to file tariffs increasing steam)
rates for the service provided to)
customers in the Aquila Networks-)
L&P area.)**

HR-2005-0450

**REQUEST TO SUSPEND TARIFF
OF AG PROCESSING INC, A COOPERATIVE**

This pleading by AG PROCESSING INC, A COOPERATIVE ("AGP") requests that that the May 27, 2005 tariff filing of Aquila, Inc. to increase its rates for steam service be suspended for the full statutory period to permit investigation of Aquila's claims. In support, AGP states:

1. In a contemporaneous pleading AGP has sought intervention in this proceeding. AGP respectfully incorporates the assertions contained that in that application by reference.

2. On may 27, 2005 Aquila filed proposed tariffs reflecting an annual increase in steam revenue of roughly \$5.029 million. AGP's preliminary investigation of these proposed tariffs and the accompanying materials indicates that the proposed increase has not been shown to be just and reasonable and may be unjust, unreasonable, unduly discriminatory, and may not be based on costs.

3. As the largest steam service customer supplied by Aquila, AGP's preliminary calculations indicate that its rates

for steam service could increase more than \$2.5 million over the current rate levels were this proposed increase allowed.

4. Accordingly, AGP is vitally interested in issues that are or may be raised by or developed as a result of the investigation of Aquila's steam rate proposal including, without limitation, (a) the revenues which will or may be realized under such rates and the increase over revenues resulting from former rates in effect before the current filing, (b) the amount and prudence of expenses and purported matching revenues to be charged to the appropriate test period, (c) the proper allocation of fuel costs to the Lake Road generating station and the relationship of the claimed increase in natural gas costs to the Lake Road operations; and (d) the design and structure of rates needed to raise revenues sufficient to meet a proper cost of service for Aquila.

5. Under Section 386.020(20), Aquila is subject to this Commission's regulation as a heating company. Under Sections 393.150 and 393.290 this Commission has the ability to order an investigation to determine whether a proposed increase sought by a regulated utility such as a steam provider is justified and to suspend the effectiveness of proposed tariffs to permit that investigation.

6. The industrial steam system used to supply AGP and other steam customers is sourced in the Lake Road generating facility which is primarily a coal-fueled generating plant. Many of the costs claimed by Aquila to justify this proposed steam

rate increase are allocated from central corporate cost centers, or represent reallocations of costs previously allocated elsewhere within Aquila's corporate organization. Aquila's filing is thus related in some measure to Aquila's claims that its electric rates are insufficient. That filing has been assigned Case No. ER-2005-0436. AGP has sought to intervene in that proceeding as a major electric customer of Aquila in St. Joseph and also expects those proposed tariffs will be suspended.

7. These issues, as well as others typically involved in a major rate increase proceeding require time to investigate. Absent suspension by this Commission, these proposed steam tariffs would take effect on June 26, 2005. This amount of time -- less than 30 days -- does not even begin to provide adequate time for such investigation to proceed.

8. Moreover, although AGP intends to be active in such investigation, it is not in the public interest, nor in the interest of the community of St. Joseph, that these proposed tariffs be permitted to go into effect without verification or investigation. Therefore, AGP also requests the Commission to direct that its staff also conduct a thorough and comprehensive investigation of Aquila's claims including the above issues as well as others that may be later identified.

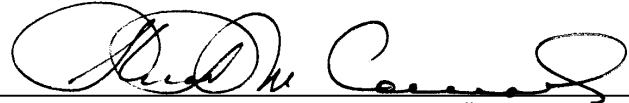
9. Pursuant to Commission Rules, the tariffs sought to be suspended are attached hereto and identified as Exhibit A. They are designated by Aquila as follows:

PSC Mo. No. 1 First Revised Sheet No. 2

WHEREFORE, AGP prays: (a) that the proposed steam tariffs be suspended for the maximum period permitted by statute and not permitted to go into effect without verification or investigation; (b) that Commission staff be directed to conduct a thorough and comprehensive investigation of Aquila's claims that additional revenue is needed from its steam customers; and (c) for all other relief to which AGP is entitled.

Respectfully submitted,

FINNEGAN, CONRAD & PETERSON, L.C.

A handwritten signature in black ink, appearing to read "Stuart W. Conrad", is written over a horizontal line.

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ATTORNEYS FOR AG PROCESSING INC.

CERTIFICATE OF SERVICE

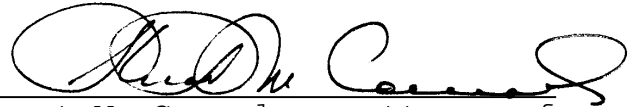
I certify that I have served a copy of the foregoing Application to Intervene on each of the following persons either by postage-paid U.S. mail, by e-mail or facsimile.

Dana Joyce
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Missouri Public Service Com-
mission
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Jefferson City, MO 65102

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Dated: June 1, 2005

A handwritten signature in black ink, appearing to read "Stuart W. Conrad", written over a horizontal line.

Stuart W. Conrad, an attorney for
Ag Processing Inc.

STATE OF MISSOURI, PUBLIC SERVICE COMMISSION

P.S.C. MO. No. 1 1st
 Canceling P.S.C. MO. No. 1

Revised Sheet No. 2
 Original Sheet No. 2

Aquila, Inc., dba**AQUILA NETWORKS****KANSAS CITY, MO 64138**

For St. Joseph, MO & Environs

STEAM SERVICE STEAM

AVAILABILITY

Available for firm service from the Company's facilities to customers located in the vicinity of Lake Road Generating Station who shall contract to use this service for continuous periods of not less than two (2) years.

BASE RATE, MO981 Net two parts

- Reserved Capacity Charge:
 For all BTU of Reserved Capacity, per month, per million BTU\$424.36

Plus

- Energy Charge per million BTU:
 For the first 300 million BTU's per million BTU's of reserved capacity\$6.1684
 For all over 300 million BTU's per million BTU's of reserved capacity\$5.0131

LICENSE, OCCUPATION, FRANCHISE OR OTHER SIMILAR CHARGES OR TAXES

See Company Rules and Regulations

LATE PAYMENT CHARGE

See Company Rules and Regulations

DETERMINATION OF RESERVED CAPACITY

The Reserved Capacity shall be the actual demand for the billing period but not less than eighty-percent (80%) of the highest actual demand established in the previous eleven (11) months, and in no case less than three (3) million BTU's per hour.

SPECIAL RULES

The pressure, temperature and heat content of all service under this schedule shall be only as specified by the Company.

Service will be furnished under, and this schedule shall be subject to Company Rules and Regulations.

STATE OF MISSOURI, PUBLIC SERVICE COMMISSION

P.S.C. MO. No. 1 1st
 Canceling P.S.C. MO. No. 1

Revised Sheet No. 3
 Original Sheet No. 3

Aquila, Inc., dba**AQUILA NETWORKS****KANSAS CITY, MO 64138**

For St. Joseph, MO & Environs

STANDBY OR SUPPLEMENTARY SERVICE STEAM

AVAILABILITY

Available for steam service to any customer who shall contract for a minimum monthly Reserved Capacity of three (3) mmBtu for a period of sixty (60) consecutive months, where the customer desires service as standby or supplementary to service provided by the customer's own facilities.

BASE RATE

Demand Charge per mmBtu

For each million Btu's of Reserved Capacity per month\$789.00

Fixed Energy Charge per mmBtu

For each million Btu's per month\$1.5717

Energy Fuel Charge per mmBtu

The energy fuel charge shall be determined based on the incremental cost of fuel for the period of actual energy usage.

Rental Charge per month

The Company and customer shall enter into a steam equipment rental contract and the customer shall agree to pay to the Company, in addition to his bill for service, a monthly rental charge therefore equal to one and three-fourths percent (1 $\frac{3}{4}$ %) of the Company's total investment in all steam equipment solely dedicated to providing steam service to the customer.

MINIMUM

The minimum monthly bill shall be the Demand Charge plus the Rental Charge.

LICENSE, OCCUPATION, FRANCHISE OR OTHER SIMILAR CHARGES OR TAXES

See Company Rules and Regulations

LATE PAYMENT CHARGE

See Company Rules and Regulations

DETERMINATION OF RESERVED CAPACITY

The customer shall subscribe to a pre-specified demand level that shall be used in the calculation of the demand charge. In no case shall the specified reserved capacity be less than three (3) million BTUs per hour. The Company agrees to deliver, upon a minimum of six (6) hours notification, a demand level equal to, or less than, the subscribed demand level. If the customer requests and the Company delivers a demand greater than the subscribed level, the new actual demand delivered shall be used to calculate the monthly demand charge in the subsequent twenty-four (24) month period. At the end of the twenty-four (24) month period, if no higher demand has been delivered, the customer may again subscribe to a lower demand level. Delivery of a demand level that is higher than the subscribed level is subject to the Company's approval and the system conditions at the time of request. The Company does not assure delivery above the subscribed level.

STATE OF MISSOURI, PUBLIC SERVICE COMMISSION

P.S.C. MO. No. 1 1st Revised Sheet No. 5
Canceling P.S.C. MO. No. 1 Original Sheet No. 5
Aquila, Inc., dba
AQUILA NETWORKS
KANSAS CITY, MO 64138

For St. Joseph, MO & Environs

CONTRACT SERVICE STEAM

AVAILABILITY, MO982

Company may, in those instances in which it faces competition from an alternate supplier of industrial steam service or the possibility of self-generation of industrial steam by a customer, enter into a special rate contract(s) with the customer on such terms and conditions as may be agreed upon by Company and the customer which, in Company 's sole discretion, are deemed necessary to continue to maintain services to an existing customer, to reestablish service to a previous customer or to acquire new customers.

All such contracts shall be furnished to the Commission Staff and to the Office of the Public Counsel and shall be subject to the Commission's jurisdiction.

Unless otherwise specified or modified in the contract between the customer and Company, such service shall be subject to all other applicable Company rules, regulations, tariffs and General Terms and Conditions of Service applicable to industrial steam service on file with and approved by the Commission and as the same may be changed lawfully from time to time. The rates provided by any such contract shall not, however, exceed the tariffed rate that would otherwise be applicable nor be less than \$5.14 per mmBtu. Any such contract shall not bind the Commission for ratemaking purposes.