

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Aquila, Inc. d/b/a Aquila Networks–L&P,)	
for Authority to File Tariffs Changing the Steam Quarterly)	<u>Case No. HR-2007-0399</u>
Cost Adjustment for Service Provided to Customers in the)	<u>Tariff No. YH-2008-0426</u>
Aquila Networks–L&P Service Territory.)	

SECOND ORDER DIRECTING FILING

Issue Date: February 25, 2008

Effective Date: February 25, 2008

On February 25, 2008, Ag Processing, Inc., a Cooperative, filed a response to the Staff Recommendation. In its response, Ag Processing stated that in its opinion the tariff sheets should be approved “subject to refund.”

It is the understanding of the Commission that the nature of this tariff (and those in the predecessor case, GR-2007-0028) is similar to the gas purchased adjustment (PGA) tariffs in the natural gas industry. PGA tariffs are usually approved “subject to refund” after an annual true-up. The tariff in this case is also expected to have an annual true-up. The previous orders approving these quarterly rate adjustment tariffs, however, have not included the language “subject to refund.” Thus, the Commission shall order Staff and Aquila, Inc., to reply to Ag Processing’s recommendation. In doing so, those parties shall explain why it is or is not appropriate for the Commission to approve these tariffs “subject to refund.”

IT IS ORDERED THAT:

1. No later than 12:00 p.m. February 27, 2008, the Staff of the Missouri Public Service Commission and Aquila, Inc., shall reply as set out above.

2. This order shall become effective on February 25, 2008.

BY THE COMMISSION

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', written over a faint, larger signature.

Colleen M. Dale
Secretary

(S E A L)

Nancy Dippell, Deputy Chief Regulatory
Law Judge, by delegation of authority
pursuant to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 25th day of February, 2008.