BEFORE THE PUBLIC SERVICE COMMISSION 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 Cost Adjustment for service provided to) customers in the Aquila Networks-L&P service) territory.)

<u>Case No. HR-2007-0028</u> Tariff No. YH-2007-0027

STAFF'S STATUS REPORT

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and respectfully states:

1. On June 29, 2007, the Commission issued its *Order Directing Filing of Status Reports*. In this Order, the Commission directed the Staff to file a status report by August 31, 2007, with following reports at three-month intervals.

2. The parties in this case held a Technical Conference on August 10, 2007. Since then the Staff has reviewed information it has received and participated in discussions regarding the true-up audit of the "fuel rider" for the period covered by this case.

3. The Staff plans additional discussions with the parties regarding the scope and parameters of the true-up audit and will provide status reports at least as often as the three-month intervals the Commission has ordered.

WHEREFORE, the Staff of the Missouri Public Service Commission submits this status report to the Commission.

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 electronically mailed to all counsel of record this 22nd day of August 2007.

/s/ Nathan Williams