

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

In the matter of Aquila, Inc., d/b/a KCP&L Greater	)	
Missouri Operations Company, for authority to file	)	
tariffs changing the steam Quarterly Cost Adjustment	)	<u>Case No. HR-2008-0340</u>
for service provided to customers in the Aquila	)	Tariff No. YH-2009-0272
Networks-L&P service territory.	)	

**STAFF'S RECOMMENDATION TO APPROVE TARIFF SHEET**

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and, for its recommendation to approve tariff sheet, respectfully states:

1. In the attached Memorandum (Appendix A) the Staff recommends the Missouri Public Service Commission (Commission) approve the tariff sheet KCP&L Greater Missouri Operations Company (KCP&L GMO) filed on October 15, 2008, to become effective December 1, 2008. KCP&L GMO filed the tariff sheet to make a quarterly cost adjustment required as part of the Stipulation and Agreement approved by the Commission in Case No. HR-2005-0450. That Stipulation and Agreement includes a "fuel rider" that requires quarterly rate adjustments, with not more frequent than annual true-ups.

2. Staff has reviewed the tariff sheet and is of the opinion that the quarterly cost adjustment for the 2008 Q3 has been calculated in accordance with the provisions of the Quarterly Cost Adjustment Rider tariff sheet and complies with the Commission's Order in HR-2005-0450.

3. The Staff recommends the Commission issue an order approving the proposed tariff sheet to be effective December 1, 2008, or allow the sheet to go into effect by operation of law.

**WHEREFORE**, the Staff of the Missouri Public Service Commission recommends the Commission either approve to become effective December 1, 2008 or allow to go into effect by

operation of law on December 1, 2008, the Tariff Sheet Aquila, Inc., d/b/a KCP&L Greater Missouri Operations Company filed on October 15, 2008, to wit:

P.S.C. MO. No. 1

10<sup>th</sup> Revised Sheet No. 6.5 Canceling 9<sup>th</sup> Revised Sheet No. 6.5

Respectfully submitted,

/s/ Sarah Kliethermes

Sarah L. Kliethermes

Legal Counsel

Missouri Bar No. 60024

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Missouri Public Service Commission  
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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 6<sup>th</sup> day of November, 2008.

/s/ Sarah Kliethermes

## MEMORANDUM

TO: Missouri Public Service Commission Official Case File  
Case No. HR-2008-0340, Tariff Tracking No. YH-2009-0272  
Aquila, Inc., d/b/a KCP&L Greater Missouri Operations Company

FROM: James Watkins, Manager, Economic Analysis  
Mack McDuffey, Rate & Tariff Examiner II

/s/ James Watkins 11/6/08  
Energy Department / Date

/s/ Sarah Kliethermes 11/6/08  
General Counsel's Office / Date

SUBJECT: Staff Recommendation for **Approval** of Tariff Sheet to Add the Quarterly Cost Adjustment for the Third Quarter of 2008 to its Quarterly Cost Adjustment Rider

DATE: November 7, 2008

On October 15, 2008, Aquila, Inc. d/b/a KCP&L Greater Missouri Operations Company (Company) filed with the Commission one (1) tariff sheet with an issue date of October 15, 2008, and a proposed effective date of December 1, 2008, to add the quarterly cost adjustment for the third quarter of 2008 as required by Company's Quarterly Cost Adjustment Rider, which the Commission approved in Case No. HR-2005-0450. Company's filing included workpapers consisting of four worksheets showing its calculation of the quarterly cost adjustment for the third quarter of 2008.

The Commission's Energy Department Staff (Staff) has reviewed the proposed tariff sheet, and based on the Company's workpapers Staff is of the opinion that the quarterly cost adjustment for the third quarter of 2008 (Q308) has been calculated in accordance with the provisions of the Quarterly Cost Adjustment Rider. Staff therefore recommends that the Commission approve the following proposed tariff sheet, as filed on October 15, 2008, to become effective on December 1, 2008, as requested by Company, or permit the tariff sheet to go into effect by operation-of-law:

P.S.C. MO. No. 1

10<sup>th</sup> Revised Sheet No. 6.5 Canceling 9<sup>th</sup> Revised Sheet No. 6.5

The Staff has verified that Company is not delinquent on any assessment or the filing of Aquila, Inc.'s annual report. The Staff is not aware of any other matter pending before the Commission that affects or is affected by this tariff filing.

ROSEMARY R. ROBINSON  
Notary Public - Notary Seal  
State of Missouri  
Commissioned for Callaway County  
My Commission Expires: September 23, 2012  
Commission Number: 08499510