

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the matter of the Application of)	
Aquila, Inc. d/b/a Aquila Networks)	
-- MPS for a waiver from the appli-)	GE-2004-0528
cation of certain tariff language)	
regarding refunds.)	

APPLICATION TO INTERVENE OF
SEDALIA INDUSTRIAL ENERGY USERS' ASSOCIATION

COMES NOW SEDALIA INDUSTRIAL ENERGY USERS' ASSOCIATION (hereinafter SIEUA) and pursuant to 4 C.S.R. 240-2.075 and applies to intervene herein and become a party hereto for all purposes in respect to the filing by Aquila, Inc. d/b/a Aquila Networks MPS ("MPS") of April 13, 2004. In support of this motion, SIEUA respectfully shows the following:

1. SIEUA is an unincorporated voluntary association consisting of large commercial and industrial users of natural gas and electricity in the Sedalia, Missouri and in the surrounding area. SIEUA was formed for the purpose of economical representation of its members' interests through intervention and other activities in regulatory and other appropriate proceedings.

2. Current members of SIEUA are as follows: **Pittsburgh Corning Corporation**, a manufacturer of cellular glass insulation at its manufacturing facility in Sedalia, Missouri where roughly 160 workers are employed; **Waterloo Industries**, a manufacturer of tool storage equipment and employer of approximately 650 workers at its manufacturing facility in Sedalia,

Missouri; **Hayes Lemmerz International** employs roughly 800 workers at its Sedalia, Missouri facility where it manufactures automobile wheels; **EnerSys Inc.** employs approximately 500 persons in its industrial battery manufacturing facility in nearby Warrensburg, Missouri; **Alcan Cable Co.** manufactures aluminum electrical conductors and employs 250 persons in its Sedalia, Missouri operation; **Gardner Denver Corporation** employs 320 workers at its Sedalia works where it makes industrial compressors and blowers; **American Compressed Steel Corporation** employs 35 workers in scrap metal recycling at its facility near Sedalia, Missouri; and **ThyssenKrupp Stahl Company**, a major United States manufacturer of specialty and precision aluminum castings at facilities located in Warrensburg and Kingsville, Missouri, where approximately 1,100 workers are employed. Collectively, these SIEUA members provide gainful employment for approximately 3,815 workers in central Missouri.^{1/}

3. SIEUA's interests in proceedings affecting the rates, terms and conditions of utility service from MPS have been previously recognized by the Missouri Public Service Commission

^{1/} Although members of SIEUA and so listed here, EnerSys Inc. and ThyssenKrupp Stahl Company are located in Warrensburg and Kingsville, Missouri and receive gas distribution services from another local distribution company. No assertion is made that these two companies are customers of Aquila's gas distribution system. At the present time, Pittsburgh Corning, Alcan and Waterloo Industries appear under the proposed waiver to be qualified for refunds as having been sales customers during the subject period. Investigation is continuing as to the records and status of other members.

in permitting SIEUA's intervention in numerous rate design, electric and natural gas distribution rate proceedings concerning Aquila and its predecessor UtiliCorp, including without limitation the last series of Missouri Public Service rate increase cases and its ongoing load research and class cost of service case, No. EO-2002-384 as well as its most recent natural gas rate increase case, No. GR-2004-0072.

4. Correspondence or communications regarding this application, including service of all notices and orders of this Commission, should be addressed to:

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5. On April 13, 2004 Aquila applied for a waiver of certain aspects of its existing tariffs concerning natural gas refunds from suppliers such that, it asserts, a refund from the two-decade-old Kansas Ad Valorem refund might be directed more appropriately to those customers who originally paid the overcharges that generated these refunds.

6. SIEUA members are concerned in this application and in its impact on ratepayers generally and upon their operations specifically. Though now major natural gas **transportation** customers of MPS, some SIEUA members were former large volume

sales customers and during the refund period paid the excessive charges that are now being returned through the subject refund. Because of SIEUA members' size and load factors and their positions as former large volume sales customers who have now become transporters, these companies are in the special and unique position of representing interests that will not and cannot be represented adequately by any other party and which is direct and immediate and differs from that of the general public. Therefore, it will aid the Commission and protect and advance the public interest that SIEUA be permitted to intervene in this proceeding so as to protect its members' interest.

7. For purposes of 4 C.S.R. 240-2.075(2), SIEUA states that it supports the principle that, to the extent practicable, refunds of past overcharges should be returned to the customers who paid those overcharges and that refunds relating to one group of customers overpayments should not be directed to another group of customers. In this regard, Aquila's application initially appears to have merit.

8. The overcharges were part of the cost of gas that was sold, first to the respective pipelines by the overcharging gas producers, then by the pipelines to the local distribution companies, and then to sales customers all during the refund period. In the case of Williams Natural Gas, the supplier for what now appears referenced as Aquila's "South" system, those excessive charges were included in a one-part volumetric rate.

Those excessive charges were passed through to sales customers on a volumetric or per Mcf basis and it therefore appears appropriate that Aquila proposes to allocate the refunds to existing customers and customer groups on the basis of volumetric sales that were made to these customer groups on an equivalent volumetric basis. SIEUA is currently reviewing the Aquila filing and has requested additional information for review from Aquila. SIEUA may have further amplification of its position following that review.

9. Counsel for SIEUA has spoken this morning with counsel for Aquila and has been authorized to state that Aquila does not object to this Application to Intervene.

WHEREFORE, SIEUA prays (without prejudice to later requests for relief): (a) that SIEUA be permitted to intervene herein and be made a party hereto with all rights to have notice of and participate in hearings to present evidence, cross-examine witnesses, file briefs and participate in argument, should any be

had; and (b) for all other needful and proper relief appropriate in the premises.

Respectfully submitted,

FINNEGAN, CONRAD & PETERSON, L.C.



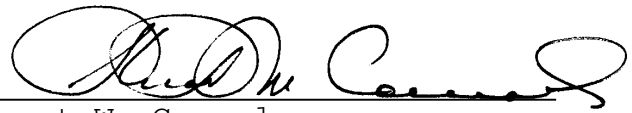
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ATTORNEYS FOR SEDALIA INDUSTRIAL
ENERGY USERS' ASSOCIATION

April 21, 2004

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing Application to Intervene by electronic means or by U.S. mail, postage prepaid addressed to all parties by their attorneys of record as provided by the Secretary of the Commission.



Stuart W. Conrad

Dated: April 21, 2004