Exhibit No.:

Issues: Rate Design Witness: J. Matt Tracy

Sponsoring Party: Aquila Networks-L&P

Case No.: HR-

FILED⁴

JUL 0 3 2003

Before the Public Service Commission of the State of Missouri

Missouri Public Service Commission

Direct Testimony

of

J. Matt Tracy

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI DIRECT TESTIMONY OF J. MATT TRACY ON BEHALF OF AQUILA, INC. D/B/A AQUILA NETWORKS-L&P CASE NO. HR-_____

1	Q.	Please state your name and business address.
2	A.	My name is J. Matt Tracy and my business address is 10700 East 350 Highway, Kansas
3		City, Missouri, 64138.
4	Q.	By whom are you employed and in what capacity?
5	A.	I am employed by Aquila, Inc. ("Aquila") as a Senior Regulatory Analyst in the
6		Regulatory Services Department.
7	Q.	What are your duties and responsibilities at Aquila?
8	A.	I am responsible for the collection and analysis of load research, tariff page filings,
9		supporting cost-of-service studies, and other analyses as needed.
10	Q.	Please state your educational background and experience.
11	A.	I have an M.A. in Economics from the University of Missouri - Kansas City and a B.A.
12		in Psychology and Religion from William Jewell College. From 1985 to 1996, I
13		worked in load research at Missouri Public Service ("MPS") a division of Aquila, (then
14		UtiliCorp United Inc.), and at Aquila. Duties during that time included load research
15		sample design and analysis, cost-of-service preparation, load forecasting, and weather
16		normalization. In 1996, I accepted a position in the analytical section of UtiliCorp's
17		Regulatory Services. In 2002, I was again given responsibility for load research.

What is the purpose of your testimony in this case before the Missouri Public Service 1 Q. Commission ("Commission")? 2 I am sponsoring the minimum filing requirements of 4 CSR 240-3.030, tariff sheets A. 3 filed by Aquila in this case, testifying about the across-the-board change in rates, and 4 other tariff sheet updates. The tariff sheets implementing the changes proposed in this 5 filing are included in the minimum filing requirements. 6 Q. Have the minimum filing requirements for a general rate increase under 4 CSR 240-7 3.030 been filed? 8 Yes. On July 3, 2003, an application for a general rate increase along with the A. 9 minimum filing requirements were filed and are made a part of this case by reference. 10 Q. How do the tariff sheets implement the proposed increase in revenue? 11 All tariff charges, other than as described below, were multiplied by the ratio of the total 12 A. proposed increase minus the proposed increase to other revenues, divided by the total 13 annualized revenue minus annualized other revenues. The equation is (\$1,341,986 - \$0) 14 / (\$6,976,802 - \$7,439). This is an increase of 19.26%. 15 Were any items increased, but not at the across-the-board rate? 16 Q. Yes. On sheet 9, the late payment charge changed from 1.25% to 1.50% to better reflect 17 Α. the cost of collecting late payments, and to coincide with the values included in other 18 Aquila Networks tariffs in Missouri. 19 Does this conclude your testimony? 20 Q. Yes it does. 21 A.

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the matter of Aquil	•)				
Networks-L&P, for a	s for the service provided)	Case No. HR			
_	Aquila Networks-L&P area)	Case No. 11K			
10 Cagnomers in the 1	Iquita 1 total Office Deep area	,				
County of Jackson)					
~ 22.51) ss					
State of Missouri)					
	AFFIDAVIT OF	J. MATT TR.	ACY			
J. Matt Tracy, being first duly sworn, deposes and says that he is the witness who sponsors the accompanying testimony entitled "Direct Testimony of J. Matt Tracy;" that said testimony was prepared by him and under his direction and supervision; that if inquiries were made as to the facts in said testimony and schedules, he would respond as therein set forth; and that the aforesaid testimony and schedules are true and correct to the best of his knowledge, information, and belief.						
Subscribed and swor	n to before me this 26 C	day of	J. Matt Tracy J. Matt Tracy J. Matt Tracy J. Motary Public Terry D. Lutes			
My Commission exp	ires:					
8-20-	-2004	ī	TERRY D. LITTES			

TERRY D. LUTES
Jackson County
My Commission Expires
August 20, 2004