BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the matter of the investigation of the revenue effect upon Missouri utilities of the Tax Reform Act of 1986

Docket No. AO-87-48

APPLICATION FOR ORDER ALLOWING INTERVENTION OF MIDWEST GAS USERS ASSOCIATION AND ARMCO INC.

PUBLIC SERVICE COMMISSION

MAR - 5 1987

Come now MIDWEST GAS USERS ASSOCIATION ("Midwest") and ARMCO INC., ("Armco"), hereinafter jointly sometimes referred to as "Intervenors" or "Applicants", and apply to intervene herein and become parties hereto for all purposes. In support thereof, Intervenors respectfully state:

1. Armco is a corporation duly organized and existing under the laws of the State of Ohio, is duly authorized to do business in the State of Missouri as a foreign corporation, owns sizeable properties used in the manufacturing and processing of steel, employs thousands of employees, and constitutes a major economic factor in the area served by Kansas City Power & Light Company and KPL Gas Service.

2. Midwest is an unincorporated non-profit association consisting of and representing its membership of over 200 business concerns and corporations which are substantial users of natural gas at their plants situated in such states as Kansas, Missouri and Oklahoma of which numerous members have plants and facilities which are located in and consume natural gas within the State of Missouri. The vast majority of Midwest's members who have plants located in Missouri use and consume natural gas sold to them by KPL Gas Service. Those members not purchasing from KPL Gas Service are supplied by other natural gas distributing companies or municipal distribution systems which obtain their supply of natural gas at wholesale, principally from the Williams Natural Gas Company ("Williams").

3. Midwest's interest in proceedings affecting KPL Gas Service rates for natural gas has been repeatedly recognized by the Public Service Commission of the State of Missouri in permitting Midwest's intervention in proceedings affecting The Gas Service Company since 1956. Furthermore, Midwest's interest in proceedings affecting Williams, a major supplier to KPL Gas Service and whose rates have a substantial effect on the latter's wholesale gas costs has repeatedly been recognized by the Federal Power Commission and the Federal Energy Regulatory Commission in granting Midwest's intervention in numerous dockets starting in 1955 to the present time, including all of Northwest's rate increase applications from 1955 forward.

4. Midwest's interest as a representative of large industrial consumers has been repeatedly recognized by this Commission and the Kansas Corporation Commission for many years. Its assistance and involvement in this proceeding as such representative of large industrial concerns affecting utilities in Missouri will be of benefit to this Commission and advance the public interest by assuring full exploration of all relevant issues.

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5. The purpose of this proceeding is to determine the impact of the Tax Reform Act of 1986 upon Missouri utilities. This will result in a change in revenue requirement for many of those utilities which will require new and different rate schedules. Such changes may adversely affect the interest of Midwest members and other industrial users similarly situated so that the protection and representation of that interest makes Intervenors' intervention herein appropriate.

6. This proceeding was begun pursuant to a Commission Order and to the best knowledge of Intervenors no date has been set for hearing nor intervention, therefore this Application is timely and will not prejudice the interests of any party hereto. Granting of this Application will not delay this proceeding nor unduly expand its scope.

WHEREFORE, Applicants pray for an order of the Commission granting this Application.

LATHROP KOONTZ & NORQUIST

н. Bates Stuart W. Conrad

2600 Mutual Benefit Life Building Kansas City, Missouri 64108 (816) 842-0820

ATTORNEYS FOR APPLICANTS

STATE OF MISSOURI ) ) ss. COUNTY OF JACKSON )

Comes now Stuart W. Conrad, and having been first duly sworn, states that he is counsel for the within applicants for intervention and has been duly authorized by Midwest Gas Users Association and Armco Inc. to file this application; that he has read and is familiar with the contents thereof and that the statements therein made are true and correct to the best of his knowledge and belief.

Stuart Conrad W-

IN WITNESS WHEREOF, I have hereunto set my hand and my official seal at my office in Kansas City, Jackson County, Missouri on this 5th day of March, 1987.

1 Aun Notary Public Within and for

said County and State

NOTARY FOLLES MEAN L. T. MIRCHERS

NY CORRECTION STUDY BOST 2012200

(SEAL)

My Commission Expires:

(Jd.21, 1990

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing Petition for Leave to Intervene by U.S. mail, postage prepaid addressed to each of the parties or persons listed in the Commission's Orders herein.

Dated March 5, 1987

Stuart W. Conrad