

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the matter of the Application of)	
Empire District Gas Company for a)	
waiver from the application of)	GT-2007-0207
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 applies to intervene herein and become a party hereto for all purposes with respect to the filing by Empire District Gas Company ("Empire Gas") of December 1, 2006. 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 **Stahl Specialty 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 in permitting SIEUA's intervention in numerous rate design, electric and natural gas distribution rate proceedings concerning

^{1/} Although members of SIEUA and so listed here, EnerSys Inc. and Stahl Specialty 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 Empire Gas's gas distribution system.

Empire Gas, its predecessor Aquila and its predecessor UtiliCorp, including Aquila's most recent natural gas rate increase case, No. GR-2004-0072 and the Empire Gas acquisition case, No. GO-2006-0205 wherein Empire Gas acquired the Missouri distribution system and assumed the responsibilities of Aquila, Inc. regarding the operation of that system.

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 December 1, 2006, Empire Gas 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 twenty-five year old Kansas Ad Valorem overcharge 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**

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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 are direct and immediate and differ from those 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, Empire Gas'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 (now Southern Star Central Pipeline), the supplier for what now appears referenced

as Empire Gas'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 Empire Gas 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 Empire Gas filing, the embedded calculations, and may request additional information for review from Empire Gas. SIEUA may have further amplification of its position following that review.

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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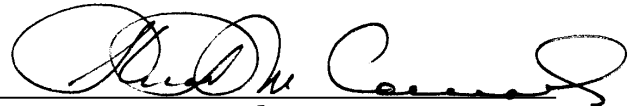
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ATTORNEYS FOR SEDALIA INDUSTRIAL
ENERGY USERS' ASSOCIATION

December 6, 2006

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: December 6, 2006