

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

In the Matter of an Examination of the Class Cost of)	
Service and Rate Design in the Missouri Jurisdictional)	
Electric Service Operations of Aquila, Inc., formerly)	Case No. EO-2002-384
known as UtiliCorp United, Inc.)	

In the Matter of the Tariff Filing of Aquila, Inc., to)	
Implement a General Rate Increase for Retail Electric)	
Service Provided to Customers in its MPS and L&P)	Case No. ER-2005-0436
Missouri Service Areas.)	

STAFF’S MOTION FOR CLARIFICATION

COMES NOW the Staff of the Missouri Public Service Commission (“Staff”) and, for its Motion for Clarification of the Commission’s August 23, 2005 Order Regarding Consolidation and Procedural Schedule, states:

1. On May 24, 2005, Aquila filed in Case No. ER-2005-0436 the direct testimony of Gary M. Denny on the issue of Rate Design and tariff sheets, Tariff File No. YE-2005-1045, that, if effective, would implement the Company’s proposed rate design and rate increase.

2. On July 21, 2005, in Case No. ER-2005-0436, the Commission issued its Order Concerning Test Year And True-Up, And Adopting Procedural Schedule. In that order the Commission, as part of the procedural schedule it set, directed all parties, except Aquila, to file direct testimony on Class Cost of Service and Rate Design by 4:00 PM, October 28, 2005.

3. On August 23, 2005, the Commission issued its Order Regarding Consolidation And Procedural Schedule in both Case No. EO-2002-384 and Case No. ER-2005-0436.

At page 7 of that Order the Commission, in regard to Case No. EO-2002-384, states:

Its purpose is a comprehensive examination of the costs involved in serving Aquila's various electric service customer classes and identifying any adjustments necessary to match costs with revenues and eliminate any subsidies.

and at page 8 states:

The parties have raised the possibility of the re-litigation in the rate case of issues determined in Case EO-2002-384. To address that possibility, and as a matter of simple fairness, the Commission will simply add all of the parties to Case No. ER-2005-0436 – the rate case – to Case EO-2002-384. They will thus have an opportunity to litigate any class cost-of-service and rate design issues that they care to and they will be bound by the result.

4. It is unclear to the Staff whether the Commission intends by its August 23, 2005 Order to modify its July 21, 2005 Order in Case No. ER-2005-0436 to:

(a) in Case No. **EO-2002-384**: limit the scope of the rate design case to a **determination** of customer class revenue requirements and the class revenue increases/decreases required to equate class revenues with class cost of service **on an overall revenue-neutral basis**; and in Case No. **ER-2005-0436**: limit the scope of the rate design issue in the rate case to proposals regarding how **the results of the rate design case** should be implemented **in conjunction with any overall increase** in Aquila's revenues in the rate case; or

(b) in Case No. **EO-2002-384**: require that all proposals regarding how the **results of the rate design case** should be implemented **in conjunction with any overall increase** in Aquila's revenues from the rate case be filed in the rate design case; and in Case No. **ER-2005-0436**: **exclude entirely all customer class cost-of-service and rate design issues and, instead, adopt the decisions reached on them in Case No. EO-2002-384.**

WHEREFORE, the Staff respectfully moves the Commission to clarify its August 23, 2005 Order Regarding Consolidation and Procedural Schedule with regard to class cost of service and rate design issues in Case Nos. EO-2002-384 and ER-2005-0436.

Respectfully submitted,

DANA K. JOYCE
General Counsel

/s/ Nathan Williams

Nathan Williams
Senior Counsel
Missouri Bar No. 35512

Attorney for the Staff of the
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
(573) 751-8702 (Telephone)
(573) 751-9285 (Fax)
nathan.williams@psc.mo.gov

Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or emailed to all counsel of record this 1st day of September 2005.

/s/ Nathan Williams