BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Aquila, Inc., Heat Rate)	
Testing and Scheduling Proposal Pursuant)	Case No
To its Authorized Rate Adjustment)	
Mechanism	ĺ	

MOTION TO ESTABLISH A DOCKET FOR APPROVAL OF HEAT RATE SCHEDULE AND TESTING PLAN

COMES NOW Aquila, Inc., (hereinafter "Aquila" or "Company"), pursuant to §§ 386.250 and 393.140.3, RSMo 2000 and § 386.266, RSMo (Supp. 2004), and CSR 240-3.161(2)(P), and for its motion to the Missouri Public Service Commission ("Commission") states as follows:

- 1. Aquila is a Delaware Corporation with its principal office and place of business at 20 West 9th Street, Kansas City, Missouri 64105-1711. The Company is authorized to conduct business in Missouri through its Aquila Networks-MPS ("MPS") and Aquila Networks-L&P ("L&P") operating divisions. Aquila is an "electrical corporation," "heating company," and "public utility" as those terms are defined by § 386.020, RSMo 2000 and as such, is engaged in providing electrical and industrial steam utility service in those areas of the state certificated to it by the Commission.
- 2. All pleadings, notices, orders and other communications and correspondence regarding this motion and proceeding should be directed to:

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- 3. In Commission Case No. ER-2007-0004,¹ the Commission authorized Aquila to file new tariff sheets and revised rate schedules for service to be rendered in its MPS and L&P service areas. The Commission also authorized Aquila to implement a rate adjustment mechanism as contemplated by § 386.266, RSMo (Supp. 2006).
- 4. In its May 17, 2007 Report and Order in Case No. ER-2007-0004 (the "Order"), the Commission specifically directed that Aquila complete a heat rate and/or efficiency schedule and testing plan with written procedures that is either agreed to by all parties or has been approved by the Commission no less than sixty (60) days before the effective date stated on its initial Fuel Adjustment Clause Tariff filing. See, ¶ Ordered: 5.

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¹ In the Matter of the Tariffs of Aquila, Inc., d/b/a Aquila Networks-MPS and Aquila Networks-L&P Increasing Electric Rates for the Services Provided to Customers in the Aquila Networks-MPS and Aquila Networks-L&P Service Areas.

5. By virtue of this filing, Aquila requests that the Commission establish a docket as may be necessary to consider and approve the heat rate testing procedures and schedules described below all pursuant to its authority under § 386.250, RSMo 2000, which provides, in pertinent part, that the Commission has jurisdiction, supervision, power and duties that shall extend "[t]o the manufacturer, sale or distribution of. . .electricity for light, heat and power within the state and to persons or corporations owning, leasing, operating or controlling the same" and "[t]o such other and further extent, and to all such other and additional matters and things, and in such further respects as may herein appear, either expressly or impliedly." Further, § 393.140.3, RSMo 2000 which provides, in pertinent part, that:

... [F]or the purpose of determining whether the efficiency of the electric supply system. . .conforms to the orders issued by the commission, the commission shall have power, of its own motion, to examine and investigate the plants and methods employed in manufacturing, delivering and supplying. . .electricity. . ..

Also, this motion relates to the Commission's rulemaking authority under § 386.266.9, RSMo (Supp. 2006) and, specifically, 4 CSR 240-3.161(2)(P).

6. Attached hereto for the Commission's consideration and approval are heat rate testing procedures and a testing schedule and associated practice manuals for Sibley units 1-3, Greenwood units 1-4, Ralph Green No. 3, Nevada, KCI units 1-2, South Harper units 1-3, Lake Road units 1-7, Jeffery units 1-3 and latan unit 1. Much of this information was provided to all parties of record in Case No. ER-2007-0004 on Friday, November 2, 2007,² and although no party has stated it opposes the Company's

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² Some of the materials filed with this motion have been updated in response to comments received from the Commission's Staff.

proposal, Aquila cannot represent that it has secured an agreement at this time. Aquila remains hopeful there can be general agreement, nevertheless, the Company hereby formally submits this matter to the Commission for its approval in the event an agreement cannot be reached.³ In either event, Aquila requests that the Commission take appropriate action consistent with its directive in the Order. Aquila will advise the Commission in the event all parties agree to the procedures, schedules and manuals that are being proposed and that are attached hereto.

WHEREFORE, Aquila requests that the Commission approve the Company's proposed heat rate and/or efficiency schedule and testing plan either pursuant to an agreement of the parties or by affirmative approval by the Commission and for such other orders and relief as are appropriate in the circumstances.

Respectfully submitted,

BRYDON SWEARENGEN & ENGLAND, P.C.

By: /s/ Paul A. Boudreau_

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³ At page 29 of the Order, the Commission stated that "in the event any party to ER-2007-0004 opposes the written heat rate and/or efficiency testing procedures ultimately proposed by Aquila, Aquila may file a motion with the Commission seeking approval of those procedures."

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was delivered by first class mail, electronic mail or hand delivery, on the 9th day of November, 2007, to the following:

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