

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

In the Matter of Tariff Revisions Filed)	
by Aquila, Inc., d/b/a Aquila Networks-MPS)	
and Aquila Network-L&P Designed to)	Case No. EO-2007-0395
Continue and Expand its Fixed Bill Pilot)	
Program)	

AQUILA'S STATEMENT OF POSITION

ISSUE:

Should Aquila's Fixed Bill Pilot Program (Tariff No. JE-2007-0739) comprised of three (3) tariff sheets be found to be just and reasonable, in the public interest and approved by the Commission?

ANSWER:

Yes. Aquila has successfully offered on a limited basis, a Fixed Bill Pilot Program that has been well received by certain of its residential customers. By virtue of this tariff filing, Aquila proposes certain changes to and a continuation of the program including below-the-line accounting treatment. If approved by the Commission, the new program would be offered on a 5-year pilot basis throughout Aquila's Missouri service areas and will allow its customers the option and convenience to choose to receive a predetermined, completely predictable, monthly bill for a one-year period, regardless of weather variations or changes in utility rates. This billing option will provide stability and predictability at a premium that is necessary and appropriate to cover variation in usage and

program execution risk. This type of voluntary billing option is enjoying growing popularity throughout the country. Aquila believes that this is a program that its customers will value, is beneficial to those who choose to enroll and is otherwise in the public interest.

The fixed bill program as proposed is lawful in all respects. Section 393.140(11), RSMo 2000 provides for the filing of rules and regulations regarding “charges or service used or to be used”. The billing option will be offered by the regulated utility (as evidenced by the filing of the tariff sheets which are at issue) and, consequently, is not being offered by an affiliate. Additionally, there are no promotional practices implications because the fixed bill program does not have a load building objective. It is, rather, a billing option for the company’s customers.

Respectfully submitted,

BRYDON SWEARENGEN & ENGLAND, P.C.

By:

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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 6th day of November, 2007, to the following:

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