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*ALSO ADMITTED IN KANSAS AND MASSACHUSETTS

October 21, 1999

FEDERAL EXPRESS

Mr. Dale H. Roberts Secretary/Chief Regulatory Law Judge Missouri Public Service Commission P.O. Box 360 301 West High R530 Jefferson City, Missouri 65102 FILED²

OCT 2 2 1999

Missouri Public Service Commission

Re: Joint Application of Utilicorp United and St. Joseph Light & Power Company to Merge PSC Case No. EM-2000-292

Dear Mr. Roberts:

Enclosed are the original and fourteen (14) conformed copies of the verified Application to Intervene of Ag Processing Inc. a Cooperative, which please file in the above matter and call to the attention of the Commission.

An additional copy of the material to be filed is enclosed, which kindly mark as received and return to me in the enclosed envelope as proof of filing.

Thank you for your attention to this important matter. If you have any questions, please call.

Sincerely yours,

FINNEGAN, CONRAD & PETERSON, L.C.

Stuart W. Conrad

SWC:s

Enclosures

cc: All Parties

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FILED²

DEFORE THE PUBLIC SERVICE COMMISSION OCT 2 2 1999

Missouri Public Service Commission

In re the Joint Application of)		
Utilicorp United and St. Joseph)	Case No.	EM-2000-292
Light & Power Company to Merge)		

APPLICATION TO INTERVENE OF AG PROCESSING INC.

Comes now AG PROCESSING INC, a COOPERATIVE ("AGP") and pursuant to 4 C.S.R. 240-2.075 applies to intervene herein and become a party hereto in respect to the above matter. In support thereof, AGP respectfully states:

- 1. AGP is an agricultural cooperative and is a large manufacturer and processor of soybean meal and soy-related food products and other grain products throughout the central and upper Midwest, including the State of Missouri. AGP is the largest cooperative soybean processing company in the world, the third-largest supplier of refined vegetable oil in the United States and the third-largest commercial feed manufacturer in North America.
- 2. AGP operates a major processing facility in St. Joseph, Missouri, is an important electrical supply customer of St. Joseph Light & Power Co. ("SJLP"), and there utilizes significant quantities of electrical energy provided by or through SJLP's facilities. AGP is among the largest electrical customers of SJLP.

- 3. AGP also uses process significant quantities of industrial steam purchased from SJLP in its St. Joseph processing facility. AGP is among the largest industrial steam customers of SJLP.
- 4. Correspondence or communications regarding this application, including service of all notices and orders of this Commission, should be addressed to:

Stuart W. Conrad, Esq. FINNEGAN, CONRAD & PETERSON, L.C. 1209 Penntower Office Center 3100 Broadway Kansas City, Missouri 64111 Voice: (816) 753-1122 Fax: (816) 756-0373 E-mail: stucon@fcplaw.com

and to:

Mr. Gary Chesnut Corporate Purchasing Manager Ag Processing Inc. 12700 West Dodge Rd. Omaha, NE 68154

5. On October 19, 1999 Utilicorp United ("UCU") and SJLP filed a joint application with this Commission requesting approval of the two companies' plans to merge. The transaction is stated to be valued at roughly \$270 million. The companies further are reported to have stated that the proposed merger will advance the public interest by creating a stronger Missouri-based utility. The application further states that, although savings are claimed to result from the proposed merger, such savings will be retained by the combined companies during a period of a proposed moratorium on rate filings by SJLP.

- AGP is vitally interested in this proposed merger, in its terms and conditions, and its impact on ratepayers generally and AGP specifically. As a major electric and steam customer of SJLP, AGP is in a position to be directly affected by the proposed merger and may be bound or adversely affected by any Commission order issued in this proceeding. Because SJLP provides electricity and steam to AGP under separate rate schedules and because of AGP's size and load factor, AGP is in the special and unique position of representing an interest which will not and cannot be represented adequately by any other party and which interest is direct and immediate and differs from that of the general public. Therefore, it will aid the Commission and protect and advance the public interest that AGP be permitted to intervene in this proceeding so as to protect its interest which no other party is in a position properly to protect and adequately represent herein.
- 7. For purposes of 4 C.S.R. 240-2.075(2), AGP states that it is opposed to the discriminatory pricing of electricity, steam and related utility services. Although a copy of the complete application has been requested from appropriate authorities, no detailed review has yet been made of that application. Based, however, on the announced parameters of the proposed merger, AGP will oppose mechanisms that fail to return to customers on a current basis any savings that actually occur from reductions in personnel, elimination of duplicative operations and other claims of synergies that merger applicants customarily

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assert as merger-related as benefits. Any such savings that result from this proposed merger should be returned on a current basis to the ratepayers of the affected utilities. Moreover, it is uncertain at this time whether the proposed combination may result in an undue and anti-competitive concentration of market power that may be in violation of applicable federal and state law regarding combinations intended to restrain trade or create or enhance monopoly power and detrimental to the public interest in any event.

8. Further, although SJLP recently settled an electric and a steam rate case before this Commission, such settlement concerned those cases only and did not establish that the resulting rates of SJLP are not unjustly and unreasonably excessive. Accordingly, a proposal to freeze rates at unjust and unreasonably excessive levels during periods in which regulatory-related costs are intended to decline does not and cannot be of benefit to AGP and the ratepayers of SJLP and may, in fact, be detrimental to their respective interests and the interests of the State of Missouri.

WHEREFORE, AGP prays: (a) that the Joint Merger Filing of October 19, 1999 be subjected to a full and thorough investigation and analysis and that thereupon it not be approved or approved only with such conditions as will assure that ratepayers of SJLP will be fully shielded from any possible detriment and will receive the full benefits of all savings claimed to result from the proposed merger; (b) that AGP be permitted to intervene

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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 (c) for all other needful and proper relief appropriate in the premises.

Respectfully submitted,

FINNEGAN, CONRAD & PETERSON, L.C.

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ATTORNEYS FOR AG PROCESSING INC.

VERIFICATION

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 applicant for intervention and has been duly authorized 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 W. Conrad

IN WITNESS WHEREOF, I have hereunto set my hand and my official seal at my office in Kansas City, Jackson County, Missouri on this 21st day of October, 1999

Notary Public Within and for said County and State

(SEAL)

My Commission Expires:

AV6 VST 27,2012

TRICIA M. DELANA
Jackson County
My Commission Expires
August 27, 2002

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing Application for Leave to Intervene by U.S. mail, postage prepaid addressed to all parties by their attorneys of record as provided by the Secretary of the Commission and shown on the sheet following.

Śtuart W. Conrad

Dated: October 21, 1999

Service Listing for EM-2000-292

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