



Missouri Public Utility Alliance

Missouri Association of Municipal Utilities
Municipal Gas Commission of Missouri
Missouri Joint Municipal Electric Utility Commission

2407 W. Ash
Columbia, MO 65203-0045

January 23, 2002

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P.O. Box 360
Jefferson City, Missouri 65102

FILED³

JAN 23 2002

**Missouri Public
Service Commission**

RE: Case No. ER-2001-672
Missouri Public Service, Division of UtiliCorp United

Dear Mr. Roberts:

Enclosed for filing in the above referenced matter are the original and eight (8) copies of the Missouri Joint Municipal Electric Utility Commission's Statement of Positions and Request to be Excused from Hearing. A copy of the foregoing Document has been mailed today to all parties of record.

Thank you for your attention to this matter.

Sincerely,

Duncan E. Kincheloe

Enclosures

FILED³

JAN 23 2002

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

Missouri Public
Service Commission

In the matter of the Tariff Filing of)
Missouri Public Service (MPS), a Division)
of UtiliCorp United, Inc., to Implement a)
General Rate Increase for Retail Electric)
Service Provided to Customers in the)
Missouri Service Area of MPS.)

Case No. ER-2001-672

STATEMENT OF POSITIONS OF THE
MISSOURI JOINT MUNICIPAL ELECTRIC UTILITY COMMISSION
AND REQUEST TO BE EXCUSED FROM HEARING

COMES NOW the Missouri Joint Municipal Electric Utility Commission ("MJMEUC") and respectfully states as follows:

1. In this proceeding, MJMEUC filed its Application for Intervention on July 6, 2001. MJMEUC was granted intervention on August 6, 2001. This intervention was reaffirmed by Commission order on August 14, 2001.

2. MJMEUC represents the interest of Missouri municipal utilities in their wholesale power purchases from UtiliCorp and the costs associated with those purchases, which are not incurred separately from those of UtiliCorp's retail customers.

3. MJMEUC represents the interests of customers served by municipal utilities, including the City of Odessa, which at the time of MJMEUC's intervention, was contemplating the sale of its municipal utility to UtiliCorp. The sale of the municipal utility to UtiliCorp would change the status of the city from being a wholesale customer of UtiliCorp, to the city's customers being retail customers of UtiliCorp. Thus, customers would pay UtiliCorp's retail rates for electricity instead of Odessa's retail rates for electricity. There was no requirement on the part of UtiliCorp to notify electric customers in Odessa of their request of an increase in electric rates.

4. The issue of the sale of Odessa's electric utility to UtiliCorp was put to the voters in November of 2001 and was defeated. Thus, the City of Odessa remains a wholesale customer of UtiliCorp.

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5. As a result of the decision of the Odessa voters to remain wholesale customers of UtiliCorp, MJMEUC's interest in the current issues related to retail rates in this case is greatly diminished. However, there still exist certain issues related to UtiliCorp's purchased power practices that affect both retail and wholesale customers alike.

6. MJMEUC respectfully states its positions with respect to the List of Issues filed January 17, 2002:

LIST OF ISSUES

MJMEUC will not take positions on Issues 1 through 6.

7. Cost-of-Service - Off-system Sales:

A. Should any part of interchange sales margins be excluded from cost-of-service?

MJMEUC Position: No. Both retail and wholesale ratepayers bear the costs associated with making off-system sales, while shareholders receive the benefits of off-systems sales revenue above that in rates. Because the costs are of these sales are borne by ratepayers, revenue derived from these sales should be reflected in the cost of service?

8. Cost-of-Service-Jeffrey Shares:

A. Do Jeffrey Shares (energy sales and purchases between UtiliCorp's Missouri Public Service Division and WestPlains Energy—Kansas) yield interchange sales margins?

MJMEUC Position: Although MJMEUC did not make a determination of whether or not energy sales and purchases between Missouri Public Service and West Plains Energy yield interchange sales margins, it is MJMEUC's position that these transactions should be allowed to occur only when it is the most economical transaction available (i.e. energy sales/ purchases displace more expensive generation and power purchases) These transactions should yield zero-margins.

9. Cost of Service - Energy costs:

A. What are the appropriate costs of fuel (gas prices)?

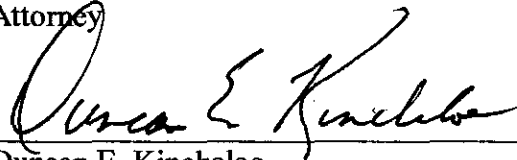
MJMEUC Position: MJMEUC does not have a position at this time.

MJMEUC will not take positions on Issues 10 through 23.

7. As it believes that witnesses of the other parties have already adequately addressed issues related to MJMEUC's concerns, MJMEUC has produced no witnesses in this case. In order not to unduly burden the record in this proceeding, MJMEUC will waive cross-examination of all witnesses and requests that its counsel be excused from appearing during the hearings.

Respectfully submitted,

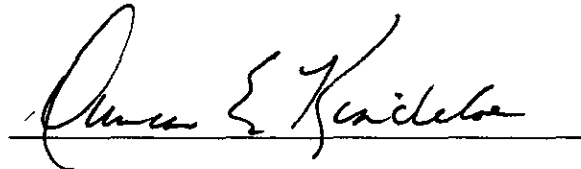
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Certificate of Service

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 23rd day of January 2002.



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Case No. ER_-2001-672
Verified: January 18, 2002, (cgo)

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