

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the matter of the Application by)	
Aquila, Inc. for authority to As-)	
sign, Transfer, Mortgage or Encum-)	EF-2003-0465
ber its Franchise, Works or System)	

APPLICATION TO INTERVENE OF
SEDALIA INDUSTRIAL ENERGY USERS' ASSOCIATION
AND AG PROCESSING, INC.

COME NOW the SEDALIA INDUSTRIAL ENERGY USERS' ASSOCIATION (hereinafter SIEUA) and AG PROCESSING INC. A COOPERATIVE (hereinafter AGP) pursuant to 4 C.S.R. 240-2.075 and apply to intervene herein and become parties hereto for all purposes in respect to the filing by Aquila, Inc. on or about April 30, 2003. In support of this motion, SIEUA and AGP respectfully show the following:

1. SIEUA is an unincorporated voluntary association consisting of large commercial and industrial users of natural gas and electricity in Sedalia, Missouri and in the surrounding area. SIEUA was formed for the purpose of economical representation of its members' interests through intervention and other activities in regulatory and other appropriate proceedings.

2. Current members of SIEUA are as follows: **Pittsburgh Corning Corporation**, a manufacturer of cellular glass insulation at its manufacturing facility in Sedalia, Missouri where roughly 160 workers are employed; **Waterloo Industries**, a manufacturer of tool storage equipment and employer of approxi-

mately 650 workers at its manufacturing facility in Sedalia, Missouri; **Hayes Lemmerz International** employs roughly 800 workers at its Sedalia, Missouri facility where it manufactures automobile wheels; **Hawker Industries, Inc.** employs approximately 500 persons in its industrial battery manufacturing facility in nearby Warrensburg, Missouri; **Alcan Cable Co.** manufactures aluminum electrical conductors and employs 250 persons in its Sedalia, Missouri operation; **Gardner Denver Corporation** employs 320 workers at its Sedalia works where it makes industrial compressors and blowers; **American Compressed Steel Corporation** employs 35 workers in scrap metal recycling at its facility near Sedalia, Missouri; and **Stahl Specialty Company**, a major United States manufacturer of specialty and precision aluminum castings at facilities located in Warrensburg and Kingsville, Missouri, where approximately 1,100 workers are employed. Collectively, these SIEUA members provide gainful employment for approximately 3,815 workers in central Missouri.

3. SIEUA's interests in proceedings affecting the rates, terms and conditions of electric service from MoPub have been previously recognized by the Missouri Public Service Commission in permitting SIEUA's intervention in numerous rate design and electric rate proceedings concerning the former Missouri Public Service Co. (MoPub) service territory, including without limitation the last series of MoPub rate increase cases.

4. 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.

5. AGP operates a major processing facility in St. Joseph, Missouri, is an important electrical and steam supply customer of the former St. Joseph Light & Power Co., now claimed to be a division of Aquila, and there utilizes significant quantities of electrical energy and process steam provided by or through those facilities. AGP is among the largest electrical and steam customers of that claimed division of Aquila.

6. Correspondence or communications regarding this application, including service of all notices and orders of this Commission, should be addressed to:

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7. On or about April 30, 2003 Aquila filed an application to encumber its utility properties in manners stated in

the application. Among other justifications asserted in support, Aquila states that its financial health depends upon approval of the proposed relief. Aquila describes various borrowing mechanisms and recites the liquidation of certain assets but does not explain or justify any need for further financing nor what has become of the proceeds of these liquidations.

8. SIEUA's members and AGP are vitally interested in this application, its terms and proposals, and its immediate and long-term impact on their operations specifically and upon Aquila ratepayers generally. As major electric and steam customers of Aquila, SIEUA's members and AGP are in positions to be directly affected by the proposed relief and may be bound or adversely affected by any Commission order issued in this proceeding. Because Aquila provides electricity to SIEUA's members and electricity and steam to AGP under separate contracts or rate schedules and because of SIEUA's members' and AGP's size and load factors, these companies are in the special and unique position of representing interests that will not and cannot be represented adequately by any other party and which interests are direct and immediate and differ from that of the general public. Therefore, it will aid the Commission and protect and advance the public interest that they be permitted to intervene in this proceeding so as to protect their interests.

9. For purposes of 4 C.S.R. 240-2.075(2), SIEUA and AGP state that they currently oppose the relief that is sought by

Aquila. Aquila's application assumes its financial condition and completely fails to recognize that Aquila's current financial condition, whatever it may be, appears not to have resulted from its utility operations, but rather from non-utility operations which operations Aquila claims to be withdrawing. Aquila's claimed financial condition is self-induced and no sufficient reasons have been shown to justify ratepayers in Missouri from being required to provide Aquila's rehabilitation. Furthermore, the legal authority of Aquila to encumber certain of these assets and its standing to seek the requested authority with respect to certain of the assets is subject to serious question. A more detailed statement of position with respect to the application must, however, awaits further investigation and analysis of the filing.

WHEREFORE, SIEUA and AGP pray (without prejudice to later requests for relief): (a) that an appropriate procedural schedule be adopted providing for adequate time for the investigation and analysis of Aquila's claims; (b) that following such investigation the matter be set for hearing before the Commission in which the applicant utility shall be put to its proof regarding the proposed relief and all aspects of its claims including but not limited to the cause of its asserted financial need for the transaction; and (c) that SIEUA and AGP be permitted to intervene herein and be made parties 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 (d) for all other needful and proper relief appropriate in the premises.

Respectfully submitted,

FINNEGAN, CONRAD & PETERSON, L.C.

A handwritten signature in black ink, appearing to read "Stuart W. Conrad", is written over a horizontal line.

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ATTORNEYS FOR SEDALIA INDUSTRIAL
ENERGY USERS' ASSOCIATION and AG
PROCESSING INC. A COOPERATIVE

May 5, 2003

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing Application to Intervene by U.S. mail, postage prepaid or by electronic means to all parties by their attorneys of record as provided by the Secretary of the Commission.



Stuart W. Conrad

Dated: May 5, 2003