STATE OF MISSOURI PUBLIC SERVICE COMMISSION JEFFERSON CITY March 1, 2000

CASE NO: EM-2000-506

Office of the Public Counsel P.O. Box 7800 Jefferson City, MO 65102

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P.O. Box 360

Jefferson City, MO 65102

Enclosed find certified copy of an ORDER in the above-numbered case(s).

Sincerely,

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of)		
UtiliCorp United Inc. for Authority to)		
Acquire, Indirectly, the Capital Stock of)	Case No.	EM-2000-506
860023 Alberta Ltd., and to Take all Other)		
Actions Reasonably Necessary to Effectuate)		
Said Transactions	}		

ORDER REGARDING UTILICORP UNITED INC.'S APPLICATION FOR ACQUISITION

On February 18, 2000, UtiliCorp United Inc. (UtiliCorp) filed an application with the Missouri Public Service Commission (Commission) for approval of the acquisition of TransAlta Corporation (TransAlta).

UtiliCorp stated that it is a Delaware corporation, in good standing, with its principal office and place of business at 20 West Ninth Street, Kansas City, Missouri 64105-1704. UtiliCorp stated that it is authorized to conduct business in Missouri through its Missouri Public Service operating division and, as such, is engaged in providing electrical and natural gas utility services in its service areas subject to the jurisdiction of the Commission. UtiliCorp stated that its certificate of incorporation and amended certificate of authority as a foreign corporation have previously been filed with the Commission in case number EM-87-6 and that said documents were incorporated into its application by reference, pursuant to Commission rule 4 CSR 240-2.060(2)(E).

UtiliCorp outlined its plans to indirectly purchase all of the capital stock of an electric utility distribution and retail business located in Canada: On January 21, 2000, UtiliCorp bid to acquire TransAlta's electricity distribution and retail business (business) and on February 2, 2000 was selected as the winning bidder. UtiliCorp, through a wholly owned subsidiary, UtiliCorp Canada Corp., proposes to acquire all of the capital stock of 860023 Alberta Ltd., a wholly owned subsidiary of TransAlta. UtiliCorp's investment in the business will be approximately \$650 million Canadian, or about \$450 million United States.

UtiliCorp stated that the proposed acquisition will have no adverse effect on its Missouri customers and, consequently, is not detrimental to the public interest. UtiliCorp stated that, further, the proposed transaction will have no impact on the tax revenues of the Missouri political subdivisions in which any of its structures, facilities or equipment are located.

UtiliCorp requested an order no later than June 1, 2000, with an effective date of no later than June 13, 2000: (1) authorizing the acquisition by UtiliCorp of up to 100% of 862003 Alberta Ltd.; (2) authorizing UtiliCorp to perform in accordance with the terms of the acquisition and to take any action reasonably necessary to effectuate the transaction; and (3) finding that the proposed transaction is not detrimental to the public interest.

The Commission will request that the Staff of the Commission respond within five (5) days of this order, stating whether or not it will be

able to complete its investigation of the proposed transaction and be able to file its report and recommendation to the Commission in a timely fashion.

IT IS THEREFORE ORDERED:

- 1. That the Staff of the Commission shall file a pleading no later than 3:00 p.m. on March 7, 2000, stating whether or not it will be able to complete its investigation of the proposed transaction and be able to file its report no later than May 9, 2000.
 - 2. That this order shall become effective March 13, 2000.

BY THE COMMISSION

Hole Hred Roberts

Dale H. Roberts

Chief Regulatory Law Judge/Secretary

(SEAL)

Bill Hopkins, Senior Regulatory Law Judge, by delegation of authority pursuant to 4 CSR 240-2.120(1) (November 30, 1995) and Section 386.240, RSMo 1994.

Dated at Jefferson City, Missouri, on this 1st day of March, 2000.

STATE OF MISSOURI OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 1st day of March 2000.

And Head Blooks

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge