

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

In the Matter of the Application of Aquila,)	
Inc., for Authority to Sell, Assign and)	
Transfer to KAMO Electric Cooperative, Inc.,)	
Approximately Six (6) Miles of Electric)	Case No. _____
Transmission Line Located in Barton)	
County, Missouri)	

APPLICATION

COMES NOW Aquila, Inc., (hereinafter "Aquila" or "Applicant") pursuant to §393.190 RSMo 2000, 4 CSR 240-2.060 and 4 CSR 240-3.110(1), and for its Application to the Missouri Public Service Commission ("Commission") states as follows:

**Request for Authority to Sell, Assign and Transfer
Certain Electrical Transmission Facilities**

1. Applicant is a Delaware Corporation with its principal office and place of business at 20 W. 9th Street, Kansas City, Missouri 64105-1711. Applicant is authorized to conduct business in Missouri through its Aquila Networks-MPS operating division and as such is engaged in providing electrical and natural gas service in those areas of the State certificated to it by the Commission. A Certificate of Authority for a foreign corporation to do business in the State of Missouri evidencing Aquila's authority under law to conduct business in the State of Missouri was filed with the Commission in Case No. EU-2002-1053 and said documents are incorporated herein by reference in accordance with 4 CSR 240-2.060(1)(G). Likewise, copies of the Registrations of Fictitious Names of Aquila Networks-MPS and Aquila Networks-L&P were filed in Case

No. EU-2002-1053 and said documents are incorporated herein by reference in accordance with 4 CSR 240-2.060(1)(G).

2. All pleadings, notices, orders and other communications and correspondence regarding this Application and proceeding should be directed to:

Mr. Gary Clemens
Director of Regulatory Services
Aquila, Inc.
10700 East 350 Hwy
Kansas City, MO 64138
(816) 737-7934

Paul A. Boudreau MO #33155
BRYDON, SWEARENGEN & ENGLAND, P.C.
312 East Capitol Avenue
P.O. Box 456
Jefferson City, Missouri 65102
(573) 635-7166

3. Applicant requests authority from the Commission to sell, assign and transfer to KAMO Electric Cooperative, Inc., (hereinafter, "KAMO"), a six (6) mile length of 69kV electric transmission line pursuant to an Asset Purchase Agreement by and between Aquila and KAMO entered into in the second quarter of 2005 (hereinafter, the "Agreement"). Generally, the Agreement provides for the sale of approximately six (6) miles of electrical transmission line and associated poles, appurtenances, contracts, permits and easements (the "Facilities") at an agreed-to price of \$275,000. An execution copy of the Agreement is attached hereto and incorporated herein for all purposes.

4. The Facilities are located in Barton County, Missouri in Section 2, Township 31 North, Range 31 West. They are located between and connect Aquila's

Lamar 69kV electric substation to a point just north of the Boston Corners 69kV electric substation where it ties into the facilities of The Empire District Electric Company.

5. KAMO is purchasing the facilities in order to provide voltage support to KAMO customers in the Lamar area and City of Lamar customers served from the Jackson Street Substation. KAMO has further agreed to allow Aquila access to emergency backup service for Aquila's loads at Lamar, Iantha, Liberal, and Sheldon over the facilities at no cost to Aquila.

6. The granting of this Application will not be detrimental to the public interest because, as noted above, the Facilities are not normally serving any customer of Aquila and, further, their use for emergency backup will be preserved. As such, the sale will in no manner impair electric service provided by Aquila to its customers.

7. The proposed transaction will have no material impact on the tax revenues of the political subdivision(s) in which the Facilities are located. Aquila estimates the combined tax effect of the sale on the various affected taxing entities will approximate \$205 for tax year 2005 based on Net Book Value as of June 30, 2005

8. Applicant has pending actions or final unsatisfied judgments or decisions against it from state or federal agency or courts which involve customer service or rates, which action, judgements or decisions have occurred within three (3) years of the date of the Application.

9. Applicant has no annual report or assessment fees which are currently overdue.

Request in the Alternative that the
Application be Denied as Unnecessary

10. In the alternative, Applicant requests that the Commission dismiss this Application as unnecessary inasmuch as the Facilities are no longer “necessary or useful” to Aquila in the performance of its duties to the public for the reasons set forth in paragraphs 5 & 6, *supra*. Section 393.190.1 RSMo 2000 does not require Commission authority to sell, assign or transfer any part of the franchise, works or system of an electric corporation, like Aquila, that it is no longer necessary or useful in the performance of its duties to the public.

WHEREFORE, Aquila requests the Commission issue an order authorizing it to sell, assign and transfer the Facilities to KAMO in accordance with the terms of the Agreement because the transaction is not detrimental to the public interest. In the alternative, Aquila requests that the Commission dismiss the Application because the Facilities are no longer necessary or useful in the performance of Aquila's duties to the public.

Respectfully submitted,

/s/

Paul A. Boudreau MO #33155
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paulb@brydonlaw.com

Attorneys for Applicant, Aquila, Inc.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was delivered by electronic mail, first class mail or by hand delivery, on this 26th day of July 2005 to the following:

General Counsel's Office
Missouri Public Service Commission
200 Madison Street, Suite 800
P.O. Box 360
Jefferson City, MO 65102-0360

Office of the Public Counsel
Governor Office Building
200 Madison Street, Suite 650
P.O. Box 2230
Jefferson City, MO 65102-2230

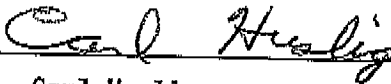
/s/

Paul A. Boudreau

VERIFICATION

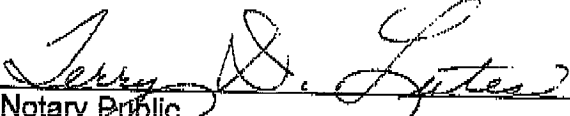
STATE OF MISSOURI)
) ss.
COUNTY OF Barton)

I, Carl Huslig, having been duly sworn upon my oath, state that I am the Vice President, Transmission of Aquila, Inc., that I am authorized to make this affidavit on behalf of Aquila, Inc., and that the matters and things stated in the foregoing Application and Appendices thereto are true and correct to the best of my information, knowledge and belief.



Carl Huslig

Signed and sworn to before me, the undersigned notary public, on this 25th
day of July, 2005.



Notary Public
Terry D. Lutes

My Commission Expires:

8-20-2008



TERRY D. LUTES
Jackson County
My Commission Expires
August 20, 2008