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January 9, 2002

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Secretary/Chief Regulatory Law Judge
DANA K. JOYCE
General Counsel

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

RE: Case No. GA-2002-285

Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and eight (8) conformed copies of a **STAFF'S REPLY TO UTILICORP'S RESPONSE**.

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,

David A. Meyer
Associate General Counsel
(573) 751-8706
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DAM:sw
Enclosure
cc: Counsel of Record

FILED²
JAN 09 2002
Missouri Public
Service Commission

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

FILED²
JAN 09 2002
Missouri Public
Service Commission

In the matter of the Application of)
UtiliCorp United Inc., d/b/a Missouri)
Public Service Company and St. Joseph)
Light and Power Company for an)
Accounting Authority Order Relating to)
Commission Rule 4 CSR 240-13.055(13).)

Case No. GA-2002-285

STAFF'S REPLY TO UTILITCORP'S RESPONSE

COMES NOW Staff of the Public Service Commission of Missouri, and in reply to the Response to Staff Memorandum and Recommendation filed by UtiliCorp United, Inc. on January 7, 2002, states:

1. It is true that Staff acknowledges that an Accounting Authority Order granted to UtiliCorp in this case will not be binding in a rate case seeking recovery of deferred amounts, as recited by UtiliCorp in its Response. Staff urges the Commission to consider two factors when granting the AAO.

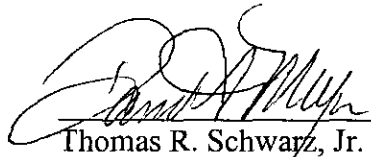
2. First, the Commission should direct UtiliCorp to gather and maintain the information and data necessary to measure the deferrals according to the matrix attached to Staff's initial Recommendation in this case. Unless UtiliCorp gathers and maintains the information, the Commission, Staff, and other interested parties will be unable to develop the true cost of the emergency amendment at the time UtiliCorp seeks recovery. The Commission should be clear that the Staff's matrix methodology is the only one presented to date in this case. If the Company wishes to identify another method and defer costs under such a method in addition to the matrix, the Staff would not oppose that approach.

3. Second, if UtiliCorp has divined a superior measure of the cost of the emergency amendment, the Commission should direct UtiliCorp to present it to the Commission, Staff and other interested parties as soon as possible. Such an improved measure might prove valuable to the Commission and to other local distribution companies currently at an impasse over the issue in other forums. The Commission should also direct UtiliCorp to maintain the information and data needed to measure the cost of the emergency amendment needed for audit at the time recovery is sought.

WHEREFORE, the Staff asks the Commission, in its order granting the Accounting Authority Order to UtiliCorp, to direct UtiliCorp to gather and maintain the information needed for the matrix calculation; and to inform the Commission and interested parties as soon as possible of superior measures of the costs of the emergency amendment.

Respectfully submitted,

DANA K. JOYCE
General Counsel



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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 9th day of January, 2002.



**Service List for
Case No. GA-2002-285
Revised: January 9, 2002 (SW)**

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