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OF COUNSEL RICHARD T. CIOTTONE

October 4, 2000

Dale Hardy Roberts Missouri Public Service Commission P.O. Box 360 Jefferson City, MO 65102

OCT 0 4 2000

FILED³

Missouri Public Service Commission

Re: Case No. EM-2000-292

Dear Mr. Roberts:

Enclosed for filing on behalf of UtiliCorp United Inc., please find an original and eight (8) copies of the Response of UtiliCorp United Inc. to Staff Motion for an on the Record Conference..

Copies of this filing will be provided to all parties of record.

Would you please see that this filing is brought to the attention of the appropriate Commission personnel.

I thank you in advance for your cooperation in this matter.

Sincerely yours, avo C. Ewang James C. Swearengen

JCS/lar Enclosure cc: All Parties of Record

DAVID V.G. BRYDON JAMES C. SWEARENGEN WILLIAM R. ENGLAND, III JOHNNY K. RICHARDSON GARY W. DUFFY PAUL A. BOUDREAU SONDRA B. MORGAN CHARLES E. SMARR

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI Service Commission

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In the Matter of the Joint Application of UtiliCorp United Inc. and St. Joseph Light & Power Company for authority to merge St. Joseph Light & Power Company with and into UtiliCorp United Inc. and, in connection therewith, certain other related transactions

Case No. EM-2000-292

FILED³ OCT 0 4 2000

RESPONSE OF UTILICORP UNITED INC. TO STAFF MOTION FOR AN ON THE RECORD CONFERENCE

COMES NOW UtiliCorp United Inc. ("UtiliCorp"), by counsel, and for its Response to the Motion of the Staff of the Missouri Public Service Commission ("Staff") for an order directing an on the record conference respectfully states as follows to the Missouri Public Service Commission ("Commission"):

The subject of the Staff's Motion is an exchange of correspondence which has taken 1. place between UtiliCorp and St. Joseph Light & Power Company ("SJLP") involving the June 7, 2000 fire and unplanned shutdown of Turbine 4/Boiler 6 at SJLP's Lake Road Power Plant and a suspension of their transaction activities. The Staff requests that the Commission order UtiliCorp and SJLP to appear and explain the import of this exchange of correspondence and why the Commission should not suspend its deliberations on the Joint Application which is the subject of the captioned proceeding until "closure" has occurred between UtiliCorp and SJLP respecting the fire and Lake Road outage.

While UtiliCorp will, of course, appear before the Commission if directed, the 2. Commission should understand that at any such appearance UtiliCorp would not be in a position to provide any information beyond that already set out in its letter of September 14, 2000, Attachment 3 to the Staff's Motion. That letter fully describes the involved circumstances from UtiliCorp's perspective and at this time UtiliCorp would have nothing further to present to the Commission. UtiliCorp and SJLP have agreed that UtiliCorp will conduct a further due diligence investigation of the plant. The due diligence is to review and obtain a better understanding of the scope of the damages caused by the fire. UtiliCorp expects to conclude its investigation in no less than six to eight weeks.

3. The subject matter of the September 14, 2000 letter and the exchange of correspondence between UtiliCorp and SJLP involves a contractual matter between UtiliCorp and SJLP pursuant to the Agreement and Plan of Merger dated as of March 4, 1999 ("the Agreement"). This contractual matter, involving the rights, duties and obligations of the parties to the Agreement is not the subject before the Commission in this case. The resolution of any contractual dispute is an issue between the two companies and the Commission has a history of not becoming involved in such matters. (See *In the Matter of the Joint Application of Missouri Gas Company et al.*, 3 Mo P.S.C.3d 216, 220-221). In this case, the Commission has been asked to address the question of whether or not the proposed merger is detrimental to the public interest, not whether the terms of the Agreement have been satisfied. To that end, the parties to this case have presented evidence to the Commission. The matter has been fully briefed and now awaits the Commission's decision.

4. UtiliCorp is very sensitive to the time required by the Commission to deliberate and issue a Report and Order concerning the proposed merger with SJLP. However, there has been no announcement from either UtiliCorp or SJLP indicating that the merger will not be accomplished. UtiliCorp will advise the Commission immediately if the Agreement is terminated. In the meantime, recognizing that the Commission has the discretion, in any event, as to when it will take up this case for discussion and decision, UtiliCorp respectfully urges the Commission to commence said deliberations in its normal course and to thereafter issue its Report and Order in this matter in time to permit the transaction to close by year end.

WHEREFORE, UtiliCorp respectfully requests the Commission to deny the Staff's motion.

Respectfully submitted,

mbC.Or

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Attorneys for UtiliCorp United Inc.

Certificate of Service

I hereby certify that a true and correct copy of the above and foregoing document was sent by U.S. Mail, postage prepaid, or hand-delivered, on this $\frac{474}{100}$ day of October, 2000, to all parties of record.

fore C. Swan