

STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION

At a Session of the Public Service  
Commission held at its office  
in Jefferson City on the 19th  
day of December, 1990.

In the matter of the joint application of UtiliCorp United )  
Inc., a Delaware corporation, and Green Securities, Inc., a )  
Missouri corporation, for an order declining jurisdiction ) CASE NO. EM-91-203  
or, alternatively, for an order approving the merger of )  
Green Securities, Inc. with and into UtiliCorp United Inc. )

ORDER APPROVING MERGER

On November 15, 1990, UtiliCorp United Inc. (UtiliCorp) and Green Securities, Inc. (GSI) filed a joint application requesting the Commission authorize the two companies to merge with GSI becoming a wholly-owned subsidiary of UtiliCorp. Transactions contemplated by the merger require the prior authorization of the Commission pursuant to Section 393.190, RSMo 1986.

On November 28, 1990, the Commission issued its Order and Notice to allow proper persons to intervene. On December 3, 1990, the joint Applicants filed a motion to expedite the intervention date and on December 7, 1990, the Commission issued an order approving their motion.

UtiliCorp states that it has entered into an agreement to exchange shares of its common stock for all of the issued and outstanding shares of common stock of GSI and to merge GSI with and into UtiliCorp. This venture would allow UtiliCorp to directly own the warehouse which it is now leasing from GSI; thereby providing an opportunity to reduce related overhead expenses and prevent loss of investments in the improvements made in the warehouse.

On December 17, 1990, the Commission's Staff filed a recommendation concerning the proposed merger. Staff stated that they cannot determine how this merger will affect the operations of UtiliCorp and recommends that the Commission's

order state that by approving the merger the Commission is not preapproving any specific ratemaking treatment with regard to the merger. Also, Staff recommends that the Commission order the Company to file with the Commission journal entries utilized by UtiliCorp to record this merger onto its books.

The Commission has reviewed Staff's recommendation and Companies' application. The Commission has determined that the authorization sought will be granted with the stipulation that UtiliCorp file with the Commission its journal entries utilized by it to record the merger onto its books. Also, with the understanding that the Commission is not preapproving any specific ratemaking treatment with regard to the merger.

IT IS THEREFORE ORDERED:

1. That the merger of UtiliCorp United Inc. and Green Securities, Inc., is hereby approved with the stipulation that UtiliCorp file with the Commission its journal entries utilized to record the merger onto the books.

2. That nothing in this order shall be considered as a finding by the Commission of the value for ratemaking purposes of the properties herein involved, nor as an acquiescence in the value placed upon said properties by the Applicants. Furthermore, the Commission reserves the right to consider the ratemaking treatment to be approved by the transactions herein, and the resulting cost of capital and service, in any later proceeding.

3. That this Order shall become effective on December 31, 1990.

BY THE COMMISSION

*Brent Stewart*

Brent Stewart  
Interim Executive Secretary

(S E A L)

Steinmeier, Chm., Mueller, Rauch,  
McClure and Letsch-Roderique, CC.,  
Concur.