

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION  
JEFFERSON CITY  
March 26, 2002**

**CASE NO: EO-2002-215**

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

Sincerely,



**Dale Hardy Roberts**  
**Secretary/Chief Regulatory Law Judge**

**Uncertified Copies:**

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service  
Commission held at its office in  
Jefferson City on the 26th day  
of March, 2002.

In the Matter of the Application of UtiliCorp United Inc.     )  
for Authority to Acquire the Shares of Avon Energy         ) **Case No. EO-2002-215**  
Partners Holdings and to Take All Other Actions            )  
Reasonably Necessary to Effectuate Said Transaction.     )

**ORDER DENYING MOTION FOR SUPPLEMENTAL ORDER,  
GRANTING REQUEST TO AMEND APPLICATION,  
AND DIRECTING STAFF RECOMMENDATION**

This order denies UtiliCorp United, Inc.'s request for the issuance of a supplemental Commission order by March 29, 2002, and directs the Staff of the Missouri Public Service Commission to file a recommendation. The order also grants UtiliCorp's motion to amend its application and establishes a time frame for responses to Staff's second recommendation.

On October 30, 2001, UtiliCorp filed an application requesting authority to acquire 100 percent of the outstanding shares of Avon Energy Partners Holding from EI UK Holdings, Inc. On December 18, 2002, the Commission approved the transaction. The Commission's order approving the transaction specifically conditioned its approval on the participation of the financial partner and the representations described in the application. The Commission informed UtiliCorp in its order that if it proceeded differently, it would need to file a new application. On March 18, 2002, UtiliCorp made a motion for the Commission to issue a supplemental order or, in the alternative, to allow it to amend its application.

UtiliCorp has made an agreement with a new financial partner for this transaction. UtiliCorp's motion compares the transaction as originally filed with the current transaction. UtiliCorp states that the new transaction would differ in three areas: 1) financial ratios; 2) price and payment; and 3) economic interest. UtiliCorp states that these changes are either insignificant or immaterial to the overall transaction. UtiliCorp further requested that the Commission issue an order approving the transaction no later than March 29, 2002.

Staff filed a response on March 21, 2002. Staff requested that the Commission allow it additional time to review the amended transaction and make a recommendation. Staff stated that after an initial review of the confidential agreement, it needs additional time to conduct a complete review of the terms of the transaction. Furthermore, Staff states that in its opinion, there is sufficient time for such a review. Staff stated that it believes that with UtiliCorp's cooperation Staff can file a recommendation within 30 days.

The Commission has reviewed the motion made by UtiliCorp and the response of Staff and determines that additional review of the transaction should be made by the Commission. Although UtiliCorp alleges that "the additional investment has no significant impact on UtiliCorp's financial ratio" and the "financial changes do not result in any material change," the Commission determines that the changes it proposes are significant enough to make an additional review by the Commission Staff necessary as the Commission contemplated in its order. Therefore, the Commission will deny UtiliCorp's motion for a supplemental order. In addition, the Commission will grant UtiliCorp's alternative motion to amend its application. Finally, the Commission will direct its Staff to make a review of the

new transactional terms and make a recommendation to the Commission in an expeditious manner.

**IT IS THEREFORE ORDERED:**

1. That the motion for a supplemental order by UtiliCorp United Inc. is denied.
2. That the motion by UtiliCorp United Inc. to amend its application is granted.
3. That the Staff of the Missouri Public Service Commission shall expeditiously review the amended application and make a second recommendation in this matter no later than April 20, 2002.
4. That any responses to the Staff of the Missouri Public Service Commission's second recommendation shall be filed no later than April 25, 2002.
5. That this order shall become effective on April 5, 2002.

**BY THE COMMISSION**



**Dale Hardy Roberts**  
**Secretary/Chief Regulatory Law Judge**

( S E A L )

Simmons, Ch., Lumpe, Gaw,  
and Forbis, CC., concur.  
Murray, C., absent.

Dippell, Senior Regulatory Law Judge

Att/Secretary: Dyckhoff 11<sup>th</sup> me  
Date Circulated 3-25 EO-2002-215 CASE NO.  
KS  
Simmons, Chair absent  
Murray, Commissioner absent  
Lumpke, Commissioner absent  
Gaw, Commissioner absent  
Forbis, Commissioner absent  
3-26  
Agenda Date  
Action taken: 4-0 AS  
Must Vote Not Later Than

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 26<sup>th</sup> day of March 2002 .

Dale Hardy Roberts

Dale Hardy Roberts  
Secretary/Chief Regulatory Law Judge

