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October 23, 2000

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P. O. Box 360
Jefferson City, MO 65102

FILED³

OCT 23 2000

Missouri Public
Service Commission

RE: Case No. EO-2000-845

Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and eight (8) conformed copies of the **STAFF'S POSITION STATEMENTS**.

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,

Nathan Williams
Assistant General Counsel
(573) 751-8702
(573) 751-9285 (Fax)

NW/lb
Enclosure
cc: Counsel of Record

BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the matter of the Application of St. Joseph)
Light & Power Company for the Issuance of)
an Accounting Authority Order Relating to its)
Electrical Operations.)

Case No. EO-2000-845

FILED³
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Missouri Public
Service Commission

STAFF'S POSITION STATEMENTS

COMES NOW the Staff of the Missouri Public Service Commission ("Staff") and submits the following Position Statements on the contested issues identified by the parties:

1. Should the Commission grant to SJLP an Accounting Authority Order to defer recognition of the costs it incurred as the result of the incident at Unit 4/6 at SJLP's Lake Road Power Plant on June 7, 2000?

Staff position: No.

2. Was the cause of the costs SJLP seeks to defer in this case due to SJLP operator error?

Staff Position: Yes.

3. If the answer to (2) is "yes," was the SJLP operator error that caused the costs SJLP seeks to defer in this case the result of circumstances created by SJLP?

Staff position: Yes.

4. If the answer to (3) is "yes," should the Commission grant to SJLP an Accounting Authority Order to defer recognition of the costs it incurred as the result of the incident at Unit 4/6/ at SJLP's Lake Road Power Plant on June 7, 2000?

Staff position: No.

5. Was the cause of the incident at Unit 4/6 at the Lake Road Power Plant on June 7, 2000, the result of SJLP's acts and/or omissions?

Staff position: Yes.

6. Was the event involving Unit 4/6 at the Lake Road Power Plant on June 7,

2000, an "extraordinary event" as that term has been used by the Commission in the approval of past Accounting Authority Orders?

Staff position: Yes. However, the Staff is unaware of any prior Commission case where the Commission has addressed a request for an accounting authority order seeking to defer recognition of costs resulting from operational events normally within the exclusive control of the company.

7. Was the event involving Unit 4/6 at the Lake Road Power Plant on June 7, 2000, a "nonrecurring event" as that term has been used by the Commission in the approval of past Accounting Authority Orders?

Staff position: Yes.

8. Do the costs identified by SJLP resulting from the June 7, 2000 event qualify as "material" under the definition of that word in the Uniform System of Accounts?

Staff position: Yes.

9. Should the Commission adopt the new criteria for the issuance of an AAO advocated by Staff in the prepared rebuttal testimony of Mr. Harris?

Staff position: Yes; however, the Commission could deny SJLP's request without adopting the criteria proposed by the Staff.

10. Should the Commission authorize the deferral of \$3,332,931 as requested by SJLP, or some other amount?

Staff position: While the Staff disputes that recognition of any costs should be deferred in this case, the Staff does not dispute that the amount of the net incremental costs incurred by SJLP in this case is \$3,332,931.

11. Should the Commission address the issue of prudence in this case?

Staff position: Yes.

12. If the Commission allows SJLP to defer costs pursuant to an AAO, when should the Commission require the amortization to begin?

Staff position: On the date the Commission makes its order granting the AAO effective.

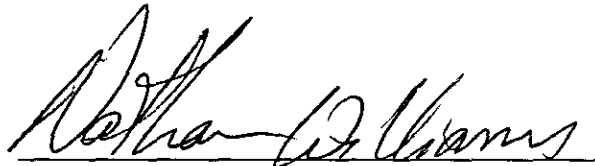
13. If the Commission allows SJLP to defer costs pursuant to an AAO, when should SJLP be required to file a rate case to recover the deferred costs?

Staff position: If the Commission does not require amortization to begin on the date the Commission makes its order granting the AAO effective, then SJLP should be required to

file a rate case within ninety (90) days of the date the Commission makes its order granting the AAO effective.

Respectfully submitted,

DANA K. JOYCE
General Counsel



Nathan Williams
Assistant General Counsel
Missouri Bar No. 35512

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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 23rd day of October, 2000.



Service List for
Case No. EO-2000-845
Revised: October 23, 2000 (lb)

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