

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Tariffs of Aquila, Inc., d/b/a)	
Aquila Networks – MPS and Aquila Networks – L & P)	
Increasing Electric Rates for the Services Provided)	Case No. ER-2007-0004
to Customers in the Aquila Networks – MPS and)	
Aquila Networks – L & P Service Areas.)	

PREHEARING BRIEF OF THE CITY OF KANSAS CITY

Although the City of Kansas City, Missouri (the “City”) has not sponsored a witness, it is still highly interested in this proceeding. As it has done in past Aquila rate cases, the City has trained its focus primarily on the Company’s demand side management programs, particularly the low income weatherization program which has been developed by Aquila in accordance with stipulations approved by this Commission, the most recent of which was approved in Case No ER-2005-0436. The issue in this case has been identified as:

Should the Demand Side Management programs Aquila proposes be approved? If so, who should bear the costs of the programs?

Very briefly, the City joins in large measure the Missouri Department of Natural Resources, Energy Center and its witness Brenda Wilbers in recommending approval of Aquila’s proposal to continue offering the low-income weatherization program. This program along with energy education, affordable housing and an education program for schools were identified by Aquila witness, Mr. Matthew Daunis, in Schedule MED-3 (Public Purpose programs) of his written testimony. The first year budget for the Demand Side Management and Public Purpose programs (\$2,523,200) has been included in this rate case (Daunis direct, page 8). Mr. Daunis’s Schedules MED-2 and MED-3 also include program budgets for 5 years: Year 1 - \$2,523,200;

Year 2 - \$3,222,200; Year 3 - \$4,221,900; Year 4 - \$4,473,600; and Year 5 - \$4,729,500. The City supports Aquila's proposal to annually increase its support for these programs in the amounts and allocations scheduled by Mr. Daunis.

Regarding cost recovery, the City has no objection to allowing Aquila to recover the costs of implementing these programs in a manner like that authorized in Commission approved regulatory plans for other public utilities.

Respectfully submitted,

/s/ Mark W. Comley

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Certificate of Service

I hereby certify that a true and correct copy of the above and foregoing document was sent via email on this 29th day of March, 2006, to:

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