

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of the Application of	)	
Aquila, Inc., d/b/a Aquila Networks - MPS	)	Case No. GE-2004-0528
for a waiver from the application of certain tariff	)	
language regarding.	)	

**REFUND REPORT**

Comes now Aquila, Inc. ("Aquila"), and, as its Refund Report, states as follows to the Missouri Public Service Commission ("Commission"):

1. On April 29, 2004, the Commission issued its Order Granting Waiver Regarding Refunds. The Order permitted Aquila to provide certain Kansas *ad valorem* tax refunds to Aquila's MPS system customers in a lump sum payment or bill credit.

2. The approved method for providing such refunds was identified in paragraphs 8 - 13 of Aquila's Application, as amended. This method included the notification of current Large Volume or Large Volume Transportation customers in order to provide them with the opportunity to share in the refund, if they were sales customers in the relevant 1983-1988 time frame.

3. Aquila has since completed this refund process. Summaries of the payment of refunds received from the Southern Star and Panhandle Eastern (PEPL) pipelines are marked Appendix A and Appendix B, respectively, and attached hereto.

4. These appendices reflect that Aquila has refunded \$1,755,026 in *ad valorem* tax refunds to its MPS system customers. Aquila was unable to refund a total of \$127,206, through the approved refund process. This amount includes \$102,116 in refunds identified for residential, small commercial, other sales and company use customers (\$87,724 on Southern Star and \$14,392 on PEPL). The undistributed residential refund dollars were largely caused by customers who left the

system and now have inactive accounts. Customers that were active on March 1, 2003 (when the refunds were calculated), then became inactive before the refund was processed on May 10, 2004, did not receive a refund.

5. Aquila did not refund \$25,091 of the amount identified as available for large volume/industrial customers (\$19,895 of which was on Southern Star and \$5,196 on PEPL). These amounts are a result of customers that were not on the system in the 1983-1988 time frame and, thus, were not eligible for the refund.

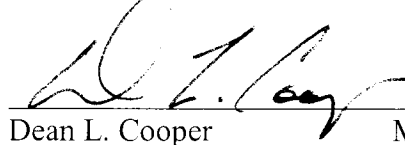
6. Aquila intends to include all remaining *ad valorem* refund dollars in its 2003/2004 Annual ACA filing in accordance with Sheets 57-58 of its tariff.

7. Further, Aquila has received three checks associated with *ad valorem* refunds that were not included in the Application in this case -- one check associated with Southern Star (Refund Check 700667) in the amount of \$5,838, and two checks associated with PEPL (Refund Check 0002090606 and Refund Check 0002083964) in the amounts of \$4,170 and \$2,436. Because of the *de minimis* amount of these additional refunds, it is Aquila's intention to also include these dollars in its 2003/2004 Annual ACA filing.

WHEREFORE, Aquila respectfully requests the Commission consider this Refund Report

and, thereafter, issue its Order closing this case.

Respectfully submitted,



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ATTORNEYS FOR AQUILA, INC.

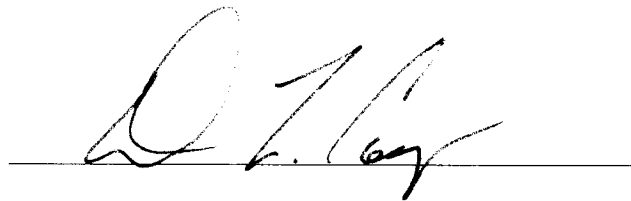
### **CERTIFICATE OF SERVICE**

The undersigned certifies that a true and correct copy of the foregoing document was sent by electronic mail, on October 12, 2004, to the following:

Thomas R. Schwarz, Jr.  
Office of the General Counsel  
Governor Office Building, 8<sup>th</sup> Floor  
Jefferson City, Mo 65101

Douglas Micheel  
Office of the Public Counsel  
Governor Office Building, 6<sup>th</sup> Floor  
Jefferson City, MO 65101

Mr. Stuart W. Conrad  
Finnegan, Conrad & Peterson, L.C.  
Penntower Office Center  
3100 Broadway, Suite 1209  
Kansas City, MO 64111



## ***Appendix A***

### ***Southern Star Docket RP-98-52***

<b><i>Original Refund Amt (Wired)</i></b>	<b><i>\$1,667,110</i></b>
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<b>Total Available Refund for Residential, Small Commercial, Other Sales &amp; Company Use</b>	<b>\$1,228,897</b>
<b>Refunded to Customers (May 2004)</b>	
Residential	\$733,091
Sm. Commercial/Other Sales	\$407,054
Company Use	\$1,028
<b>Total Amount Refunded</b>	<b>\$1,141,173</b>
<b>Remaining Refund Amount</b>	<b>\$87,724</b>

<b>Total Available Refund for Lg. Volume/Industrial Customers</b>	<b>\$438,213</b>
<b>Refunded to Customers (July 2004):</b>	
Lg. Volume/Industrial Customers	\$418,318
<b>Total Amount Refunded</b>	<b>\$418,318</b>
<b>Remaining Refund Amount</b>	<b>\$19,895</b>

<b>Total Remaining Refund Amount to be included in Annual Filing:</b>	<b>\$107,619</b>
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## **Appendix B**

### **PEPL Docket RP-98-40**

<b>Original Refund Amt (Wired)</b>	<b>\$ 215,122</b>
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<b>Total Available Refund for Residential, Small Commercial, Other Sales &amp; Company Use</b>	<b>\$158,576</b>
<b>Refunded to Customers (May 2004):</b>	
Residential	\$93,373
Sm. Commercial/Other Sales	\$50,701
Company Use	\$110
<b>Total Amount Refunded</b>	<b>\$144,184</b>
<b>Remaining Refund Amount</b>	<b>\$14,392</b>

<b>Total Available Refund for Lg. Volume/Industrial Customers</b>	<b>\$56,547</b>
<b>Refunded to Customers (July 2004):</b>	
Lg. Volume/Industrial Customers	\$51,351
<b>Total Amount Refunded</b>	<b>\$51,351</b>
<b>Remaining Refund Amount</b>	<b>\$5,196</b>

**Total Remaining Refund Amount to be included in Annual Filing: \$19,588**