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DIANA C. FARR
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OF COUNSEL
RICHARD T. CIOTONE

May 1, 2002

Mr. Dale Hardy Roberts
Executive Secretary
Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

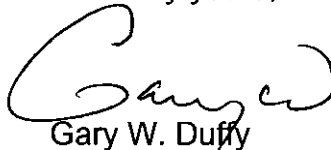
RE: Application for AAO by Aquila, Inc.

Dear Mr. Roberts:

Enclosed for filing in the above-referenced proceeding on behalf of Aquila, Inc.
please find an original and eight copies of an Application for Accounting Authority Order

If you have any questions, please give me a call.

Sincerely yours,


Gary W. Duffy



/gwd

Enclosures

cc w/encl:

Office of Public Counsel
Office of the General Counsel
Dennis Williams

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

In the Matter of Aquila Inc.'s application for the)
issuance of an Accounting Authority Order relating)
to its electrical operations in the Aquila Networks -)
MPS division as a result of a severe ice storm.)

Case No. EO-2002-_____

**APPLICATION FOR ACCOUNTING
AUTHORITY ORDER**

COMES NOW Aquila, Inc. ("Aquila") by and through its counsel, and for its
Application for Accounting Authority Order respectfully states as follows:

Summary

1. This application requests an order which authorizes deferred accounting treatment for certain material and extraordinary costs incurred by Aquila in restoring electrical service to thousands of its customers in Missouri after a severe ice storm struck the Kansas City and western Missouri area on January 30 and 31, 2002, and damaged much of Aquila's electrical distribution system. This application concerns only the former Missouri Public Service division.

Background

2. Aquila is a Delaware corporation, (formerly known as UtiliCorp United Inc.) with its principal office and place of business at 20 W. Ninth Street, Kansas City, Missouri 64138. Aquila is authorized to conduct business in Missouri through its Aquila Networks - MPS and Aquila Networks - L&P operating divisions and, as such, is engaged in providing electrical, natural gas and heating company utility service in

Missouri to customers in its service areas. A certified copy of Aquila's Amended Certificate of Authority to do business in this state as a foreign corporation is attached hereto as **Appendix A** and made a part hereof for all purposes. Copies of the Registrations of Fictitious Name of Aquila Networks - MPS and Aquila Networks - L&P are attached hereto as **Appendix B** and **Appendix C**, respectively, and made a part hereof for all purposes.

3. Aquila is an "electrical corporation," a "gas corporation," a "heating company" and a "public utility" as those terms are defined in Section 386.020, RSMo. 2000, and is subject to the jurisdiction and supervision of the Missouri Public Service Commission ("Commission") as provided by law. Aquila also has regulated energy operations in six other states and in New Zealand, Australia and Canada. Aquila has no pending or final judgments or decisions against it from any state or federal agency or court which involve inferior customer service occurring within the three (3) years immediately preceding the filing of this Application. For that same time period, Aquila had a rate case in Missouri for its MPS operating division, a rate case in Kansas for its WPK operating division and a rate case in Minnesota for its PNG operating division. Aquila has no overdue Commission annual reports or assessment fees.

4. Correspondence, communications and orders of the Commission in regard to this Application should be addressed to:

Dennis Williams
Manager, Missouri Electric Regulatory Affairs
Aquila Inc.
10700 East 350 Highway
P.O. Box 11739
Kansas City, Missouri 64138
Telephone: (816) 737-7857

Facsimile: (816) 737-7505
E-mail: dennis.williams@aquila.com

Gary W. Duffy, Attorney at Law
Brydon, Swearingen & England P.C.
312 Capital Avenue
P.O. Box 456
Jefferson City, MO 65102-0456
(573) 635-7166
(573) 635-3847 facsimile
E-mail: Duffy@brydonlaw.com

Application

5. By this filing, Aquila Networks - MPS ("MPS") seeks authority from the Commission to undertake certain accounting procedures in connection with its electrical operations for that division. This filing does not apply to the Aquila Networks - L&P division (formerly St. Joseph Light & Power Company). Beginning on January 30, 2002, MPS's service territory experienced the effects of an ice storm of historical proportions which resulted in almost half of MPS's customers having their electric service interrupted due to downed power lines. In some places, ice accumulated to almost two inches in thickness on power lines and tree limbs, resulting in broken power lines, broken utility poles, and customers having electric meter sets ripped off the side of their homes. Other electric utility systems in the area were also severely affected. At the height of the disruption, approximately 95,000 of MPS's customers (40 percent of its customers in the area) were without service. As a direct consequence of this unpreventable natural disaster, MPS has been required to expend considerable sums of money and resources in order to restore service to its customers as quickly as humanly possible. In addition to its own service crews, MPS engaged the services of numerous other crews from other utilities in other states and also hired tree-trimming and removal

crews from as far away as Texas. At the peak of its restoration efforts, MPS had almost 700 people working long hours to restore service. Every MPS customer had service restored by February 11, 2002.

6. Major resources expended on this project included overtime salaries, depletion of inventory, equipment expense, and contract costs, including the cost of food and lodging for crews.

7. These expenditures and loss of inventory were, considering the magnitude of the ice storm and MPS's operations, extraordinary and material. MPS currently has incurred incremental operating expenses of at least \$6,000,000 for this event but final amounts have yet to be determined. The financial impact of this storm is not now, and has never been, reflected in the rates MPS charges for electric service in Missouri, since rates are set on the premise of normalcy.

8. As a consequence of the extraordinary impact of this natural disaster, Aquila seeks an order from the Commission authorizing MPS to defer and record in Uniform System of Accounts number 182.3 for MPS, the incremental operating expenses incurred by MPS as a result of and in connection with this natural disaster. Aquila requests that the order authorize these deferrals to be amortized for financial reporting purposes beginning with the effective date of the Commission's order and continue over a five year (60 month) period. The AAO should be issued by the Commission before June 30, 2002, so that it can be contained in the financial release made for the second quarter of Aquila's 2002 fiscal year.

9. This Commission has a history of issuing Accounting Authority Orders ("AAO") for utilities when natural disasters in the past such as ice storms or major floods

have caused similar extraordinary remedial costs, and such orders have resulted in the amortization of such extraordinary costs over a multi-year period in conjunction with subsequent general rate cases. Treating these extraordinary costs as an accounting expense in a one year period, which may be required in the absence of an AAO as requested here, is neither reasonable nor appropriate, can produce unnecessarily adverse effects on a utility's financial reports, and has not been required by this Commission in past similar situations. Assuming the Commission issues the AAO as requested here, MPS expects to propose a five year amortization of the expenses for rate-making purposes at the appropriate time in a subsequent general rate case. This would be quite similar to the treatment which similar costs have received in the past. In view of the Commission's previously expressed desire to deal with such matters on a timely basis, MPS would agree to a condition on such an AAO that it seek recovery of such deferred costs in a general rate case within a three year period of the granting of such relief.

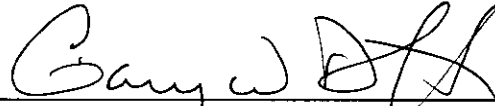
10. MPS therefore requests that the Commission issue an AAO which authorizes it to account for the expenses described herein in the manner requested.

WHEREFORE, Aquila respectfully requests that the Commission:

(A) issue an Accounting Authority Order which authorizes it to record the incremental operating expenses relating to the ice storm in Account 182.3 as requested; and

(B) grants such other relief as may be deemed necessary and appropriate which is not inconsistent with this pleading.

Respectfully submitted,



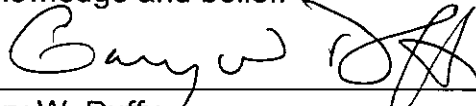
Gary W. Duffy MBE #24905
BRYDON, SWEARENGEN & ENGLAND P.C.
312 E. Capitol Avenue
P. O. Box 456
Jefferson City, MO 65102
(573) 635-7166 voice
(573) 635-3847 facsimile
Email: Duffy@Brydonlaw.com

ATTORNEYS FOR
AQUILA, INC.

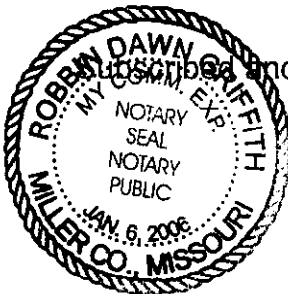
AFFIDAVIT

State of Missouri)
) ss
County of Cole)

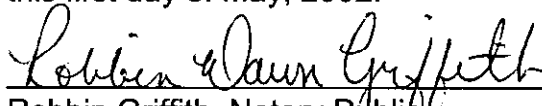
I, Gary W. Duffy, having been duly sworn upon my oath, state that I am an attorney for Aquila, Inc., that I am duly authorized to make this affidavit on behalf of Aquila, Inc., and that the matters and things stated in the foregoing pleading are true and correct to the best of my information, knowledge and belief.



Gary W. Duffy



Subscribed and sworn before me this first day of May, 2002.



Robbin Griffith, Notary Public

Certificate of Service

The undersigned certifies that a true and correct copy of the foregoing pleading was hand delivered this first day of May, 2002, to the Office of the Public Counsel and the Office of the General Counsel.



Gary W. Duffy

No. F00300558

STATE OF MISSOURI



Matt Blunt
Secretary of State

CORPORATION DIVISION

CERTIFICATE OF CORPORATE RECORDS

AQUILA, INC.

using in Missouri the name

AQUILA FOREIGN QUALIFICATIONS CORPORATION

I, MATT BLUNT, Secretary of State of the State of Missouri and Keeper of the Great Seal thereof, do hereby certify that the annexed pages contain a full, true and complete copy of those certain original documents on file and of record in this office for which certification has been requested.

IN TESTIMONY WHEREOF, I have set my hand and imprinted the GREAT SEAL of the State of Missouri, on this, the 1st day of MAY, 2002.


Secretary of State



No. F00300558

STATE OF MISSOURI



Matt Blunt
Secretary of State

CORPORATION DIVISION
AMENDED CERTIFICATE OF AUTHORITY
OF A FOREIGN CORPORATION

WHEREAS,

AQUILA, INC. D/B/A AQUILA FOREIGN QUALIFICATIONS CORPORATION

Formerly,

UTILICORP UNITED INC.

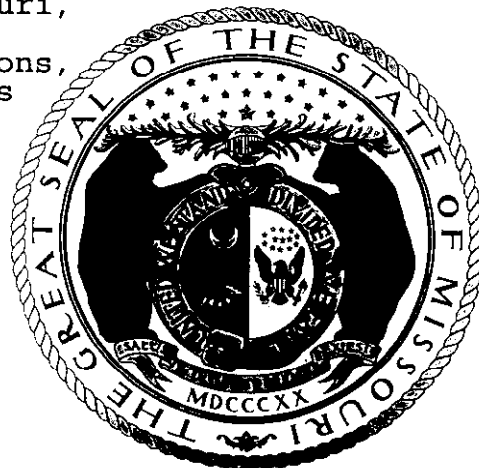
incorporated under the laws of the State of DELAWARE and now in existence and in good standing in said State, and qualified to transact business in Missouri has delivered to me, duly authenticated evidence of an amendment to its Articles of Incorporation as provided by law, and has, in all respects, complied with the requirements of the The General and Business Corporation Law of Missouri, governing Amendments to the Articles of Incorporation of Foreign Corporations, and in accordance therewith issue this Certificate of Amendment.

IN TESTIMONY WHEREOF, I have set my hand and imprinted the GREAT SEAL of the State of Missouri, on this, the 19th day of MARCH, 2002.

Matt Blunt

Secretary of State

\$25.00





State of Missouri
Matt Blunt, Secretary of State

Corporations Division
P.O. Box 778, Jefferson City, MO 65102

James C. Kirkpatrick State Information Center
600 W. Main Street, Rm 322, Jefferson City, MO 65101

**Application for an Amended Certificate of
Authority for a Foreign Corporation**
(Submit in duplicate with filing fee of \$25.00)

FILED

MAR 19 2002

Matt Blunt
SECRETARY OF STATE

The below corporation, relating to amending its certificate of authority of Foreign Corporation, does hereby state:

- (1) Its name is: UtiliCorp United Inc.
and is incorporated in the State of: Delaware; and it
was qualified in the State of Missouri on 03/27/1987
(month/day/year)
- (2) By appropriate corporate action on: 03/15/2002, the corporation:
(month/day/year)
- (1) Changed its corporate name to: Aquila, Inc.
Name it will use in Missouri if new name not available: Aquila Foreign Qualifications Corporation
- (2) Changed its period of duration to: _____
- (3) Changed the state or country of its incorporation to: _____
- (3) There is attached hereto a Certificate of the Secretary of State of the State of Delaware
relating to the amendment(s), set forth in item 2 above and showing that the Corporation is in existence and in
good standing in said State.
- (4) The effective date of this document is the date it is filed by the Secretary of State of Missouri, unless you indicate
a future date, as follows: _____
(Date may not be more than 90 days after the filing date in this office)

In affirmation thereof, the facts stated above are true.

Sara L. Henning
(Authorized Signature)

Sara L. Henning
(Printed Name)

Assistant Secretary
(Title)

(month/day/year)

Attached is an original current certificate attesting to the change, duly authenticated by the secretary of state or
other official having custody of corporate records in the state or country of incorporation.

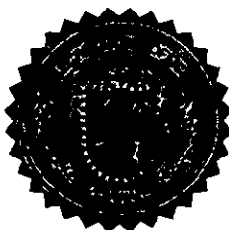
Delaware

PAGE 1

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THAT THE SAID "UTILICORP UNITED INC.", FILED A CERTIFICATE OF OWNERSHIP, CHANGING ITS NAME TO "AQUILA, INC.", THE FIFTEENTH DAY OF MARCH, A.D. 2002, AT 8:30 O'CLOCK A.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE AFORESAID CORPORATION IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE NOT HAVING BEEN CANCELLED OR DISSOLVED SO FAR AS THE RECORDS OF THIS OFFICE SHOW AND IS DULY AUTHORIZED TO TRANSACT BUSINESS.



2101053 8320

020177218

Harriet Smith Windsor
Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 1672050

DATE: 03-18-02

No. X00406059

STATE OF MISSOURI



Matt Blunt
Secretary of State

CORPORATION DIVISION

CERTIFICATE OF CORPORATE RECORDS

AQUILA NETWORKS-MPS

I, MATT BLUNT, Secretary of State of the State of Missouri and Keeper of the Great Seal thereof, do hereby certify that the annexed pages contain a full, true and complete copy of those certain original documents on file and of record in this office for which certification has been requested.

IN TESTIMONY WHEREOF, I have set my hand and imprinted the GREAT SEAL of the State of Missouri, on this, the 1st day of MAY, 2002.


Secretary of State





State of Missouri
Matt Blunt, Secretary of State

No. X 406059

Corporations Division

Registration of Fictitious Name

(Submit in duplicate with filing fee of \$7)

(Must be typed or printed)

10/22/2002

CK
B700
RC
512

This information is for the use of the public and gives no protection to the name. There is no provision in this Chapter to keep another person or business from adopting and using the same name. (Chapter 417, RSMo.)

We, the undersigned, are doing business under the following name, and at the following address:

Business name to be registered: Aquila Networks - MPS

Business Address: 20 W. 9th Street

(P.O. Box alone not acceptable)

City, State and Zip Code: Kansas City, MO 64105

The parties having an interest in the business, and the percentage they own are (if a business entity is owner, indicate business name and percentage owned. If all parties are jointly and severally liable, percentage of ownership need not be listed):

Name of Owners, Individual or Business Entity	Street and Number	City	State and Zip Code	If listed, Percentage of ownership must equal 100%
UtiliCorp United Inc.	20 W. 9th Street	Kansas City	MO 64105	100%
<u>F00 300558</u>				

Return to: Secretary of State
Corporations Division
P.O. Box 778
Jefferson City, Mo. 65102

(Over)

The undersigned, being all the parties owning interest in the above company, being duly sworn, upon their oaths each did say that the statements and matters set forth herein are true.

Individual
Owners
Sign Here

X _____ X _____
X _____ X _____
X _____ X _____

406059

If
Business Entity
Is
Owner,
Authorized
Person
Execute
Here

UTILICORP UNITED INC.
Business Name
Sara L. Henning Sara L. Henning Asst. Secretary
Authorized Signature Printed Name Title

State of Missouri

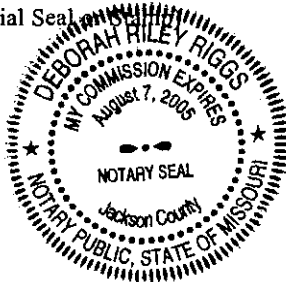
County of Jackson } ss

I, Deborah Riley Riggs, A Notary Public, do hereby certify that on 03/13/02
month/day/year

personally appeared before me Sara L. Henning, Asst. Secretary, and being duly sworn by me, acknowledged that he/she signed as his/her own free act and deed the foregoing document in the capacity therein set forth and declared that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year before written.

(Notarial Seal)



Corp. #56 (11/00)

[Signature]
Notary Public

My commission expires August 7, 2005

My County of Commission Jackson

DEBORAH RILEY RIGGS
Notary Public - State of Missouri
Jackson County
My Commission Expires: August 7, 2005

No. X00406500

STATE OF MISSOURI



Matt Blunt
Secretary of State

CORPORATION DIVISION

CERTIFICATE OF CORPORATE RECORDS

AQUILA NETWORKS - L&P

I, MATT BLUNT, Secretary of State of the State of Missouri and Keeper of the Great Seal thereof, do hereby certify that the annexed pages contain a full, true and complete copy of those certain original documents on file and of record in this office for which certification has been requested.

IN TESTIMONY WHEREOF, I have set my hand and imprinted the GREAT SEAL of the State of Missouri, on this, the 1st day of MAY, 2002.


Secretary of State





State of Missouri
Matt Blunt, Secretary of State

No. X _____

Corporations Division

FILED

JB
STC**Registration of Fictitious Name**

(Submit in duplicate with filing fee of \$7)

(Must be typed or printed)

FEB 10 2002

M. J.
SECRETARY OF STATE

This information is for the use of the public and gives no protection to the name. There is no provision in this Chapter to keep another person or business from adopting and using the same name. (Chapter 417, RSMo.)

We, the undersigned, are doing business under the following name, and at the following address:

Business name to be registered: Aquila Networks - L&PBusiness Address: 20 W. 9th Street

(P.O. Box alone not acceptable)

City, State and Zip Code: Kansas City, Missouri 64105

The parties having an interest in the business, and the percentage they own are (if a business entity is owner, indicate business name and percentage owned. If all parties are jointly and severally liable, percentage of ownership need not be listed):

Name of Owners, Individual or Business Entity	Street and Number	City	State and Zip Code	If listed, Percentage of ownership must equal 100%
Aquila, Inc. d/b/a Aquila	20 W. 9th Street	Kansas City	MO 64105	100%
Foreign Qualifications Corporation				
F300558				

Return to: Secretary of State
Corporations Division
P.O. Box 778
Jefferson City, Mo. 65102

(Over)

The undersigned, being all the parties owning interest in the above company, being duly sworn, upon their oaths each did say that the statements and matters set forth herein are true.

Individual
Owners
Sign Here

{

X _____ X _____
X _____ X _____
X _____ X _____

FILED

MAR 19 2002

Mark R. Blum
SECRETARY OF STATE

If
Business Entity
Is
Owner,
Authorized
Person
Execute
Here

{

AQUILA, INC. d/b/a AQUILA FOREIGN QUALIFICATIONS CORPORATION

Business Name

Sara L. Henning

Sara L. Henning

Asst. Secretary

Authorized Signature

Printed Name

Title

State of Missouri

County of Jackson

} ss

I, Deborah Riley Riggs, A Notary Public, do hereby certify that on March 12, 2002
month/day/year

personally appeared before me Sara L. Henning, and being duly sworn by me, acknowledged that he/she signed as his/her own free act and deed the foregoing document in the capacity therein set forth and declared that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year before written.

(Notarial Seal or Stamp)

[Signature]

Notary Public

My commission expires August 7, 2005

My County of Commission Jackson County

Corp. #56 (11/00)

