



Missouri Public Service Commission

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September 28, 2000

Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

FILED^2

SEP 28 2000

Missouri Public
Service Commission

RE: Case No. GE-2000-639

Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and eight (8) conformed copies of STAFF'S SUGGESTIONS IN SUPPORT OF STIPULATION AND AGREEMENT.

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,

Robert Franson
Robert V. Franson
Assistant General Counsel
(573) 751-6651
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RVF:sw
Enclosure
cc: Counsel of Record

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

FILED<sup>2</sup>

SEP 28 2000

Missouri Public  
Service Commission

In the Matter of the Application of )  
Utilicorp United Inc. d/b/a Missouri )  
Public Service for a Waiver of )  
Commission Rules 4 CSR 240-40.115 and )  
4 CSR 240-40.016 Concerning Capacity )  
Release Credits )

Case No. GE-2000-639

STAFF'S SUGGESTIONS IN SUPPORT OF STIPULATION AND AGREEMENT

COMES NOW the Staff ("Staff") of the Missouri Public Service Commission ("Commission") and respectfully states as follows:

1. On April 12, 2000, UtiliCorp United Inc. (UtiliCorp), filed with the Commission, pursuant to 4 CSR 240-40.015(10), 4 CSR 240-40.016(1) and 4 CSR 240-2.060(11), an Application (Application) for Waiver of 4 CSR 240-40.015 and 4 SCR 240-40.016.

2. In its Application, UtiliCorp requested that the Commission grant UtiliCorp a waiver from the Commission's affiliate transaction rules 4 CSR 240-40.015(2)(A) and 4 CSR 240-40.016(3)(A). These sections specifically prohibit a regulated Local Distribution Company (LDC) from providing a financial advantage to an affiliated entity.

3. A Unanimous Stipulation and Agreement was filed in this case on September 26, 2000.

4. As part of the Unanimous Stipulation and Agreement, Staff is required to submit Suggestions in Support of the Stipulation and Agreement.

5. The Stipulation recognizes that the affiliate transaction rule need not apply to capacity release transactions between the LDC and its affiliates in that capacity is released or sold at

going market rates and not at the fully distributed cost (FDC) of the capacity. The FDC value of released capacity would be much greater than the market rates and if used would cause the capacity to be very difficult to sell in the market place.

6. The Stipulation requires UtiliCorp to forgo any prearranged deals with its unregulated marketing affiliates. The only capacity release transactions between the LDC and its unregulated marketing affiliates which will be allowed are bulletin board releases which are open and available to all marketers whether affiliated or not.

7. The Stipulation requires UtiliCorp to provide detailed documentation to the Staff of all of its capacity releases to affiliates whether those affiliates are regulated or unregulated.

8. The Stipulation is for a temporary period of two years. This time period will allow the Staff to monitor the program and review the documentation. The Staff will be able to determine if the program is working properly and that the documentation is adequate. Staff can determine if the waiver should be extended, made permanent, modified or allowed to terminate.

**WHEREFORE**, for the reasons set forth in these Suggestions in Support of the Unanimous Stipulation and Agreement, Staff respectfully requests that the Commission issue an Order granting UtiliCorp's temporary waiver for a period of 2 years from the Commission's

affiliate transaction rules 4 CSR-40.015(2)(A) and 4 CSR 240-40.016(3)(A) with regard to capacity release transactions only in conformity with the Unanimous Stipulation and Agreement.

Respectfully submitted,

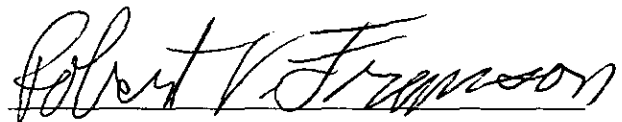
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### Certificate of Service

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 28<sup>th</sup> day of September, 2000.



**Service List for  
Case No. GE-2000-639  
Revised: September 28, 2000 (SW)**

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