

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

FILED<sup>2</sup>

AUG 28 2000 *mb*

Missouri Public  
Service Commission

In the matter of the Joint Applica- )  
tion of UtiliCorp United Inc. and )  
The Empire District Electric Compa- )  
ny for authority to merge The Em- )  
pire District Electric Company with )  
and into UtiliCorp United Inc. and, )  
in connection therewith, certain )  
other related transactions. )

EM-2000-369

ICI EXPLOSIVES USA, INC AND PRAXAIR, INC.  
STATEMENT OF POSITION

COME NOW Intervenors ICI EXPLOSIVES USA, INC. ("ICI")  
and PRAXAIR INC. ("Praxair") and provide their Statement of  
Position. With respect to issues not indicated, these parties  
will expect to support positions indicated by either Public  
Counsel or Commission Staff.

1. Issue I - Regulatory Plan - Overall.

- (1) Should the Companies' proposed regulatory  
plan for treating merger related savings and  
costs in rates be adopted in total as not  
detrimental to the public interest?

Position: No. Adoption of the Company's proposed  
regulatory plan would be detrimental to the  
public interest.

Testimony: David Meade (all)

- (2) Should the Empire District Electric Company  
be placed under a rate "moratorium" for five  
years following the "pre-moratorium rate  
proceeding"?

Position. No. The proposed moratorium is part of  
the Companies' overall regulatory plan, which

should be rejected. Savings should be flowed through to ratepayers on a current basis.

Testimony: David Meade (all)

2. Issue I - Acquisition Adjustment.

- (3) Should any portion of the acquisition adjustment ever be included in rates for (a) "recovery of" the acquisition adjustment or (b) "return on" the acquisition adjustment?

Position: No. These costs are and should be solely the responsibility of the shareholders. Any direct recovery of acquisition adjustment from ratepayers is detrimental to the public interest.

Testimony: David Meade (all)

3. Issue I - Pre-Moratorium Rate Proceeding.

- (1) Should various determinations concerning test year, update and true-up periods related to the proposed pre-moratorium rate proceeding be made by the Commission in this proceeding?

Position: No. The pre-moratorium rate proceeding proposal is part of the proposed regulatory plan and should be rejected as detrimental to the public interest. Any such determination should occur only in the context of a full rate proceeding where all relevant factors may be considered.

Testimony: David Meade (all)

4. Issue I - Stranded Costs.

- (1) Would ratepayers be harmed if UCU were allowed to include any portion of the acquisition adjustment in its future calculation of stranded costs?

Position: Yes. No part of the acquisition adjustment should ever be recovered from

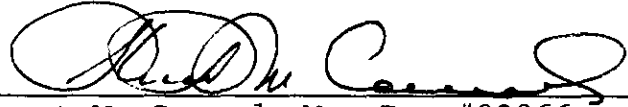
ratepayers. To do so is detrimental to the public interest.

Testimony: David Meade (all)

WHEREFORE, these intervenors pray that the Commission consider their Statement of Position.

Respectfully submitted,

FINNEGAN, CONRAD & PETERSON, L.C.



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ATTORNEYS FOR ICI EXPLOSIVES USA,  
INC and PRAXAIR INC.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing pleading by U.S. mail, postage prepaid addressed to all parties by their attorneys of record as provided by the Secretary of the Commission.



Stuart W. Conrad

Dated: August 28, 2000