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STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

PREHEARING CONFERENCE

August 1, 2001
Jefferson City, Missouri
Volume 1

In the Matter of the Tariff)
Filing of Missouri Public)
Service (MPS), a Division of)
UtiliCorp United Inc., to) Case No. ER-2001-672
Implement a General Rate) Tariff No. 200101173
Increase for Retail Electric)
Service Provided to Customers)
in the Missouri Service Area)
of MPS.)

BEFORE:

KEVIN A. THOMPSON, Presiding,
DEPUTY CHIEF REGULATORY LAW JUDGE.

REPORTED BY:

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Service.

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11 FOR: Sedalia Industrial Energy Users Association.

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15 FOR: County of Jackson, Missouri.

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19 FOR: City of Kansas City, Missouri.

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23 JOHN B. COFFMAN, Deputy Public Counsel
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25 FOR: Office of Public Counsel and the Public.

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FOR: Staff of the Missouri Public Service
5 Commission.
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1 P R O C E E D I N G S

2 (Written Entries of Appearance filed.)

3 JUDGE THOMPSON: Good morning. We're here in
4 the Matter of the Tariff Filing of Missouri Public
5 Service, a Division of UtiliCorp United Inc., to
6 Implement a General Rate Increase for Retail Electric
7 Service Provided to Customers in the Missouri Service
8 Area of Missouri Public Service.

9 This is Case No. ER-2001-672. My name is
10 Kevin Thompson. I'm the Regulatory Law Judge assigned
11 to preside over this matter. We will take oral entries
12 of appearance at this time beginning with the Company.

13 MR. COOPER: Dean L. Cooper and James C.
14 Swearengen from the law firm of Brydon, Swearengen &
15 England, P.C., P. O. Box 456, Jefferson City, Missouri
16 65102 appearing on behalf of UtiliCorp United Inc.
17 doing business as Missouri Public Service.

18 JUDGE THOMPSON: Thank you, Mr. Cooper.
19 Staff.

20 MR. WILLIAMS: Nathan Williams and Steven
21 Dottheim appearing on behalf of the Staff of the
22 Missouri Public Service Commission, P. O. Box 360,
23 Jefferson City, Missouri 65102.

24 JUDGE THOMPSON: Public Counsel.

25 MR. COFFMAN: John B. Coffman on behalf of the

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1 Office of the Public Counsel and the rate payers,
2 P. O. Box 7800, Jefferson City, Missouri 65102.

3 JUDGE THOMPSON: Thank you.

4 Mr. Conrad, I believe you represent
5 intervenors who have been admitted to the case already.

6 MR. CONRAD: That is correct, Your Honor. And
7 I'm here on behalf of a group that is called Sedalia
8 Industrial Energy Users Association. If you would like
9 to, for the benefit of the record here this morning, I
10 can give you the names of those companies.

11 JUDGE THOMPSON: No, I believe those are
12 already in the record.

13 MR. CONRAD: Okay. And my law office is in
14 Kansas City at 1209 Penntower, 3100 Broadway, Kansas
15 City, Missouri 64111. And I'm associated with the law
16 firm of Finnegan, Conrad & Peterson.

17 JUDGE THOMPSON: Thank you, sir.

18 Is Mr. Finnegan entering his appearance as
19 well?

20 MR. FINNEGAN: Yes, I would. I have made an
21 application to intervene, which has not been granted
22 yet. But I understand that -- from the Company that
23 there is no objection to this.

24 JUDGE THOMPSON: You're representing who?

25 MR. FINNEGAN: And I'm representing the County

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1 of Jackson, Missouri.

2 JUDGE THOMPSON: Okay.

3 MR. FINNEGAN: And I'm Jeremiah Finnegan,
4 3100 Broadway, Suite 1209, Kansas City, Missouri 64111.

5 JUDGE THOMPSON: Thank you very much.

6 Yes, ma'am.

7 MS. MARTIN: I'll also enter my appearance.
8 I'm Cathleen Martin of the law firm of Newman, Comley &
9 Ruth, Post Office Box 537, Jefferson City, Missouri
10 65102. I represent the City of Kansas City, Missouri,
11 which has filed an application to intervene in this
12 case.

13 JUDGE THOMPSON: Very good. Thank you.

14 Mr. Kincheloe.

15 MR. KINCHELOE: Duncan E. Kincheloe,
16 representing the Missouri Joint Municipal Electric
17 Utility Commission, 2407 West Ash, Columbia, Missouri
18 65203.

19 JUDGE THOMPSON: Thank you, sir.

20 Any other counsel present?

21 (No response.)

22 JUDGE THOMPSON: Okay. I understand there's
23 quite a few things that are pending, and we shall see a
24 flurry of orders issued by the Commission late this
25 week or early next week. And that should resolve

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1 questions like who's in the case, what's the test
2 you're gonna be, when will the true-up be and will
3 there be one, things like that.

4 Do the parties have anything to bring to my
5 attention at this time?

6 Mr. Williams.

7 MR. WILLIAMS: Yes, Judge.

8 In the Suspension Order and Notice the
9 Commission set out specific hearing dates. Staff is
10 wanting to know if those are -- if there's any
11 flexibility in those dates or if those will be the
12 dates that the hearings will be held.

13 JUDGE THOMPSON: No, there's -- there's --
14 there's -- flexibility exists. If you want to change a
15 date, make a motion. Everybody gets a chance to say
16 yes or no.

17 MR. WILLIAMS: Thank you, Judge.

18 JUDGE THOMPSON: What -- what sort of change
19 do you have in mind?

20 MR. WILLIAMS: We haven't discussed it with
21 the other parties, but one would be perhaps moving it
22 back a week or so, and another might be to shorten the
23 period for that evidentiary hearing.

24 JUDGE THOMPSON: Okay. Let me just say that
25 after my experience with the recent water rate case,

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1 that any effort to shorten the period of time that I
2 will have to write the order will be looked at with
3 some degree of alarm.

4 Mr. Conrad.

5 MR. CONRAD: Sure. Judge, you mentioned the
6 issue of test here, we did not take a specific position
7 on that and I'd just like for the record to indicate
8 that we are not proposing a different test year and
9 that has been apparently agreed upon by the parties, so
10 we would support that.

11 JUDGE THOMPSON: Very good.

12 Mr. Coffman.

13 MR. COFFMAN: Thank you. First, I just
14 want -- think that the record should reflect that a
15 continuing objection from the Office of Public Counsel
16 to this case be characterized as a Missouri Public
17 Service case. I don't think there's any point in
18 objecting to the style of the case, but I think that
19 belies a fundamental problem with this case, and -- and
20 it refers to a -- a -- merely a division within a
21 company.

22 In the past the Missouri Public Service was
23 synonymous with UtiliCorp in its Missouri
24 jurisdictional operations and -- and no longer is. And
25 we believe that UtiliCorp United Inc. is the proper

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1 company would have the right to -- to file a rate case
2 with the company -- or with the Commission.

3 And I don't need to belabor arguments. I've
4 made it in writing, but would -- would orally request
5 that this be finally rejected by the Commission as
6 it -- we did with the UtiliCorp filing earlier this
7 year involving various charges in the -- the St. Joseph
8 area. That would be Case No. ET-2001-482. And just
9 believe that the -- strongly that the Commission may
10 not lawfully grant an order that does not determine the
11 cost of service -- the revenue requirement for the
12 total Missouri jurisdictional operations of an
13 electrical corporation.

14 And we may respond to some arguments that were
15 made either today or tomorrow in response to my motion,
16 and -- and if I would just make this orally also the
17 request that the Commission hear oral arguments on this
18 issue. It's -- I believe it's such a fundamental
19 matter and -- and so -- so fundamental to the way the
20 Commission does rate making that it -- that this case
21 is a lack of proceeding set a -- set a precedent that
22 would be pretty bad for the public interest.

23 And we'd ask that -- have the opportunity to
24 present oral arguments to the full Commission on that
25 matter.

1 JUDGE THOMPSON: Thank you, Mr. Coffman.
2 Does anyone else have anything at this time?
3 (No response.)
4 JUDGE THOMPSON: Okay. With respect to
5 Mr. Coffman's motion for oral argument, as I'm sure the
6 parties are all aware, that one of the matters that is
7 pending is Public Counsel's motion to reject a tariff.
8 And the Commission has recently asked the Staff to {*/}
9 weigh in on that topic, and the Staff filed its
10 argument, I believe, last Friday.
11 And I was planning to ask this morning whether
12 any other party is going to jump in on that discussion.
13 We wouldn't want to deal with it before we have
14 received your pros -- you're working on something.
15 Okay.
16 Any response to Public Counsel's motion then
17 to set oral argument on that issue?
18 MR. CONRAD: Your Honor, before anyone speaks
19 in opposition to it, I think we would go on record as
20 supporting Mr. Coffman's request that that be presented
21 to the Commission at an appropriate time when, you
22 know, the -- the record is complete before -- as you
23 mentioned.
24 JUDGE THOMPSON: Thank you, sir.
25 Anyone else?

1 MS. MARTIN: Judge.

2 JUDGE THOMPSON: Yes, ma'am.

3 MS. MARTIN: Certainly Mark Comley from our

4 office is more familiar with the City of Kansas City's

5 position, but the City of Kansas City's position may

6 very well align with that of the Office of Public

7 Counsel, and there may be additional support that --

8 JUDGE THOMPSON: Okay.

9 MS. MARTIN: -- the City would like to file.

10 JUDGE THOMPSON: Thank you. And -- and when

11 you-all decide what the position is, let us know.

12 Anyone else?

13 (No response.)

14 JUDGE THOMPSON: Okay. I'll take that to the

15 Commissioners and see. I'm -- I -- I can't speak for

16 them, but I would suspect that they would want to hear

17 this oral argument. And we'll be taking this matter up

18 directly, because if it's granted, of course, that

19 stops the case. So there's no sense anyone spending

20 any more money on it.

21 Anything else at that point?

22 (No response.)

23 JUDGE THOMPSON: Okay. That will conclude the

24 recorded portion of the prehearing conference.

25 Thank you-all for coming down. Have a nice

1 day. We will be adjourned.

2 WHEREUPON, the on-the-record portion of the
3 prehearing conference was concluded.

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