

July 3, 2006

Ms. Colleen M. Dale
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
200 Madison Street, Suite 100
P.O. Box 360
Jefferson City, MO 65102-0360

Dear Ms. Dale:

Provided herewith to the Missouri Public Service Commission (“Commission”) on behalf of Aquila, Inc., d/b/a Aquila Networks – MPS (“MPS”) and Aquila Networks – L&P (“L&P”) for filing in electronic form are certain tariff sheets consisting of revised electric rate schedules and the information required by 4 CSR 240-3.030, Minimum Filing Requirements for General Rate Increase Requests.

The tariff sheets provided herewith are designed to implement a general electric rate increase and implement certain other changes all as described in Aquila’s direct testimony also being filed herewith. More specifically the tariff sheets are designed to increase MPS’s total annual electric revenue by approximately \$94.5 million, or 22.0%, exclusive of applicable franchise and occupational taxes. The tariff sheets are also designed to increase L&P’s total annual electric revenues by approximately \$24.4 million or 22.1%, exclusive of applicable franchise and occupational taxes. The tariff sheets being filed herewith are listed below and have an issue date of July 3, 2006 and a proposed effective date of August 2, 2006 .

The tariff sheets being filed are as follows:

Aquila Networks, PSC Mo. No. 1, Electric Rates, Effective August 2, 2006

3rd Revised Sheet No. 2	2nd Revised Sheet No. 23	2nd Revised Sheet No. 30
2nd Revised Sheet No. 18	2nd Revised Sheet No. 24	2nd Revised Sheet No. 31
2nd Revised Sheet No. 19	2nd Revised Sheet No. 25	2nd Revised Sheet No. 33
2nd Revised Sheet No. 21	2nd Revised Sheet No. 28	2nd Revised Sheet No. 34
2nd Revised Sheet No. 22	2nd Revised Sheet No. 29	2nd Revised Sheet No. 35

Aquila Networks, PSC Mo. No. 1, Electric Rates, Effective August 2, 2006
(Continued)

1st Revised Sheet No. 36	2nd Revised Sheet No. 57	2nd Revised Sheet No. 88
2nd Revised Sheet No. 41	1 st Revised Sheet No. 58	2nd Revised Sheet No. 89
2nd Revised Sheet No. 42	2nd Revised Sheet No. 59	2nd Revised Sheet No. 90
2nd Revised Sheet No. 43	2nd Revised Sheet No. 60	2nd Revised Sheet No. 91
2nd Revised Sheet No. 44	2nd Revised Sheet No. 61	2nd Revised Sheet No. 92
1st Revised Sheet No. 46	2nd Revised Sheet No. 66	1 st Revised Sheet No. 94
2nd Revised Sheet No. 47	2nd Revised Sheet No. 67	2nd Revised Sheet No. 95
2nd Revised Sheet No. 48	2nd Revised Sheet No. 68	2nd Revised Sheet No. 97
1 st Revised Sheet No. 49	1 st Revised Sheet No. 69	2nd Revised Sheet No. 99
2nd Revised Sheet No. 50	2nd Revised Sheet No. 70	2nd Revised Sheet No. 100
2nd Revised Sheet No. 51	2nd Revised Sheet No. 71	2nd Revised Sheet No. 103
2nd Revised Sheet No. 52	2nd Revised Sheet No. 74	2nd Revised Sheet No. 104
2nd Revised Sheet No. 53	2nd Revised Sheet No. 76	Original Sheet No. 124
2nd Revised Sheet No. 54	2nd Revised Sheet No. 79	Original Sheet No. 125
2nd Revised Sheet No. 55	2nd Revised Sheet No. 80	Original Sheet No. 126
2nd Revised Sheet No. 56	1 st Revised Sheet No. 82	

Under the tariff sheets filed herewith, the monthly billing for an MPS residential customer using 1,000 kWh per month would increase approximately \$21.19. The monthly billing for an L&P residential customer using 1,000 kWh per month would increase approximately \$16.09.

The rate increases for MPS and L&P are primarily driven by two factors: the need for additional long-term electric generation capacity required to provide safe and reliable service to Aquila's Missouri electric customers and the increase in fuel and purchased power prices and volumes. The cost of fuel, both gas and coal, necessary to operate Aquila's generating facilities has continued to escalate dramatically. Consequently, as part of this filing, Aquila is requesting the implementation of a fuel adjustment clause/mechanism ("FAC").

Also, provided herewith for filing with the Commission in electronic form is the direct testimony and schedules of the following Aquila witnesses:

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Jon R. Empson
Susan K. Braun
Kevin T. Noblet
Phillip M. Beyer
Ivan Vancas
Jeffrey J. Stamm

J. Matt Tracy
Samuel C. Hadaway
Ronald A. Klote
Matthew E. Daunis
Carol A. Lowndes

Robert D. Adkins
Block M. Andrews
H. Davis Rooney
Gary L. Gottsch
Dennis R. Williams

Please note that depreciation studies for both MPS and L&P electric and common plant as well as Aquila corporate plant were provided in Case No. ER-2004-0034. The databases for the depreciation studies and property unit catalog have been provided previously to the Commission Staff.

Two copies of this filing are being furnished this date to the Office of the Public Counsel.

Sincerely,

Gary L Clemens

Gary L. Clemens
Regulatory Services

Enclosures

cc: Office of the Public Counsel (2)