## DEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Joint Application of	)	
Great Plains Energy Incorporated, Kansas	)	
City Power & Light Company, and Aquila,	)	
Inc. for Approval of the Merger of Aquila,	)	Case No. EM-2007-0374
Inc. with a Subsidiary of Great Plains	)	
Energy Incorporated and for other	)	
Related Relief	)	

# REPLY OF AQUILA, INC. TO RESPONSE OF THE SOUTH HARPER RESIDENTS TO AQUILA'S OBJECTION TO APPLICATION TO INTERVENE

COMES NOW Aquila, Inc., ("Aquila") and for its reply to the Response to Aquila's Objection to the Application to Intervene of the South Harper Residents (the "Response") states as follows:

- On May 4, 2007, Aquila filed its objection to the Application to Intervene of the South Harper Residents. Thereafter, on May 13, 2007, the South Harper Residents filed their Response.
- 2. Essentially, the South Harper Residents contend that they should be permitted to intervene in this case because they have a lawsuit in civil court pending against Aquila and they have a concern that the South Harper power station and the associated alleged litigation liabilities could be transferred in such a way as to impair their remedy. This does not provide sufficient justification to grant intervention status in this case because the issue is not relevant to the matters properly before the Commission, the stated concern is not one that will

be impaired by the proposed transaction and the South Harper Residents do not need to be parties to this case in order to obtain the information they seek.

- 3. The private litigation of the South Harper Residents is not pertinent to the issues that are to be presented in this case. The Commission must determine whether the proposed transaction is or is not detrimental to the public interest; a consideration that will not be impacted by whether or not the South Harper Residents are successful in their private claims for damages against Aquila. Were the Commission to adopt the theory of the South Harper Residents, any party that has a lawsuit against a utility apparently will have precedent to claim standing in Commission proceedings concerning that utility even when not a customer of the utility.<sup>1</sup>
- 4. In any event, the expressed concerns of the South Harper Residents will not be adversely affected if the transaction is approved by the Commission. Aquila disclosed the existence of the litigation to Great Plains Energy ("GPE") in the context of crafting the merger agreement and GPE will assume that alleged liability post-merger. The South Harper Residents' suggestion of some legal sleight-of-hand on the part of Aquila is groundless.
- 5. The South Harper Residents can obtain the merger documentation necessary to confirm this fact through routine discovery requests in their pending civil court claims so their participation in this case is quite unnecessary to satisfy that inquiry. Even though the merger was announced several months ago, the South Harper Residents have not requested any such information in those cases

2

<sup>&</sup>lt;sup>1</sup> Presumably, the same argument would be available to nonresidents in the case of a utility with multistate operations.

and, since they are state causes of action, the South Harper Residents are not barred from doing so by any discovery deadline cutoff. If the claimed prospect of being barred from a recovery of civil damages by the pending merger really was a legitimate concern of the South Harper Residents, one would have expected them to pursue that line of questions and discern that information in their lawsuits, not in this regulatory approval case.

6. The expressed "concern" of the South Harper Residents is not a genuine issue and their interests will not be adversely affected. There is nothing they can offer the Commission that will be helpful in the performance of its responsibilities in this case. To the contrary, granting their intervention likely will only unnecessarily complicate the case with tangential and irrelevant matters. Finally, the South Harper Residents can seek discovery of information relevant to their lawsuits in those lawsuits so they will not be prejudiced by being denied intervention in this case.

WHEREFORE, Aquila reiterates its objection to the Application to Intervene of the South Harper Residents and requests that it be denied.

### Respectfully submitted,

#### BRYDON SWEARENGEN & ENGLAND, P.C.

By:

<u>/s/Paul A. Boudreau\_\_</u>

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#### CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was delivered by first class mail, electronic mail or hand delivery, on the 16<sup>th</sup> day of May, 2007, to the following:

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