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RICHARD T. CIOTTONE

November 19, 2001

FILED³

NOV 19 2001

Missouri Public
Service Commission

Mr. Dale Hardy Roberts, Secretary
Public Service Commission
Governor Office Building
200 Madison Street, Suite 100
P.O. Box 360
Jefferson City, MO 65102-0360

**Re: UtiliCorp United Inc.
Case No. EO-2002-215**

Dear Mr. Roberts:

In connection with the referenced matter, I enclose herewith an original and eight (8) copies each of two late-filed appendices and one substitute appendix to UtiliCorp's Application for filing in the referenced case. I would appreciate it if you would make these appendices part of the Application which was filed with the Commission on October 30, 2001. The appendices are as follows:

- Appendix 5 – Certified resolutions of the Board of Directors of UtiliCorp authorizing the acquisition of the capitol stock of Avon. See, 4 CSR 240-2.060(12)(B).
- Appendix 7 – A statement of pending actions or final unsatisfied judgments or decisions against UtiliCorp from any state or federal agency involving customer service or rates. See, 4 CSR 240-2.060(1)(K). This document contains customer specific information and is considered by UtiliCorp to be confidential. Consequently, it is being filed under seal in accordance with the Commission's November 18, 2001, Protective Order issued in this case.

Mr. Dale Hardy Roberts
Page 2
November 19, 2001


- Appendix 6 (substitute) – Information showing the *pro forma* financial effect of the proposed acquisition. These materials should be substituted for the Appendix 6 materials which accompanied the Application which was filed on October 30, 2001. Appendix 6A illustrates a *pro forma* 55% debt to reflect the assumption of debt/equity financing. Appendix 6B has been prepared to reflect initial funding by debt alone.

I would appreciate it if you would incorporate Appendices 5 and 7 in the Application and, also, remove original Appendix 6 and replace it with Appendix 6 (substitute). I would also request that you distribute the extra copies of the enclosed materials to the appropriate Commission personnel.

Sincerely,

BRYDON, SWEARENGEN & ENGLAND, P.C.

By:

A handwritten signature in black ink, appearing to be 'P. A. Boudreau', written over a horizontal line.

Paul A. Boudreau

PAB/aw
Enclosures

cc: Office of the Public Counsel
Jim Brook
Tom LaBarge

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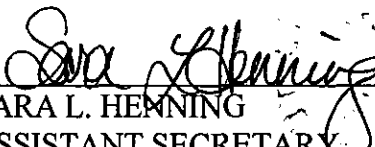
OFFICER CERTIFICATE

Missouri Public
Service Commission

I, Sara L. Henning, do hereby certify that I am the duly elected and acting Assistant Secretary of UtiliCorp United Inc. (the "Company"), and as such corporate officer have in my custody and under my control the corporate records and seal of the Company.

I further certify that the attached resolutions are full, true and correct copies of resolutions adopted at a meeting of the Board of Directors of said Company held October 11, 2001, and said resolutions are in full force and effect and have not been amended or revoked.

IN WITNESS WHEREOF, I have hereunto signed this Certificate effective as of November 13, 2001.



SARA L. HENNING
ASSISTANT SECRETARY

APPENDIX 5

UTILICORP UNITED INC.
RESOLUTIONS

WHEREAS, Avon Energy Partners Holdings, a private unlimited liability company incorporated in England ("Avon"), is a direct wholly-owned subsidiary of EI UK Holdings, Inc., a Delaware corporation ("Midlands Seller"), which upon the closing of the merger between GPU, Inc. and FirstEnergy Corp. will be an indirect, wholly-owned subsidiary of FirstEnergy Corp.;

WHEREAS, Avon indirectly owns, among other assets, an electricity distribution business in the United Kingdom and the Generation Investments;

WHEREAS, Midlands Seller intends to sell all issued and outstanding shares of Avon (the "Shares") to a bidder through a negotiated sale transaction (the "Midlands Transaction");

WHEREAS, the Company proposes to submit a binding bid to acquire the Shares through a joint venture vehicle formed with a financial partner (the "Joint Venture"), subject to the terms and conditions set forth in a commitment letter approved by the financial partner's credit committee;

WHEREAS, the Company proposes to structure its investment in the Midlands Transaction and the Joint Venture through Company Subsidiaries;

WHEREAS, in order for the Company Subsidiaries to fund the cost of acquiring the Shares, the Company may enter into certain agreements to guarantee or otherwise provide credit support for loans denominated in domestic and/or foreign currencies to be made to the Company Subsidiaries by one or more syndicates of financial institutions; and

WHEREAS, if the Company's bid to acquire the Shares through the Joint Venture is accepted by the Midlands Seller, the Company may seek to cause the Joint Venture to sell or assign, the Generation Investments to Aquila; be it

RESOLVED, that the Company be, and hereby is, authorized to submit a binding bid to acquire the Shares from the Midlands Seller in the Midlands Transaction with the understanding that, prior to closing, the Company will form the Joint Venture with a financial partner subject to the terms and conditions set forth in a commitment letter approved by the CDG and the financial partner's credit committee (or equivalent body);

RESOLVED FURTHER, that the Company be, and hereby is, authorized to bid for (and, if selected by the Midlands Seller, acquire through the Joint Venture) the Shares for an equity investment by the Company not to exceed US\$300 million (or US\$600 million for the Joint Venture in the aggregate), which the Company and/or its Subsidiaries will be expected to fund (by way of equity or debt finance for the purpose

of providing acquisition funding and working capital), guarantee, or otherwise provide credit support for the Company and/or its Subsidiaries' proportionate share of the equity investment made by the Joint Venture plus any amounts required for working capital purposes (less any amount borrowed directly by Avon or its Subsidiaries for purposes of facilitating the acquisition and obtaining working capital);

RESOLVED FURTHER, that if awarded the bid for the Shares by the Midlands Seller, the Company be, and hereby is, authorized and, upon the determination, if any, by the CDG, directed to assign, transfer, sell and/or convey its right, title and interest in and to the Generation Investments to Aquila, acting either alone or in combination with an otherwise unaffiliated corporation, limited liability company or partnership, which combination may take the form of a joint venture, partnership, corporation, limited liability company or any other lawful business entity (the "Combination") upon such terms and conditions as shall be deemed appropriate and in the best interests of the Company by the officers of the Company negotiating such assignment, transfer and conveyance (the "Aquila Transaction") and that the Company is hereby authorized and empowered to execute and deliver such documents as shall be reasonably necessary to effect the Aquila Transaction on such terms and conditions so negotiated, with the execution and delivery of any of the foregoing being conclusive evidence of the signing officer's approval thereof;

RESOLVED FURTHER, that the appropriate officers and directors of the Company be, and they hereby are, authorized and empowered in the name of and on behalf of the Company to negotiate, prepare, execute, and deliver the acquisition agreement and other such agreements, affidavits, certificates and documents, and to take or cause to be taken such actions (including, without limitation, obtaining governmental and regulatory approvals from any and all foreign, federal, state or local governmental agencies or bodies) as may be necessary or desirable to consummate the transactions contemplated herein and to do and perform all such other acts and things as they, in their sole discretion, consider necessary, advisable or appropriate to carry out the Company's obligations under any such agreements, and to carry out the purpose and intent of the foregoing resolutions.

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Missouri Public
Service Commission

Pro Forma Capitalization as of 06/30/2001 for UtiliCorp United Inc.

(In millions US\$)

Capital Component	Percentage of Capital	Capital Dollars	Proforma Adjustments ⁽¹⁾	Proforma Capital Dollars	Proforma Percentage of Capital
Common Equity	46.5%	2,586.7	90.0	2,676.7	46.4%
Comp. Obligated Preferred Securities	6.3%	350.0		350.0	6.1%
Long Term Debt	44.5%	2,478.4	110.0	2,588.4	44.9%
Short Term Debt	2.7%	151.4		151.4	2.6%
Total	100.0%	5,566.5	200.0	5,766.5	100.0%

Notes:

⁽¹⁾ Proforma adjustment to capitalization includes 50% of the equity investment in the target company, plus transaction costs, which UtiliCorp has conservatively estimated at \$19 million. This request represents the maximum amount of investment funding required. The actual amount may be less based on transaction costs. The proforma numbers are funded using a 55% debt and 45% equity capital structure, which represents the long term scenario to UtiliCorp's financial ratio benchmarks. Supplementary attachments have been included which represent the initial funding scenario on a 100% debt funded basis. UtiliCorp anticipates the 100% debt scenario would be alleviated with an equity issuance within 2 years.

Financial Ratio Benchmarks Total Debt / Total Capital

		Current UtiliCorp Rating BBB		
		AA	A	
Standard & Poor's Corporation Utilities Rating Service, Financial Statistics	Range (%)	32.5 - 39.5%	39.5 - 46.0%	46.0 - 53.5%
Electric Utilities	Median (%)	36.0%	42.8%	49.8%

Selected Pro Forma Financial Ratios for UtiliCorp United Inc.

Ratio Analysis	Ratio as of 06-30-2001	Proforma Ratio ⁽¹⁾	S&P Guidelines "AA" Rating	S&P Guidelines "A" Rating	S&P Guidelines "BBB" Rating ⁽²⁾
Pre-tax Interest Coverage	3.6 x	3.7 x	6.2 - 5.2 x	5.2 - 4.0 x	4.0 - 2.6 x
Funds From Operations Interest Coverage	3.9 x	3.8 x	6.6 - 5.7 x	5.7 - 4.5 x	4.5 - 3.1 x
Funds From Operations to Total Debt	33.6%	32.9%	47.0 - 39.0 %	39.0 - 31.0 %	31.0 - 22.0 %
Total Debt / Total Capital	47.2%	47.5%	32.5 - 39.5 %	39.5 - 46.0 %	46.0 - 53.5 %

⁽¹⁾ Proforma ratios assume transaction is funded with 55% debt and 45% equity.

⁽²⁾ Current UtiliCorp United credit rating.

<u>Rating Agency</u>	<u>Rating</u>	<u>Outlook</u>
Moody's	Baa3	Positive Outlook
S&P	BBB	Stable
Fitch	BBB	

Notes And Calculations:

(In Millions US\$)

	Actuals 12 months ended 06/30/2001	Acquisition ⁽¹⁾	Proforma
1. Pretax Interest Coverage			
Net Income	339.7	29.3	369.0
+ Income Taxes:	261.0	5.5	266.5
+ Income Adjustments (gross)			-
+ Subsidiary Preferred and Preference Dividend			-
+Interest Expense (Net, Including MIPS/PEPS/RHINO)	228.9	8.2	237.1
+Minority Interest	11.8		11.8
-AFUDC Equity			-
	<u>841.4</u>	<u>43.0</u>	<u>884.4</u>
Divided by Interest Expense(Net) + Capitalized Interest + AFUDC Debt	<u>228.9</u> <u>4.5</u>	<u>8.2</u>	<u>237.1</u> <u>4.5</u>
	3.6	5.2	3.7
2. Funds From Operations Interest Coverage			
Net Income (continuing operations)	339.7	29.3	369.0
+Depreciation:	220.8		220.8
+Amortization:	30.3	1.2	31.6
+Net Changes in Price Risk Mgmt Assets & Liabilities	199.2		199.2
- Equity in Earnings:	(170.4)	(28.8)	(199.2)
+Dividends from Subs. & Partnerships	84.9	6.7	91.6
+Total Interest Charges Paid:	228.9	8.2	237.1
+/-Deferred Income Taxes:	(46.5)	2.4	(44.1)
-Capitalized Interest	<u>(4.5)</u>		<u>(4.5)</u>
	<u>882.5</u>	<u>19.1</u>	<u>901.6</u>
Divided by Gross Interest Incurred:	<u>228.9</u>	<u>8.2</u>	<u>237.1</u>
	3.9	2.3	3.8
3. Funds From Operations to Total Debt			
Funds from Operations	882.5	19.1	901.6
Short Term Debt	151.4		151.4
Long Term Debt	<u>2,478.4</u>	<u>110.0</u>	<u>2,588.4</u>
	34%	17%	33%

⁽¹⁾ Acquisition financial metrics on a 55% debt and 45% equity funded basis.

Pro Forma Capitalization as of 06/30/2001 for UtiliCorp United Inc.

(In millions US\$)

Capital Component	Percentage of Capital	Capital Dollars	Proforma Adjustments ⁽¹⁾	Proforma Capital Dollars	Proforma Percentage of Capital
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Notes:

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Financial Ratio Benchmarks Total Debt / Total Capital

		Current UtiliCorp		
		Rating		
		AA	A	BBB
Standard & Poor's Corporation				
Utilities Rating Service,				
Financial Statistics	Range (%)	32.5 - 39.5%	39.5 - 46.0%	46.0 - 53.5%
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Total Debt / Total Capital	47.2%	49.1%	32.5 - 39.5 %	39.5 - 46.0 %	46.0 - 53.5 %

⁽¹⁾ Proforma ratios assume transaction is funded with 100% debt, representing the worst possible scenario to UtiliCorp's proforma financial ratios.

⁽²⁾ Current UtiliCorp United credit rating.

<u>Rating Agency</u>	<u>Rating</u>	<u>Outlook</u>
Moody's	Baa3	Positive Outlook
S&P	BBB	Stable
Fitch	BBB	

MO. PSC CASE NO. EO-2002-215

Notes And Calculations:

(In Millions US\$)

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	<u>841.4</u>	<u>43.0</u>	<u>884.4</u>
Divided by Interest Expense(Net) + Capitalized Interest + AFUDC Debt	<u>228.9</u> 4.5	<u>15.0</u> 4.5	<u>243.9</u> 4.5
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+Total Interest Charges Paid:	228.9	15.0	243.9
+/-Deferred Income Taxes:	(46.5)	2.4	(44.1)
-Capitalized Interest	(4.5)		(4.5)
	<u>882.5</u>	<u>21.8</u>	<u>904.2</u>
Divided by Gross Interest Incurred:	<u>228.9</u>	<u>15.0</u>	<u>243.9</u>
	3.9	1.5	3.7
3. Funds From Operations to Total Debt			
Funds from Operations	882.5	21.8	904.2
Short Term Debt	151.4		151.4
Long Term Debt	2,478.4	200.0	2,678.4
	<u>34%</u>	<u>11%</u>	<u>32%</u>

⁽¹⁾ Acquisition financial metrics on a 100% debt funded basis, which represents the worst case scenario to UtiliCorp.