

BB

STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION

At a session of the Public Service  
Commission held at its office  
in Jefferson City on the 28th  
day of October, 1994.

Ahlstrom Development Corporation, and	)	
Cottonwood Energy Partners, L.P.,	)	
	)	
Complainants,	)	
	)	
v.	)	<u>Case No. EC-95-28</u>
	)	
The Empire District Electric Company,	)	
a corporation,	)	
	)	
Respondent.	)	
	)	

**ORDER GRANTING LIMITED INTERVENTION**

On September 14, 1994, the Commission issued an order providing notice and establishing a prehearing conference. In that order, an intervention date of October 14, 1994, was set for proper persons to file applications to intervene in this case. Kansas City Power & Light Company (KCPL) and Union Electric Company (UE) filed timely applications to intervene.

KCPL states that it is an electrical corporation and public utility as defined in Section 386.020, R.S.Mo. KCPL further states that it is primarily engaged in the generation, transmission, distribution and sale of electric energy and power in the states of Missouri and Kansas. KCPL further states that it is subject to the federal and state law cited by Ahlstrom Development Corporation and Cottonwood Energy Partners, L.P. (Ahlstrom) in support of its claim and that it is a reasonable assumption that the interpretation of those provisions and the resolution of related issues in the case will be viewed as precedent in future proceedings, some of which may involve KCPL. Thus, KCPL states, action taken by the Commission in this case has the potential to affect KCPL.

R

On September 12, 1994, Ahlstrom filed a response to KCPL's application for intervention. Ahlstrom requests that KCPL's application be denied or, in the alternative, limited to those interests which KCPL identified in its petition. Ahlstrom further states that KCPL should bear all expenses of all parties relating to issues not clearly identified in KCPL's application or raised in Ahlstrom's complaint which KCPL raises or attempts to raise. On September 19, 1994, KCPL filed a reply to Ahlstrom's response.

On October 11, 1994, Union Electric Company (UE) filed an application to intervene in this case. UE states that as an electric utility subject to the Commission's jurisdiction, UE complies with the Commission regulations implementing PURPA, set forth in 4 CSR 240-20.060. UE continues to state that these regulations require UE to periodically submit data from which its avoided costs may be derived, and also to submit tariffs based on those avoided costs for rates for purchases by UE from QFs. UE states that it may be directly affected by any orders, findings, directives, or studies resulting from this proceeding which interpret or apply the Commission's rules concerning: (1) the proper calculation of an electric utility's avoided costs, (2) the information to be filed periodically from which avoided costs may be derived, and (3) the filing of tariffs for purchases from QFs.

On October 19, 1994, Ahlstrom filed a response to UE's application to intervene. Ahlstrom's response requests that the Commission deny UE's application to intervene or, in the alternative, limit UE's participation to those interests which UE identified in its application.

Upon review of KCPL's application, Ahlstrom's response and KCPL's reply, the Commission finds that KCPL should be allowed intervention on a limited basis because the positions of KCPL will be reasonably pertinent to the issues already involved in the case and the outcome of this proceeding can reasonably be expected to establish precedent relating to the regulatory relationship

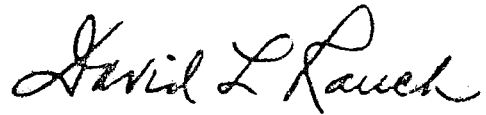
between investor-owned electric utilities and independent power producers and qualified facilities (QFs). Specifically, KCPL is hereby allowed to participate in this proceeding as to: (1) the proper calculation of a Missouri-regulated electric utility's avoided cost; (2) what information must be filed with the Commission from which avoided cost can be derived; and (3) tariff filings of public electric utilities for purchases from QFs. KCPL will be allowed to participate as a party with regard to the above-described generic issues. However, the Commission is of the opinion that KCPL does not have an interest in the specific avoided cost of The Empire District Electric Company except to the extent that KCPL believes the appropriate measure of Empire's avoided cost is affected by the price and terms under which KCPL could provide Empire's power needs.

Upon review of UE's application and Ahlstrom's response, the Commission finds that UE should be allowed intervention on a limited basis because the positions of UE will be reasonably pertinent to the issues already involved in the case and the outcome of this proceeding can reasonably be expected to establish precedent relating to the regulatory relationship between investor-owned electric utilities and independent power producers and qualified facilities (QFs). Specifically, UE is hereby allowed to participate in this proceeding as to: (1) the proper calculation of a Missouri-regulated electric utility's avoided cost; (2) what information must be filed with the Commission from which avoided cost can be derived; and (3) tariff filings of public electric utilities for purchases from QFs. UE will be allowed to participate as a party with regard to the above-described generic issues. However, the Commission is of the opinion that UE does not have an interest in the specific avoided cost of The Empire District Electric Company except to the extent that UE believes the appropriate measure of Empire's avoided cost is affected by the price and terms under which UE could provide Empire's power needs.

**IT IS THEREFORE ORDERED:**

1. That Kansas City Power & Light Company is hereby allowed intervention on a limited basis as set forth above.
2. That Union Electric Company is hereby allowed intervention on a limited basis as set forth above.
3. That this order shall become effective on the date hereof.

**BY THE COMMISSION**

A handwritten signature in cursive script, reading "David L. Rauch".

**David L. Rauch  
Executive Secretary**

(S E A L)

McClure, Perkins, Kincheloe  
and Crumpton, CC., concur.  
Mueller, Chm., absent.