



Commissioners
KELVIN L. SIMMONS
Chair
CONNIE MURRAY
SHEILA LUMPE
STEVE GAW
BRYAN FORBIS

Missouri Public Service Commission

POST OFFICE BOX 360
JEFFERSON CITY, MISSOURI 65102
573-751-3234
573-751-1847 (Fax Number)
<http://www.psc.state.mo.us>

March 28, 2002

ROBERT J. QUINN, JR.
Executive Director
WESS A. HENDERSON
Director, Utility Operations
ROBERT SCHALLENBERG
Director, Utility Services
DONNA M. PRENGER
Director, Administration
DALE HARDY ROBERTS
Secretary/Chief Regulatory Law Judge
DANA K. JOYCE
General Counsel

Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

FILED

MAR 28 2002

Missouri Public
Service Commission

RE: Case No. GR-99-435

Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and eight (8) conformed copies of a **UNANIMOUS STIPULATION AND AGREEMENT**.

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,

Robert V. Franson
Associate General Counsel
(573) 751-6651
(573) 751-9285 (Fax)
rfranson@mail.state.mo.us

RVF:ccl
Enclosure
cc: Counsel of Record

FILED

MAR 28 2002

Missouri Public
Service Commission

Case No. GR-99-435

UNANIMOUS STIPULATION AND AGREEMENT

COMES NOW UtiliCorp United Inc. d/b/a Missouri Public Service (“MPS”), the Staff of the Missouri Public Service Commission (“Staff”) and the Office of the Public Counsel (“OPC”), (Collectively the “Parties”) and submit this Unanimous Stipulation and Agreement (“Stipulation and Agreement”) for approval by the Commission. This Stipulation and Agreement resolves all remaining issues in this Actual Cost Adjustment (“ACA”) proceeding as follows:

1. This case concerns the 1998-1999 Purchased Gas Adjustment (“PGA”) filing and ACA filing of MPS.
2. The Parties agree that two issues remain in this case. First, Staff has proposed a methodology for pricing pipeline imbalances for MPS’s three systems. Second, Staff has also proposed an adjustment to increase (Put/call premium) revenue recovery by \$33,957 for the Southern System and \$49,119 for the Northern System. MPS has proposed a cost reduction of \$23,678 on the Southern System and none on the Northern System.
3. The Parties initiated discussions to determine whether a settlement of these issues was possible. As a result of those discussions, the Parties have now reached a resolution and settlement of the above issues, which they believe to be reasonable and beneficial to ratepayers in this case and recommend the Commission approve as being in the public interest.

Stipulations and Agreements

4. The Parties agree that for imbalances MPS will use a current month approach to pricing imbalances whereby the current month index price is applied to the current month imbalance. This will insure that the prior month imbalance dollars plus current month imbalance dollars are accounted for in the weighted average cost of gas calculation. As a result, the Parties

agree that the cost of gas to the Eastern System shall be reduced by \$4,860, the cost of gas to the Northern System shall be reduced by \$13,788 and the cost of gas to the Southern System shall be increased by \$2,763.

5. The Parties further agree that revenue recovery on MPS's Southern System shall be increased by \$28,818 and revenue recovery for MPS's Northern System shall be increased by \$24,560. These adjustments represent the compromise of a disputed issue and by entering into this Stipulation and Agreement it is expressly stated that no Party acquiesces or consents to the position of another with respect to this issue or any related allegation of fact.

6. This Stipulation and Agreement shall become effective upon Commission approval without modification by final Commission order. Such order becomes "final" either by issuance of a Commission order on rehearing or, if no rehearing request is filed, thirty (30) days after issuance of the Commission's order approving the Stipulation, or such other effective as selected by the Commission.

7. **Reservations.**

a. This Stipulation and Agreement has resulted from extensive negotiations among the Parties and the terms hereof are interdependent. In the event, the Commission does not adopt this Stipulation and Agreement in total, then this Stipulation and Agreement shall be void and no Party shall be bound by any of the agreements or provisions hereof. The stipulations herein are specific to the resolution of this proceeding, and all stipulations are made without prejudice to the rights of the Parties to take other positions in other proceedings.

b. This Stipulation and Agreement is being entered into solely for the purpose of disposing of all issues in this case. None of the Parties to this Stipulation and Agreement shall be deemed to have approved, accepted, agreed, consented or acquiesced to any accounting principle, ratemaking principle or cost of service determination underlying, or supposed to

underlie any of the issues provided for herein.

c. All parties further understand and agree that the provisions of this Stipulation and Agreement relate only to the specific matters referred to in the Stipulation and Agreement and no Party waives any claim or right which it otherwise may have with respect to any matters not expressly provided for in this Stipulation. All Parties further reserve the right to withdraw their support for the settlement in the event that the Commission modifies the Stipulation and Agreement in a manner which is adverse to the party withdrawing its support and further, all parties reserve the right to contest any such Commission order modifying the settlement in a manner which is adverse to the party contesting such Commission order.

8. In the event the Commission accepts the specific terms of this Stipulation and Agreement, the Parties waive, with respect to the issues resolved herein: their respective rights pursuant to Section 536.070(2) RSMo 2000 to call, examine and cross-examine witnesses; their respective rights to present oral argument or written briefs pursuant to Section 536.080.1, RSMo 2000; their respective rights to the reading of the transcript by the Commission pursuant to Section 536.080.2, RSMo 2000; their respective rights to seek rehearing pursuant to Section 386.500, RSMo 2000; and their respective rights to judicial review pursuant to Section 386.510, RSMo 2000. If this Stipulation and Agreement is not approved by the Commission, the Parties request that a revised procedural schedule be established which provides for a hearing, to include the opportunity for cross-examination.

Staff's Rights

9. The Staff shall, within seven (7) days of the filing of this Unanimous Stipulation and Agreement, file with the Commission suggestions or a memorandum in support of this Unanimous Stipulation and Agreement and the other parties shall have the right to file responsive suggestions within five (5) days of receipt of Staff's memorandum.

10. The Staff shall also have the right to provide, at any agenda meeting at which this Unanimous Stipulation and Agreement is noticed to be considered by the Commission, whatever oral explanation the Commission requests, provided that the Staff shall, to the extent reasonably practicable, promptly provide other parties with advance notice of when the Staff shall respond to the Commission's request for such explanation once such explanation is requested from Staff. Staff's oral explanation shall be subject to public disclosure, except to the extent it refers to matters that are privileged or protected from disclosure pursuant to any Protective Order issued in this case.

11. To assist the Commission in its review of this Unanimous Stipulation and Agreement, the Parties also request that the Commission advise them of any additional information that the Commission may desire from the parties relating to the matters addressed in this Stipulation and Agreement, including any procedures for furnishing such information to the Commission.

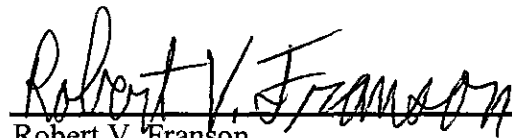
CONCLUSION

WHEREFORE, the undersigned Parties respectfully request that the Commission issue its Order:

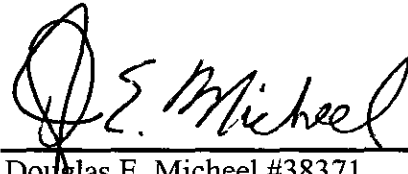
- a) Approving all of the specific terms and conditions of this Unanimous Stipulation and Agreement and approving the balances for the ACA period ending August 1999 for Case No. GR-99-435 attached hereto as Appendix A, which has a total cost adjustment of \$82,763;
- b) Closing this case; and,
- c) Granting such further relief as the Commission should find reasonable and just.

Respectfully submitted,

DANA K. JOYCE
General Counsel

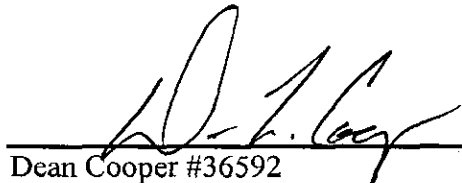


Robert V. Franson
Associate General Counsel
Missouri Bar No. 34643
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
(573) 751-6651 (Telephone)
(573) 751-9285 (Fax)
rfranson@mail.state.mo.us



Douglas E. Micheel #38371
Senior Public Counsel
Office of the Public Counsel
200 Madison Street, Suite 650
P. O. Box 7800
Jefferson City, MO 65102
(573) 751-5560 Phone
(573) 751-5562 Fax

**ATTORNEY FOR THE STAFF OF THE
MISSOURI PUBLIC SERVICE COMM'N**



Dean Cooper #36592
Brydon, Swearengen & England P.C.
312 East Capitol Avenue
P. O. Box 456
Jefferson City, MO 65102-0456
(573) 635-7166 Phone
(573) 635-0427 Fax
dcooper@brydonlaw.com

**ATTORNEY FOR THE OFFICE OF THE
PUBLIC COUNSEL**

**ATTORNEY FOR UTILICORP UNITED
INC. d/b/a MISSOURI PUBLIC SERVICE**

Certificate of Service

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 28th day of March 2002.

Robert V. Framson

Appendix A

Description	Beginning ACA Balance Per Filing	Staff Adjustments	Ending ACA Balance Per Filing
Southern System:			
Firm ACA	(\$216,359)	(\$26,055) A	(\$242,414)
Interruptible ACA	(\$9,563)		(\$9,563)
Take-or-Pay	\$0		\$0
Transition Cost	\$0		\$0
DCCB	\$935		\$935
Refund	(\$590,822)		(\$590,822)
Northern System:			
Firm ACA	\$138,684	(\$51,848) B	\$86,836
Interruptible ACA	\$104,100		\$104,100
Take-or-Pay	\$0		\$0
Transition Cost	\$0		\$0
DCCB	\$0		\$0
Refund	(\$7,644)		(\$7,644)
Eastern System:			
Firm ACA	\$663,578	(\$4,860) C	\$658,718
DCCB	\$11,491		\$11,491

A) \$2,763 Imbalance + (\$28,818) Puts/Calls

B) (\$13,788) Imbalance + (\$24,560) Puts/Calls + (\$13,500) PEPL demand costs.

C) (\$4,860) Imbalance

**Service List for
Case No. GR-99-435
Revised: March 25, 2002 (ccl)**

**Office of the Public Counsel
P.O. Box 7800
Jefferson City, MO 65102**

**Dean L. Cooper
Brydon, Swearengen & England
312 East Capitol Avenue
P.O. Box 456
Jefferson City, MO 65102**