

In the Matter of Aquila, Inc. for a )  
Variance from Certain Provisions of )  
Commission Rules to Offer its Customers ) Case No. EE-\_\_\_\_\_  
an Electronic Billing Option )

COMES NOW Aquila, Inc. d/b/a Aquila Networks-MPS and Aquila Networks-L&P (hereinafter “Aquila” or the “Company”), and pursuant to Commission rules 4 CSR 240-2.060(4) and 4 CSR 240-13.065, applies for an order granting Aquila a variance from Commission rules 4 CSR 240-13.015(B) and 4 CSR 240-13.015(T), such that Aquila may offer its customers the option to receive and pay their electric bills electronically. In support thereof, Aquila states the following:

1. Aquila is a Delaware Corporation with its principal office and place of business at 20 W. 9<sup>th</sup> Street, Kansas City, Missouri 64105-1711. The Company is authorized to conduct business in Missouri through its Aquila Networks-MPS and Aquila Networks-L&P operating divisions. Aquila is an “electrical corporation,” “heating company,” and “public utility” as those terms are defined by §386.020 RSMo 2000 and as such is engaged in providing electrical and industrial steam utility service in those areas of the state certificated to it by the Commission. A Certificate of Authority for a foreign corporation to do business in the State of Missouri evidencing Aquila’s authority under the law to conduct business in the State of Missouri was filed with the Commission in Case

No. EU-2002-1053 and said documents are incorporated herein by reference in accordance with 4 CSR 240-2.060(1)(G) and made a part hereof for all purposes. Copies of the registrations of fictitious names of Aquila Networks-MPS and Aquila Networks-L&P were filed with the Commission in Case No. EU-2002-1053 and said documents are incorporated herein by reference in accordance with 4 CSR 240-2.060(1)(G) and made a part hereof for all purposes.

2. Other than as set forth in the attached **Appendix 1**, Aquila has no pending actions or final unsatisfied judgments or decisions against it involving customer service or rates having occurred within three (3) years from the date of this Application. Aquila has no annual report or assessment fees that are overdue.

3. All pleadings, notices, orders and other communications and correspondence regarding this application and proceedings should be directed to:

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Aquila, Inc.  
20 West 9th Street  
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Aquila Networks  
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Counsel for Aquila Networks

4. On June 28, 2007, Aquila filed tariff sheets to offer a program that provides its customers the option of receiving and paying their bills electronically via the Internet. The program would be available to its electric customers in both the Aquila Networks-MPS and Aquila Networks-L&P service areas. The tariff sheets were as follows:

3<sup>rd</sup> Revised Sheet No. R-2, canceling 2<sup>nd</sup> Revised Sheet No. R-2  
1<sup>st</sup> Revised Sheet No. R-3, canceling Original Sheet No. R-3  
1<sup>st</sup> Revised Sheet No. R-4, canceling Original Sheet No. R-4  
1<sup>st</sup> Revised Sheet No. R-5, canceling Original Sheet No. R-5  
1<sup>st</sup> Revised Sheet No. R-45, canceling Original Sheet No. R-45

The Commission assigned the tariff filing tracking number JE-2007-0959

5. Aquila seeks to offer its customers the option to permit the Company to deliver an electronic image of a bill via the Internet instead of by traditional paper mailing or hand delivery, which will allow customers to pay their bills electronically. Through a third-party billing vendor, customers may enroll in the E-Bill program through a secure Internet connection or through an Aquila customer service center. Customers may terminate their participation in the program at any time. For those of its customers comfortable with the Internet, this method of bill presentment and payment is both more convenient and less expensive than handling a paper bill.

6. The tariff modification proposed by Aquila would modify the definition of the term "Rendition of a bill" to include electronic presentation (E-Bill). Accordingly, Aquila seeks a variance from two definitions set forth in its utility billing practices rule, 4 CSR 240-13.015 to facilitate this proposal.

7. First, Aquila seeks a variance from the definition of the term “Bill” appearing at Commission rule 4 CSR 240-13.015(B) which defines the term as a “written demand for payment for service”. The rule could be construed to limit the ability of an electric utility like Aquila to render a bill only utilizing a communication on a paper medium. Aquila seeks a variance from this rule so that it may offer a program under which its customers can receive their electric bills electronically over the Internet.<sup>1</sup>

8. Aquila also seeks a variance from the definition of the term "Rendition of a bill" appearing at Commission rule 4 CSR 240-13.015(T) which defines the term as including only "the mailing or hand delivery of a bill by a utility to a customer." Currently, Commission rule 4 CSR 240-13.015(T) would appear to limit the ability of an electric utility like Aquila to render a bill only utilizing paper mail or methods of hand delivery. Aquila seeks a variance from this rule so that it may offer a program under which its customers can receive and pay their electric bills electronically over the Internet.

9. Good cause justification for the variances requested includes increased customer choice for billing and payment, cost savings, customer convenience and reliability. The program is not compulsory. All customers who qualify for Aquila's E-Bill program would have a choice between receiving their electric bills via electronic mail as an alternative to receiving a paper bill. As

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<sup>1</sup> It should be noted that a similar request for variance filed by Kansas City Power & Light Company (“KCPL”) in 2003 was denied because the Commission determined “that no variance from the rules defining the term ‘bill’ is necessary.” See, Order Approving Variance from Commission Rule, Case No. EE-2003-0529, p.3.

noted above, the customer may choose, at any time, to stop participating in the E-Bill program and return to paper billing.

10. From an operational perspective, Aquila believes there will be cost savings for all of its customers, not just customers who choose the E-Bill program. Electronic billing eliminates or reduces the costs of paper checks, envelopes and postage stamps for customers enrolled in the program. Conversely, Aquila will experience savings and the cost of delivering bills and handling payments.

11. The Commission has previously authorized electronic billing programs for KCPL<sup>2</sup> and Union Electric Company<sup>3</sup>.

12. Additionally, Aquila requests a waiver of the requirement of Commission rule 4 CSR 240-13.065(2) that otherwise would require Aquila to serve notice of this variance request on the newspaper with the largest circulation in each county within its service area affected by the variance and, also, to each party in the utility's most recent rate case who represented residential customers. As noted above, the proposed E-Bill program simply provides customers who choose to enroll with another option for receiving an electronic bill from Aquila for services rendered and to make payments over a secure Internet connection. Because the program is being offered as a matter of customer convenience and is not mandatory in nature, good cause for waiving the requirement of notice to newspapers and residential customer representatives (other than the Office of the Public Counsel ("OPC")) exists.

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<sup>2</sup> See, ftnt. 1, *supra*.

<sup>3</sup> Case No. EE-2000-561.

WHEREFORE, for the reasons aforesaid, Aquila respectfully requests the Commission to issue an order (1) waiving the notice requirements of its rule 4 CSR 240-13.065(2) other than notification of OPC; (2) granting a variance from Commission rules 4 CSR 240-13.015(B) and 4 CSR 240-13.015(T) such that Aquila may render a bill under its E-Mail program by electronic presentation via the Internet in accordance with the tariff sheets referenced in paragraph 4, *supra*, and (3) granting such other orders and relief as may be appropriate under the circumstances.

Respectfully submitted,  
BRYDON SWEARENGEN & ENGLAND

By:

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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 27th day of July, 2007, to the following:

General Counsel  
Missouri Public Service Commission  
200 Madison Street, Suite 800  
P.O. Box 360  
Jefferson City, MO 65102-0360

Office of the Public Counsel  
Governor Office Building  
200 Madison Street, Suite 650  
P.O. Box 2230  
Jefferson City, MO 65102-2230

/s/ Paul A. Boudreau

