

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In The Matter of the Application of	)
Aquila, Inc. for Permission and	)
Approval and a Certificate of Public	)
Convenience and Necessity	)
Authorizing it to Acquire, Construct,	)
Install, Own, Operate, Maintain, and	) Case No. _____
otherwise Control and Manage	)
Electrical Distribution Substation	)
And Related Facilities in Cass	)
County, Missouri (Near the City Of	)
Peculiar).	)

**APPLICATION**

COMES NOW Aquila, Inc., (hereinafter “Aquila” or “Company”) pursuant to §393.170 RSMo 2000, 4 CSR 240-2.060 and 4 CSR 240-3.105(1)(B), and for its application to the Missouri Public Service Commission (“Commission”) states as follows:

**General Information About Aquila**

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. The Company filed its Certificate

of Authority as a foreign corporation authorized to conduct business in the State of Missouri and copies of the registrations of the fictitious names of Aquila Networks-MPS and Aquila Networks L&P with the Commission in Case No. EU-2002-1053. Those documents are incorporated herein by reference in accordance with 4 CSR 240-2.060(1)(G) and made a party hereof for all purposes.

2. Aquila Networks-MPS and Aquila Networks-L&P have no pending actions or final unsatisfied judgments or decisions against them involving customer service or rates having occurred within three (3) years from the date of this application. Aquila has no annual reports or assessments fees that are overdue.

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

Gary Clemens  
Aquila, Inc.  
20 West Ninth Street  
Kansas City, MO 64105  
(816) 467-3307

Renee Parsons  
Aquila, Inc.  
20 West Ninth Street  
Kansas City, MO 64105  
(816) 467-3297

### **Relief Requested**

4. This application is being filed by Aquila to obtain from the Commission permission, approval and a certificate of public convenience and necessity authorizing the Company to acquire, construct, install, own, operate, maintain, and otherwise control and manage an electrical distribution substation and related facilities to be located within Cass County, near the City of Peculiar, Missouri (the “Peculiar II Substation”), as more specifically described below.<sup>1</sup> More simply, Aquila is requesting authorization to build and operate a new substation that would replace an older overloaded substation located at 9707 East Street, Route YY. The new substation would be built next to the older substation on the same tract of land, and the old substation will be dismantled after the new substation goes into service. The tract of land (as described below) is within the geographic service area previously certificated to Aquila’s predecessors-in-interest pursuant to the Commission’s prior decisions and orders in various cases, including Case No. 9470 certifying this service area to Missouri Public Service Corporation, which later merged with Missouri Public Service Company, Aquila’s predecessor in interest. See Appendix 1. The Commission approved this merger in Case No. 11,892. See Appendix 2.

5. Since the *StopAquila.org v. Aquila, Inc.*, 180 S.W.3d 24 (Mo. App. W.D. 2005) case, Aquila has filed and the Commission has approved

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<sup>1</sup> For clarification, this is not the same substation that is subject to the *Cass County, Missouri v. Aquila, Inc.* case currently pending before the Missouri Court of Appeals-Western District.

several site specific applications for Aquila to construct and operate new substations in its certificated service areas. *StopAquila.org* created uncertainty as to whether site specific approval is required for new substation construction projects or whether a general certificate of convenience and necessity is sufficient authority for Aquila to construct and operate new substations in its certificated service areas. On October 9, 2006, Aquila, the Staff, and the Office of the Public Counsel entered into a Stipulation and Agreement (“Agreement”), agreeing to make Case No. EA-2007-0245, the Cole Camp Substation, a “test case” so that the parties could seek clarification from the court of appeals regarding the uncertainty created by the *StopAquila.org* case. According to the agreement, the Staff and Public Counsel believe the holding in *StopAquila.org* does not require Aquila to seek a site specific certificate of convenience and necessity from the Commission to construct and operate electrical substations. Aquila, however, interpreted the *StopAquila.org* holding as new binding precedent requiring additional approval from the Commission for Aquila to construct and operate new electric substations.

6. The Commission dismissed Case No. EA-2007-0245 on August 28, 2007, on the basis that Aquila, through a certificate of convenience and necessity issued in 1938, already had sufficient authority to construct and operate the Cole Camp substation. In compliance with the Agreement, Aquila filed a petition for review in the Circuit Court of Cole County, and

that appeal is currently pending, but exhausting the appellate process in order to seek a final decision will take several more months. Because of the need for the expedited construction of the Peculiar II Substation, Aquila is requesting that the Commission exercise its discretion and issue certificates of convenience and necessity under §393.170.1 RSMo authorizing Aquila to construct and operate the Peculiar II Substation.

### **The Peculiar II Substation and Related Facilities**

7. The Commission authorized Aquila, or its predecessors-in-interest, to construct, operate and maintain electrical facilities, transmission lines and distribution systems and to render electrical service throughout portions of Cass County, Missouri, to further the public convenience and necessity, pursuant to various Orders, including decisions in Case Nos. 9470 and 11,892 authorizing construction of facilities and provision of service. The location of the Peculiar Substation will be within the general electric service area certificated to Aquila by the Commission in Case No. 9470.

8. Aquila holds deeds for tract of land in fee, and an easement for the transmission line interconnect. See Appendix 3.

9. By this application, Aquila requests permission, approval, and a certificate of public convenience and necessity, authorizing the Company to acquire, construct, install, own, operate, maintain, and otherwise control and manage an electrical distribution substation and all associated fixtures,

buildings, transformers, breakers, and other equipment and all other facilities to be constructed at the location described below.

10. A map and aerial view of the Peculiar Substation site are attached and marked as Appendix 4. The Tract consists of approximately 2.46 acres of land, located at 9707 East Street along Route YY, generally located in Section 17, Township 45, Range 32, Cass County, Missouri.

11. The Topographical Survey and Site Development Plan of the Peculiar II Substation site, as well as its legal description is attached and marked as Appendix 5. While these plans and specifications are accurate as of the date of this application, they remain subject to change and supplementation. The estimated cost of the project is \$3.8 million. Aquila plans to finance construction of the Peculiar II Substation with funds on hand or available to it through existing lines of credit. It will not be project-financed.

12. The construction will not cross other electrical lines or telephone lines of regulated or unregulated utilities and no railroads tracks will be crossed.

13. The approval of this application is in accordance with and will promote the public convenience and necessity. The Peculiar Substation will be a new 161kV substation to replace an old and overloaded existing 69kV substation built in 1971, located at 9707 East Street, Route YY west of Harper Street, which is the same tract of land on which the existing

substation is located. The new facilities will bring several benefits, including improved system reliability, increased service capacity for existing and expected growth, and reduce the need for additional electric lines from the existing substation so it can deliver power to its customers safely, efficiently and reliably.

14. On February 14, 2008, during a regularly scheduled public meeting, Cass County Board of Zoning Adjustment unanimously approved a Non-Conforming Use permit for Aquila to build the new substation. Appendix 6. In compliance with the permit, on February 25, 2008, Aquila will request a building permit from Cass County.

WHEREFORE, Aquila requests that the Commission issue its order:

- (A) Granting Aquila permission and approval and a certificate of public convenience and necessity, to construct, install, own, operate, maintain, and otherwise control and manage an electrical distribution substation together with any and all other facilities, structures, fixtures, equipment and installations related thereto, to be constructed for the distribution of electrical power and energy at the following described location in Cass County, Missouri:

Part of the Northeast Quarter of the Northeast Quarter of Section 17, Township 45, Range 32, Cass County, Missouri, described as follows:

From the Northwest Corner of said Quarter Quarter Section, Run Thence South 0°41'32" East along the West Line thereof,

45.48 feet to a Point on the South Right-of-Way Line of Missouri State Route YY as now located; thence South 89°13'13" East along said Right-of-Way Line, 249.98 feet; thence South 1°22'06" East, 424.90 feet; thence North 89°10'17" West, parallel with the North Line of the Northeast Quarter of the Northeast Quarter of said Section 17, 255.00 feet to a Point on the West Line of said Quarter Quarter Section; thence North 0°41'32" West along said West Line, 424.52 feet to the true Point of Beginning. Contains 2.46 Acres, more or less, subject to any existing easements.

- (B) Finding that the granting of the authority requested by this application is required by the public convenience and necessity;  
and
- (C) Making such other orders and findings as are appropriate in the circumstances.

Respectfully submitted,

/s/ Renee Parsons

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Renee Parsons, MO #48935  
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## **LIST OF APPENDICES**

Appendix 1: Commission's Order in Case No. 9470

Appendix 2: Commission's Order in Case No. 11,892

Appendix 3: Warranty Deed

Appendix 4: A map and aerial view of the Peculiar Substation site

Appendix 5: Topographical Survey and Site Development Plan

Appendix 6: Letter from Cass County Board of Zoning Adjustment approving  
the project

## **MATERIALS INCORPORATED BY REFERENCE**

1. Certificate of Authority to conduct business in the State of Missouri
2. Registrations of Fictitious Names

### **CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the above and foregoing document was delivered by first class mail and electronic mail, on the 22nd day of February, 2008, 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/ Renee Parsons