

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of an Examination of Class Cost of Service)
and Rate Design in the Missouri Jurisdictional Electric) **Case No. EO-2002-384**
Service Operations of Aquila, Inc., formerly known as)
UtiliCorp United Inc.)

ORDER SETTING LOCAL PUBLIC HEARINGS

Issue Date: October 7, 2005

Effective Date: October 7, 2005

On August 29, 2005, the Public Counsel filed his Motion for Reconsideration of Order Regarding Consolidation and Procedural Schedule and Motion for Local Public Hearings. Therein, Public Counsel states:

Regardless of whether the Commission reconsiders the schedule in this case, it should schedule local public hearings. The parties are very likely to propose significant shifts in class revenue responsibility, which would translate into significant increases and decreases for the various rate classes. Aquila ratepayers should have the opportunity to comment on these proposals after they are filed, before any Commission-ordered settlement conference. Local public hearings held before a settlement conference is convened will avoid repeating the debacle the Commission created in the Laclede Gas Company rate case [Case No. GR-2005-0284] by ordering the parties to participate in settlement negotiations before it scheduled local public hearings. If the Commission does not reconsider its rejection of Staff's proposed schedule, local public hearings could be held after direct testimony and before a settlement conference by making minor adjustments to the currently-ordered schedule.

On September 16, the Commission directed the other parties to respond to Public Counsel's motion by September 21. Thereafter, it was discussed by representatives of the parties at the conference convened on September 26. Aquila stated that it was opposed to the Public Counsel's motion on the grounds that holding two sets of local public

hearings would likely be confusing to ratepayers and, because it was already too late to provide notice by billing inserts, additional expense of about \$130,000 would be incurred in sending a separate mailed notice by postcard to each affected ratepayer.

The Commission took up Public Counsel's motion at its Agenda session on October 6. While the Commission is willing to hold local public hearings, it finds Aquila's objections to be well-taken. Therefore, the Commission will simply combine Case EO-2002-384 with Case ER-2005-0436 solely for the purpose of the local public hearings.

For these reasons, the Commission will set the local public hearings in this case as noted below.

IT IS THEREFORE ORDERED:

1. That Public Counsel's Motion for Local Public Hearings, filed on August 29, 2005, is granted as set out below.

2. That the following schedule of local public hearings is adopted:

City Council Chamber 1100 Frederick Avenue St. Joseph, Missouri	November 17, 2005 6:00 p.m.
City Council Chamber 10000 East 59 th Street Raytown, Missouri	November 29, 2005 6:00 p.m.

Each local public hearing shall commence promptly at 6:00 p.m. and shall continue until every member of the public in attendance has had an opportunity to testify, but in no case later than 9:00 p.m. The local public hearings shall be held in facilities that meet the accessibility requirements of the Americans with Disabilities Act. Any person who needs additional accommodations to participate in a hearing should call the Public Service Commission's Hotline at 1-800-392-4211 (voice) or Relay Missouri at 711 prior to the hearing.

3. That the Staff of the Missouri Public Service Commission shall be available at each hearing site during the half-hour preceding each local public hearing scheduled herein to answer questions from members of the public. At that time, Staff will provide appropriate informational hand-outs to interested persons concerning both Case ER-2005-0436 and Case EO-2002-384, including, in the latter case, the magnitude of possible cost shifts for each customer class.

4. That the Data Center of the Missouri Public Service Commission shall serve a copy of this order upon the county commission of each county in Aquila, Inc.'s Missouri electric service area.

5. That the Commission's Public Information Office shall make this order or the information contained in this order available to the media serving each county in Aquila, Inc.'s Missouri electric service area and to the members of the General Assembly representing the residents of Aquila, Inc.'s Missouri electric service area.

6. That Aquila, Inc., need not provide additional notice of the above local public hearings to each affected ratepayer.

7. That the Commission shall make arrangements for court reporters at each hearing. Video conferencing will not be available at either location.

8. That this order shall become effective on October 7, 2005.

BY THE COMMISSION

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', with a stylized, cursive script.

Colleen M. Dale
Secretary

Kevin A. Thompson, Deputy Chief
Regulatory Law Judge, by delegation
of authority pursuant to
Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 7th day of October, 2005.