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November 5, 2003

FILED

NOV 0 5 2003

Dale H. Roberts Secretary Missouri Public Service Commission P. O. Box 360 Jefferson City, MO 65102

Missauri Public Se**rvice Commis**aion

RE: Aquila, Inc. d/b/a Aquila Networks – MPS and Aquila Networks – L&P Case No. GT-2004-0050, as consolidated

Dear Mr. Roberts:

DAVID V.G. BRYDON

GARY W. DUFFY

PAUL A. BOUDREAU

SONDRA B. MORGAN CHARLES E. SMARR

JAMES C. SWEARENGEN

WILLIAM R. ENGLAND, III

JOHNNY K. RICHARDSON

Enclosed for filing in the above-referenced matter are the original and eight copies of a Unanimous Stipulation and Agreement entered into by Aquila, Inc. d/b/a Aquila Networks – MPS and Aquila Networks – L&P, the Staff of the Missouri Public Service Commission, Sedalia Industrial Energy Users' Association, and the Office of the Public Counsel. Please file stamp the enclosed extra receipt copy and return to me for my records.

If you have any questions concerning this matter, please do not hesitate to contact me. Thank you very much for your attention to this matter.

Sincerely,

BRYDON, SWEARENGEN & ENGLAND P.C.

By:

Dean L. Cooper

DLC/jar Enclosures

cc:

Lera L. Shemwell

Douglas E. Micheel Stuart W. Conrad

FILED NOV 0 5 2003

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Aquila, Inc. d/b/a)	Misseuri Public Service Commission
Aquila Networks - MPS for Tariff)	Case No. GT-2004-0050,
Changes Related to Large Volume Service)	As consolidated

UNANIMOUS STIPULATION AND AGREEMENT

COMES NOW Aquila, Inc. d/b/a Aquila Networks - MPS and Aquila Networks - L&P ("Aquila" or the "Company"), the Staff of the Missouri Public Service Commission ("Staff"), Sedalia Industrial Energy Users' Association ("SIEUA"), and the Office of the Public Counsel ("OPC") by and through their respective counsel, and respectfully state as follows:

- 1. On June 23, 2003, Aquila submitted revised tariff sheets designed to implement changes in its transportation tariff for transport customers. These sheets were assigned Case Nos. GT-2004-0042, GT-2004-0050 and GT-2004-0051. The revised tariff sheets were suspended and the application to intervene of the SIEUA granted. The Commission consolidated the three cases and established a procedural schedule by its order dated October 14, 2003. Aquila filed direct testimony on October 10, 2003, in accordance with the procedural schedule agreed to by the parties.
- 2. Meanwhile, the parties initiated discussions to explore settlement of these issues. As a result of those discussions, the parties have reached a Unanimous Stipulation and Agreement (the "Stipulation") which they believe to be reasonable in this case and recommend the Commission approve as being in the public interest.
- 3. The substance of that agreement is reflected in a number of amendments to the revised tariff sheets originally filed by Aquila. The agreed-upon illustrative tariff sheets are attached as Appendix A for Aquila Networks MPS and Appendix B for Aquila Networks L&P. Upon

approval of this Unanimous Stipulation and Agreement, the parties agree that Aquila shall file compliance tariff sheets for Commission approval on an expedited basis. The parties request that the Commission take action so as to permit such revised tariff sheets to become effective on November 10, 2003. At that time, the tariff sheets on file should be rejected and replaced with the compliance tariff sheets.

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- 4. The parties have used best efforts in crafting the agreed-upon amendments to develop a proposal that meets Aquila's needs, the needs of Aquila's Large Volume Transport customers, as well as the needs of all of Aquila's other customers and the parties intend that the proposal be implemented in a manner consistent with those needs. Despite the parties' best efforts and intent, however, it is possible that unforeseen conditions have not been adequately addressed in this proposal. For that reason, if difficulties arise with respect to the operation of the agreed-upon tariff sheets, the parties agree to meet and use best efforts to resolve those difficulties. In the event the parties are not able to resolve such difficulties themselves, it is expressly understood that changes to the agreed-upon tariff sheets may be proposed by Aquila (by way of filing proposed revisions) or by Large Volume Transport customers, the Staff or the Office of the Public Counsel (by way of a complaint filing). All parties would retain their ability to oppose any such filing.
- 5. None of the signatories shall be deemed to have approved or acquiesced in any question of Commission authority, ratemaking or procedural principle, valuation methodology, cost of service methodology or determination, depreciation principle or method, rate design methodology, jurisdictional allocation methodology, cost allocation, cost recovery, or question of prudence, that may underlie this Stipulation, or for which provision is made in this Stipulation.
 - 6. No party to this document believes the consideration and approval of this document

requires a hearing before the Commission; however, the parties stand ready to provide additional information if it is requested.

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- 7. This Stipulation represents a negotiated settlement. Except as specified herein, the signatories to this Stipulation shall not be prejudiced, bound by, or in any way affected by the terms of this Stipulation: (a) in any future proceeding other than one brought to enforce the terms of this Stipulation; (b) in any proceeding currently pending under a separate docket; and/or (c) in this proceeding should the Commission decide not to approve this Stipulation, or in any way condition its approval of same.
- 8. The provisions of this Stipulation have resulted from extensive negotiations among the signatories and are interdependent. In the event that the Commission does not approve and adopt the terms of this Stipulation in total, or approves this Stipulation with modifications or conditions that a signatory objects to, it shall be void and no party hereto shall be bound, prejudiced, or in any way affected by any of the agreements or provisions hereof except as provided in paragraph 10.
- 9. When approved and adopted by the Commission, this Stipulation shall constitute a binding agreement between the signatories hereto. The signatories shall cooperate in defending the validity and enforceability of this Stipulation and the operation of this Stipulation according to its terms. Nothing in this Stipulation is intended to impinge, restrict or limit in any way Staff or Public Counsel's discovery powers, including the right to access information and investigate matters related to Aquila.
- 10. If the Commission does not unconditionally approve this Stipulation without modification, and notwithstanding its provision that it shall become void thereon, neither this Stipulation, nor any matters associated with its consideration by the Commission, shall be considered

or argued to be a waiver of the rights that any party has to a hearing on the issues presented by the Stipulation, for cross-examination, or for a decision in accordance with Section 536.080 RSMo 2000 or Article V, Section 18 of the Missouri Constitution, and the parties shall retain all procedural and due process rights as fully as though this Stipulation had not been presented for approval, and any suggestions or memoranda, testimony or exhibits that have been offered or received in support of this Stipulation shall thereupon become privileged as reflecting the substantive content of settlement discussions and shall be stricken from and not be considered as part of the administrative or evidentiary record before the Commission for any further purpose whatsoever.

- 11. In the event the Commission accepts the specific terms of the Stipulation, the signatories waive their respective rights to call, examine and cross-examine witnesses, pursuant to Section 536.070(2) RSMo 2000; their respective rights to present oral argument and 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. This waiver applies only to a Commission Report And Order respecting this Stipulation issued in this proceeding, and does not apply to any matters raised in any subsequent Commission proceeding, or any matters not explicitly addressed by this Stipulation.
- 12. The Staff also shall have the right to provide, at any agenda meeting at which this 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, provide the 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 the Staff. The 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.

- 13. The Staff shall submit to the Commission a memorandum explaining its rationale for entering into this Stipulation and Agreement. Each of the parties shall be served with a copy of any such memorandum and shall be entitled to submit to the Commission, within five days of receipt of Staff's memorandum, a responsive memorandum which shall also be served on all parties. The contents of any memorandum provided by any party are its own and are not acquiesced in or otherwise adopted by the other signatories to this Stipulation, whether or not the Commission approves and adopts this Stipulation.
- 14. The parties agree and represent that the attorneys listed below are duly authorized to execute this Unanimous Stipulation and Agreement on their respective behalf, and that this document represents a complete description of all of the considerations for this agreement.

WHEREFORE, the parties respectfully request that the Commission issue its Order Approving the Unanimous Stipulation and Agreement in its entirety as set forth herein, and also approve the compliance tariff sheets to be filed thereafter to become effective November 10, 2003. Additionally, the Parties further suggest that as a part of its order, the Commission reject the tariffs

currently on file.

Respectfully submitted,

ATTORNEYS FOR AQUILA, INC. D/B/A
AQUILA NETWORKS - MPS AND
AQUILA)NETWORKS - L&P

By:

Dean L. Cooper

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CERTIFICATE OF SERVICE

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