

**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 Service Operations of)	Case No. EO-2002-384
Aquila, Inc., Formerly Known as UtiliCorp United)	
Inc.)	

In the Matter of the Tariff Filing of Aquila, Inc., to)	
Implement a General Rate Increase for Retail)	Case No. ER-2005-0436
Electric Service Provided to Customers in its MPS)	
and L&P Missouri Service Areas.)	

**PUBLIC COUNSEL’S CONCURRENCE IN STAFF’S PROPOSED
PROCEDURAL SCHEDULE AND MOTION TO CONSOLIDATE**

Comes Now the Office of the Public Counsel and for its Concurrence in Staff’s Proposed Procedural Schedule and Motion to Consolidate states as follows:

Public Counsel supports Staff’s motion to consolidate. Case No. EO-2002-384 has as its goal identifying needed or desirable rate design changes, including shifts in the relative responsibilities of various rate classes for Aquila’s revenue requirement and changes in the make-up of rate classes. Case No. ER-2005-0436 is a general rate case, and as such necessarily encompasses an evaluation of all factors relevant to a determination of just and reasonable rates, including class costs of service and rate design. Both of these cases have the goal of establishing just and reasonable rates for all classes of customers. It is patently inefficient to consider class costs of service and rate design issues in EO-2002-384, and then do it over again in ER-2005-0436.

Although EO-2002-384 may have been intended to be a “stand-alone” rate design case when it was docketed four years ago, it was not anticipated at that time that it would be reaching its conclusion at exactly the same time as a general rate case. There is simply no reason at this time to keep the two cases separate, and good reasons to consolidate them. Among those reasons are the fact that class cost of service determination is not an exact science due to the existence of joint and common costs. Such studies should be viewed as a guide to setting rates, along with rate impacts. Rate impacts cannot be reasonably evaluated absent a concurrent consideration of revenue requirement.

Public Counsel also supports Staff’s proposed procedural schedule. The schedule allows the parties adequate time to address the complicated rate design and class cost of service issues, and allows the Commission to make just one ratemaking determination based on one evidentiary record, rather than two determinations based on separate but overlapping records.

Respectfully submitted,

OFFICE OF THE PUBLIC COUNSEL

/s/ Lewis R. Mills, Jr.

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been e-mailed, mailed or hand-delivered to the following this 26th day of July 2005:

/s/ Lewis R. Mills, Jr.
