BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In The Matter of the Application of Aquila,) Inc. for Approval of its Experimental) Regulatory Plan and for a Certificate of) Convenience and Necessity Authorizing) it to Participate in the Construction, Ownership,) Operation, Maintenance, Removal,) Replacement, Control and Management of) a Steam Electric Generating Station in) Platte County, Missouri, or alternatively for an) Order specifically confirming that Aquila, Inc.) has the requisite authority Under its) Existing Certificate(s).

Case No. EO-2005-0293

STATUS REPORT

COMES NOW Aquila, Inc. ("Aquila"), provides the following report to the Missouri Public Service Commission ("Commission") concerning the captioned case:

1. As the Commission is aware, this case is only one of several pending dockets related to the proposed construction of a steam electric generating station, commonly referred to as latan Unit 2. The Application in this case was filed on March 2, 2005. Since that time, the Application has been amended twice, the primary purpose of which has been to narrow the scope of the issues that will need to be addressed by the Commission.

2. The discussions between Aquila, the Commission's staff, the Office of the Public Counsel and other interested parties have been helpful and productive. The unresolved issues are few, and Aquila is optimistic the parties will be able to submit a settlement proposal for the Commission's consideration as early as the week of July 3rd.

3. In order to meet certain timing obligations concerning Aquila's participation in latan Unit 2, Aquila anticipates that it will be requesting that the Commission take action with respect to its Second Amended Application by no later than July 29, 2005. To accomplish this objective, Aquila believes it may be necessary to schedule a hearing no later than the week of July 17th in order to give the Commission sufficient time to consider the issues in the case. The Commission can expect a formal proposal with regard to procedural dates in the very near future.

4. The timing of this matter is ambitious but reasonable under the circumstances. As noted above, Aquila has narrowed significantly the scope of the relief being requested from the Commission since its initial filing in March of 2005. Currently, the Application merely requests authority from the Commission to encumber its Aquila Networks – MPS electric utility assets in the State of Missouri to secure a debt facility, the proceeds of which will be used for only very limited purposes. Aquila anticipates that the terms of the underlying debt instruments will be commercially customary. As such, the issues presented to the Commission are not anticipated to be many or complex.

Respectfully submitted,

/s/

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Attorneys for Applicant Aquila, Inc.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was delivered by first class mail or by hand delivery, on this 24th day of June, 2005 to the following:

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<u>/s/____</u>