

AQUILA NETWORKS, INC. D/B/A AQUILA MPS AND SJLP

EO-2002-384

Data Request

of

SIEUA and AGP

to

Missouri Public Service Commission Staff

September 27, 2005

Item No. Description

3. At page 12 of his testimony, line 14, Mr. Busch states that "The TOU allocation methodology has been favored by past Commissions." With respect to this statement, please:

a. Describe fully the TOU allocation methodology that has been favored by past Commissions.

Staff Response:

It is my understanding that past Commissions have expressed the position that costs are caused by the utilization of the system each hour and the proper method of allocating those costs is on an hourly basis. I believe that hourly data was not available in those cases, and the Staff's "Average and Peak" method using 12 Class Peaks was adopted as most closely approximating the more preferable hourly TOU method.

b. Compare each element of methodology with the methodology being proposed in this proceeding.

Staff Response:

As I stated in response to part a, the Commission adopted a principle, not a methodology. The methods used by the Staff in this case are based on that principle, and are made possible by the availability of hourly class load data in this case.

c. Provide citations and copies of relevant portions of Orders for each instance in which the TOU allocation methodology was favored by past Commissions.

Staff Response:

The following is a list of case number, name of utility and date of Commission Orders that I'm aware of:

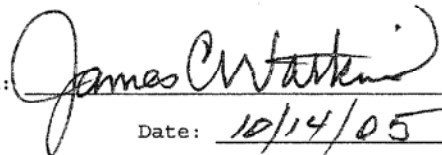
- (1) Case No. ER-81-364 (Arkansas Power & Light Company), April 20, 1982
- (2) Case No. EO-78-161 (Kansas City Power & Light Company), February 28, 1983
- (3) Case Nos. EO-85-17 and ER-85-160 (Union Electric Company), March 29, 1985

"...The Commission has indicated in recent cases that it believes the TOU [time of use] cost of service study most closely reflects cost causation of a utility's production and transmission facilities. Staff presented the same method to the Commission in Case No. ER-81-364 involving Arkansas Power & Light Company (AP&L), issued April 20, 1982. In that case, the Commission was presented with the same question of which theory properly reflected cost causation, TOU or CP. The Commission adopted the TOU/AP method. The Commission also adopted the TOU over the CP method of allocating costs in Case No. EO-78-161, which involved Kansas City Power & Light Company....The Commission considers its reasoning from the AP&L case to be supported by the evidence in this case. The Commission reaffirms its position that costs are caused by the utilization of the system each hour, and the proper method of allocating these costs is on an hourly basis. Here, as in AP&L, there is no hourly load data, so Staff's study utilizing TOU monthly data and AP [average and peak] allocation within the month is found to most closely approximate the more preferable hourly TOU... " [Case Nos. EO-85-17 and ER-85-160, pages 154-155]

The attached or above information provided to the requesting party or parties in response to this data or information request is accurate and complete and contains no material misrepresentations or omissions, based upon present facts to the best of the knowledge, information or belief of the undersigned. The undersigned agrees to immediately inform the requesting party or parties if during the pendency of this case any matters are discovered which would materially affect the accuracy or completeness of the attached information and agrees to regard this as a continuing data request.

As used in this request the term "document" includes publications in any format, work papers, letters, memoranda, notes, reports, analyses, computer analyses, test results, studies or data recordings, transcriptions and printer, typed or written materials of every kind in your possession, custody or control or within your knowledge. The pronoun "you" or "your" refers to the party to whom this request is tendered and named above and includes its employees, contractors, agents or others employed by or acting in its behalf.

Signed:

Date: 10/14/05

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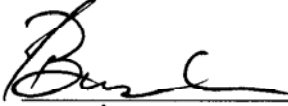
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12.	Please identify all commissions of which you are aware that utilize the generation allocation method that Staff has proposed in this case. Provide a copy or citation to any case approving the use of such method.

STAFF IS UNAWARE of any other Commission that utilizes the generation allocation method, except for the Mo PSC.

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Signed: Date: 10/13/05