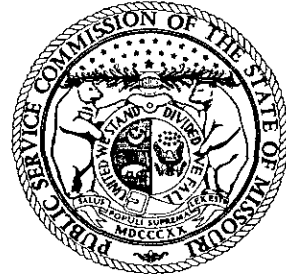


Notice of *Ex Parte* Contact

TO: Data Center
All Parties in Case No. **EO-2005-0156**

FROM: Chairman Jeff Davis
Commissioner Connie Murray
Commissioner Steve Gavett
Commissioner Robert M. Clayton III
Commissioner Lin Appling



DATE: November 7, 2005

On October 14, 2005 we received an e-mail from Ms. Della January regarding the regulation of Aquila as a corporation. The Commission is currently considering the issue discussed in this document in case **EO-2005-0156**, which is a contested case. In contested cases, the Commission is bound by the same *ex parte* rule as a court of law.

Although communications from members of the public and members of the legislature are always welcome, those communications must be made known to all parties to a contested case so that those parties have the opportunity to respond. According to the Commission's rules (4 CSR 240-4.020(8)), when a communication (either oral or written) occurs outside the hearing process, any member of the Commission or Regulatory Law Judge who received the communication shall prepare a written report concerning the communication and submit it to each member of the Commission and the parties to the case. The report shall identify the person(s) who participated in the *ex parte* communication, the circumstances which resulted in the communication, the substance of the communication, and the relationship of the communication to a particular matter at issue before the Commission.

Therefore, we submit this report pursuant to the rules cited above. This will ensure that any party to this case will have notice of the attached information and a full and fair opportunity to respond to the comments contained therein.

cc: Commissioners
Executive Director
Secretary
General Counsel

-----Original Message-----

From: Della January [mailto:della.january@uug.com]

Sent: Friday, October 14, 2005 11:35 AM

To: steve.gaw@psc.mo.gov; robert.clayton@psc.mo.gov; lin.appling@psc.mo.gov; connie.murray@psc.mo.gov; jeff.davis@psc.mo.gov; pscinfo@psc.mo.gov

Subject: EO-2005-0156

By now everyone should clearly see that Aquila is lying and manipulating every law and regulatory agency that tries to govern or regulate Aquila as a corporation. After reading their filing in EO-2005-0156 I was shocked to see that Aquila states they receive no benefit from the Chapter 100 financing when they testified on September 21 that they gain a 18 million dollar tax savings!

It should be very clear that Aquila intentionally misled the commission on whether or not the financing arrangement had been implemented. These omissions are not a mistake, Aquila may not recognize 18 million dollars as a benefit, but its hard to imagine they forget about a 140 million dollar deal. I remind you of the following testimony of Mr. Dennis Williams on September 21. Its a good thing that Mr. Boudreau clarified that Mr. Dennis Williams of Aquila was sworn in (pg 24 of the transcript), because on pg. 58 lines 15-18 he purgers himself in response to Commissioner Clayton's question as outlined below:

15 First of all, clarify, who owns the

16 turbines right now?

17 A. The turbines right now are owned by Aquila,
18 Inc.

19 Q. Aquila, Inc., not by Aquila Equipment --

20 A. No.

21 Q. -- Inc.?

22 A. They have been transferred to --

23 Q. They've already been transferred?

24 A. Yes.

25 Q. Okay. So Aquila, Inc. owns them today

In Aquila's response (doc 380) they acknowledge that they title to the turbines were transferred. The following is taken from page 2 of the filing:

"As a matter of background, legal title to the three natural gas-fired combustion turbines ("CTs") and the real estate owned by Aquila along South Harper Road in Cass County, Missouri was transferred to the City of Peculiar shortly before the end of the year 2004."

Further, its offensive that they rely on the testimony of Peculiar Mayor George Lewis in the public hearing held regarding EA-2005-0248 as notice to the commission that the transaction has occurred. You will recall in that public hearing many of the residents near the plant gave testimony in this case. In response to our testimony Chairman Davis stated our testimony was not in the proper venue. If our testimony is ignored, why does the Mayor's count?

Please hold Aquila accountable for their actions! What they are doing is criminal. With all of the legal and regulatory issues on this case, the PSC should stay all Aquila requests and initiate an investigation into their criminal behaviors.

***** PLEASE NOTE *****

11/7/2005