

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of Aquila, Inc., d/b/a Aquila)
Networks - MPS and Aquila Networks - L&P)
for Authority to Implement Rate Adjustments)
Required by 4 CSR 240-20.090(4) and the)
Company's Approved Fuel and Purchased)
Power Cost Recovery Mechanism.)

Case No. EO-2008-0216

**MOTION FOR CLARIFICATION OF COMMISSION ORDER,
AND REQUEST FOR EXPEDITED TREATMENT**

COMES NOW the Staff ("Staff") of the Missouri Public Service Commission ("Commission"), by and through counsel, and respectfully states as follows:

1. On February 14, 2008, the Commission issued its Order Approving Tariff To Establish Rate Schedules For Fuel Adjustment Clause ("Order"). The Order approves Aquila Inc.'s P.S.C. MO No 1, 1st Revised Sheet No. 127, Canceling Original Sheet No. 127, to be effective March 1, 2008. The Staff has noted several instances (discussed below) in which the word "recovery" has been inadvertently used in the Order, and where, as a consequence, clarification by the Commission would be helpful.

(a) The last two sentences of the first full paragraph on page 3 of the Order read as follows: "If Aquila and Staff are correct, Aquila will be able to recover costs accumulated in June and July 2007. If the parties that oppose the tariffs are correct, the accumulation and recovery of costs cannot begin until August 1." The first of these two sentences is correct. On page 2 of the Order, the Commission correctly refers to the August 1 date only in connection with cost accumulation.¹ The Staff suggests that the Commission clarify the language by revising the sentence to read as follows: "If the parties that

¹ The Commission stated: "The parties that urge the Commission to reject Aquila's tariff contend the Commission order establishing the date for beginning the *accumulation* of costs is . . . the order approving Aquila's tariff describing the details of its FAC. That order became effective on July 5, 2007, so the first day of the first calendar month following would be August 1, 2007." (emphasis added).

oppose the tariffs are correct, the cost accumulation period cannot begin until August 1.”

As clearly indicated by Original Sheet No. 124, and perhaps noted with too much subtlety by the Staff in its January 29, 2008 Staff Recommendation To Approve Tariff Sheet And Motion For Leave To File Out Of Time, the accumulation period and the recovery periods do not coincide.

(b) The last sentence of the first full paragraph on page 4 of the Order reads as follows: “This interpretation is also consistent with Aquila’s approved tariff, which sets a recovery period beginning on June 1.” The Staff believes that the Commission inadvertently used the word “recovery” in the sentence, and that the Commission intended to use the word “accumulation.” Accordingly, the Staff suggests that the sentence be corrected to include the word “accumulation” in place of the word “recovery.”

(c) The first sentence of the second full paragraph on page 4 of the Order reads, in pertinent part, as follows: “The Commission interprets its regulation as establishing a recovery period beginning on the first day of the first month following the Report and Order . . .” The Staff believes that the Commission inadvertently used the word “recovery” in the sentence, and that the Commission intended to use the word “accumulation.” Accordingly, the Staff suggests that the sentence be corrected to include the word “accumulation” in place of the word “recovery.”

2. The Staff in its January 29, 2008 Staff Recommendation To Approve Tariff Sheet And Motion For Leave To File Out Of Time also recommended that the Commission Order approving Aquila, Inc.’s Tariff Sheet, P.S.C. MO. No. 1, 1st Revised Sheet No. 127, Canceling Original Sheet No. 127 be an interim rate adjustment Order, subject to true-up and prudence reviews. The Staff notes that the Commission’s February 14, 2008 Order Approving Tariff To

Establish Rate Schedules For Fuel Adjustment Clause was not issued as an interim rate adjustment Order, subject to true-up and prudence reviews. 4 CSR 240-20.090(4) provides, in part, as follows:

. . . If the FAC rate adjustment is in accordance with the provisions of this rule, section 386.266, RSMo, and the FAC mechanism established in the most recent general rate proceeding, the commission shall either issue an **interim rate adjustment order** approving the tariff schedules and the FAC rate adjustments within sixty (60) days of the electric utility's filing or, if no such order is issued, the tariff schedules and the FAC rate adjustments shall take effect sixty (60) days after the tariff schedules were filed. . . . [Emphasis added.]

As a point of reference, the Staff would note that in interim rate increase cases, the Commission puts rates into effect as interim, subject to refund.

3. The Staff does not intend that the filing of this motion should in any way jeopardize the aforementioned March 1, 2008 effective date of the approved tariff sheet. Accordingly, the Staff is requesting expedited treatment, pursuant to 4 CSR 240-2.080(16). This pleading is being filed as soon as it could have been, given other Commission business and the State holiday on February 18, 2008.

WHEREFORE, the Staff respectfully requests that the Commission: (a) clarify its February 14, 2008 Order in the manner suggested above; and for the reasons stated, (b) treat this motion expeditiously.

Respectfully Submitted,

/s/ **Dennis L. Frey**

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 19th day of February 2008.

/s/ **Dennis L. Frey**