

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

TRANSCRIPT OF PROCEEDINGS

Conference

May 15, 2006
Jefferson City, Missouri
Volume 1

In the Matter of a Management)
Audit of Aquila, Inc., d/b/a,)Case No. EO-2006-0356
Aquila Networks-MPS and Aquila)
Networks-L&P)

MORRIS L. WOODRUFF, Presiding
DEPUTY CHIEF REGULATORY LAW JUDGE

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1 P R O C E E D I N G S

2 JUDGE WOODRUFF: Well, good morning, everyone,
3 and welcome to the conference today. This is Case No.
4 EO-2006-0356, and it concerns request by Office of Public
5 Counsel that the Commission conduct a management audit of
6 Aquila, Incorporated.

7 We'll begin today by taking entries of
8 appearance, beginning with Aquila.

9 MR. SWEARENGEN: Thank you. James B.
10 Swearengen of Brydon, Swearengen & England on behalf of
11 Aquila. Also with me is Chris Reitz, the company's
12 General Counsel, Rick Green, and John Imson.

13 JUDGE WOODRUFF: Thank you.

14 MR. SWEARENGEN: Thank you. And for Staff?

15 MR. DOTTHEIM: Steven Dottheim, Nathan Williams,
16 appearing on behalf of the Staff of the Missouri Public
17 Service Commission, Post Office Box 360, Jefferson City,
18 Missouri, 65102.

19 JUDGE WOODRUFF: And for Public Counsel?

20 MR. MILLS: On behalf of Office of Public
21 Counsel and the public, my name is Lewis Mills. My
22 address is Post Office Box 2230, Jefferson City, Missouri,
23 65102. Thank you.

24 JUDGE WOODRUFF: Thank you very much. And I
25 believe that's all the parties.

1 Well, the purpose of this conference was to
2 bring you all together so that you can discuss how and if
3 the Commission needs to proceed in this matter.

4 I don't have any particular words of wisdom to
5 impart to you, so I'm just going to leave you to your
6 discussions unless there's something that -- that you want
7 to bring up while we're on the record.

8 MR. MILLS: Just as a procedural matter, what
9 exactly is the Commission looking for to come out of this
10 prehearing conference?

11 JUDGE WOODRUFF: I would like to have a report
12 from you, from the parties within one week.

13 MR. MILLS: Okay.

14 JUDGE WOODRUFF: Just give me -- giving the
15 Commission directions on how you'd like to proceed. If
16 there is agreement amongst the parties, of course, we can
17 -- we'll accept one filing.

18 If the parties cannot reach an agreement, go
19 ahead and file separate recommendations as to how you want
20 the Commission to proceed.

21 And I will tell you that we had the discussion
22 about this in agenda a few weeks ago. Some of you may
23 have been there. The Commissioners indicated that they
24 wanted to have some pretty strong guidance as to exactly
25 what would be entailed by this investigation and

1 management audit.

2 So they would be expecting some -- some sort of
3 a detailed recommendation from -- from you all before --
4 before they would consider this again.

5 MR. MILLS: Okay. Thank you.

6 MR. SWEARENGEN: Judge, from those discussions,
7 do you have any sense of what the Commission is looking
8 for?

9 JUDGE WOODRUFF: I really don't have a strong
10 sense for that. And I don't think the Commissioners have
11 a strong sense either of what they want. So they're open
12 to suggestions as to what would be appropriate.

13 And I understand that there is likely to be a
14 rate case filed in this case in July.

15 MR. SWEARENGEN: That's right.

16 JUDGE WOODRUFF: Which I've already been told
17 will be my case, also.

18 MR. SWEARENGEN: Congratulations.

19 JUDGE WOODRUFF: So we're certainly -- if this
20 can be tied into that rate case somehow, we're open -- the
21 Commission would be open to that suggestion, I believe.

22 MR. SWEARENGEN: Thank you.

23 JUDGE WOODRUFF: All right. Anything further
24 anybody wants to bring up while we're on the record?

25 All right. With that, then, I'll leave you to

1 your discussions. Thank you.

2 MR. MILLS: Thank you.

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