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OF COUNSEL RICHARD T. CIOTTONE

December 3, 2003

Mr. Dale Hardy Roberts Secretary/Chief Regulatory Law Judge Missouri Public Service Commission P.O. Box 360 Jefferson City, MO 65102

Re: Case No. EF-2003-0465

Dear Mr. Roberts:

Provided herewith for filing on behalf of Aquila, Inc., please find in electronic format Aquila's Reply to Staff Response and Supplemental Objections to Staff's Motion to File Exhibits Late in the above-referenced case.

A copy of this filing will be provided to all parties of record.

Please see that this filing is brought to the attention of the appropriate Commission personnel.

I thank you in advance for your cooperation in this matter.

James C. Swearengen

JCS/lar Enclosure

Nathan Williams cc:

> Doug Micheel Stuart Conrad Ronald Molteni **RLJ Pridgin**

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of Aquila,)	
Inc. for Authority to Assign, Transfer,)	
Mortgage or Encumber its Utility Franchise,)	Case No. EF-2003-0465
Works or System in Order to Secure)	
Revised Bank Financing Arrangements)	

AQUILA'S REPLY TO STAFF RESPONSE AND SUPPLEMENTAL OBJECTIONS TO STAFF'S MOTION TO FILE EXHIBITS LATE

Comes now Aquila Inc., ("Aquila") and for its Reply to Staff Response and Supplemental Objections to Staff's Motion to File Exhibits Late (the "Motion"), respectfully states to the Missouri Public Service Commission ("Commission") that:

- 1. On December 1, 2003, Staff filed its Response to Aquila's objections to Staff's Motion to File Exhibits Late (the "Response"). While the Response offers additional reasons in support of the Staff's request to make part of the record in this case five (5) voluminous additional documents, the Response fails to justify the relief requested and the Motion should be denied.
- 2. There is no basis for the late-filing of exhibits when the hearing has been concluded and the evidentiary record has been closed and the Motion does not cite any such authority. Moreover, the Motion does not comply with the requirements of Commission rule 4 CSR 240-2.110(8) which requires the filing of a petition to reopen a case for the taking of additional evidence. Staff's suggestion that it is not opposed to a short additional hearing to present an opportunity for cross-examination concerning the additional documentation does not satisfy the Commission's rule.

- 3. The Response mischaracterizes the nature of Aquila's objections to admitting secondhand documentation about contemplated or pending transactions. Aquila objects because the documents that Staff seeks to offer into the record are not copies of the actual agreements to which the various motions and press releases make reference. As such, they are not the best evidence of the nature of the transactions and, consequently, may be incomplete, misleading and unreliable for the purpose for which Staff seeks to use them. Also, as noted previously, these are transactions that are either contemplated or pending and, as such, their interactions with the Term Loan, if any, are uncertain and indefinite at this time. For these reasons, the additional exhibits will not be proof of any particular fact that may be relevant to this case. Rather, they will only be a source for additional speculation.
- 4. The Commission may not take official notice of the new material because none of the documents are of the type of which a court could take judicial notice. See, §536.070(6) RSMo 2000. Further, no foundation for admission of the documentation as business records has been provided. See, §490.680 RSMo 2000 and §536.070(10) RSMo 2000. No other evidentiary basis for admission of the additional materials has been provided or exists.
- 5. The various documents do not speak for themselves. The only conceivable significance for any of the offered exhibits is how they may, or may not, interact with the provisions of the Term Loan or the Indenture. None of this can be known without the benefit of testimony from appropriate witnesses to give meaning and context.

6. Finally, allowing exhibits to be filed late without evidentiary foundation and which do not provide a complete picture of the activities which they purport to describe will be prejudicial to Aquila coming as it would on the very eve of filing its post-hearing brief on Monday, December 8, 2003. The integrity of the record in this case is important to all parties and to the Commission. The Commission's decision in this case must be based on competent and substantial evidence developed with the protections afforded by the requirements of evidentiary reliability and due process.

WHEREFORE, Aquila restates its request that Staff's Motion to File Exhibits Late be denied for the reasons aforesaid.

Respectfully submitted,

Paul A. Boudreau

MO #33155

James C. Swearengen

MO #21510

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Attorneys for Applicant

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 3rd day of December 2003 to the following:

Mr. Nathan Williams General Counsel's Office Missouri Public Service Commission 200 Madison Street, Suite 800 P.O. Box 360 Jefferson City, MO 65102-0360

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