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November 2, 2000

**FILED**<sup>2</sup>  
NOV 2 2000  
Missouri Public  
Service Commission

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

**RECEIVED**<sup>2</sup>  
NOV 2 2000  
Public Records  
Service Commission

Dear Mr. Roberts:

ER-2001-294

On behalf of UtiliCorp United Inc. d/b/a Missouri Public Service ("UtiliCorp") I deliver herewith for filing three sets of P.S.C. Mo. No. 2 Original Sheets Nos. 78 and 79, which together constitute an experimental recovery surcharge for UtiliCorp's Missouri retail electric operations. The tariff sheets bear an issuance date of November 2, 2000 and an effective date of December 8, 2000.

The purpose of this tariff filing is to compensate UtiliCorp for a portion of the impact caused by significant increases in the cost of natural gas used for electric generation and the increases in the cost of power purchased which are directly related to natural gas market prices. The surcharge is intended to recover certain increased costs above prescribed target levels in a timely manner, preventing undue financial harm to UtiliCorp while avoiding frequent, costly general rate increase requests.

Also included find an original and eight (8) copies of Suggestions of UtiliCorp in support of the tariff filing.

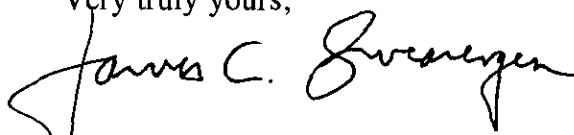
Copies of these tariffs and suggestions are being provided this date to the Office of the Public Counsel.

Will you please see that this filing is brought to the attention of the appropriate Commission personnel.

200100508

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

Very truly yours,

A handwritten signature in cursive script, reading "James C. Swearengen". The signature is written in dark ink and is positioned above the printed name.

James C. Swearengen

JCS/lar

Enclosures

cc: Office of the Public Counsel

P.S.C. MO. No. \_\_\_\_\_

(Original)

SHEET NO. 78

(Revised)

Cancelling P.S.C. MO. No. \_\_\_\_\_

(Original)

SHEET NO. \_\_\_\_\_

(Revised)

MISSOURI PUBLIC SERVICE  
KANSAS CITY, MO 64138

FOR: All Territory Served by Missouri Public Service

EXPERIMENTAL RECOVERY SURCHARGE  
ELECTRICPURPOSE

The purpose of this Experimental Recovery Surcharge is to compensate Missouri Public Service for a portion of the impact caused by significant increases in the cost of natural gas used for electric generation and the increases in the cost of power purchased which are directly related to natural gas market prices. The surcharge is intended to recover certain increased costs above prescribed target levels in a timely manner, preventing undue financial harm to Missouri Public Service while avoiding frequent, costly general rate increase requests.

APPLICABILITY

The Experimental Recovery Surcharge shall be applied on a uniform basis to all kWh sold under any approved Missouri Public Service rate schedule except kWh that exceed the customer baseline load (CBL) as determined for customers on the Real-Time Price Program (Sheet No. 65) or the Special Contract Rate (Sheet No. 69).

EXPERIMENTAL RECOVERY SURCHARGE

$$\text{Experimental Recovery Surcharge} = \text{ERS}_t = \frac{\text{SR}_{\text{gas}} + \text{SR}_{\text{ppt}} - \text{RR}_{t-1}}{S_t}$$

Where:

$\text{SR}_{\text{gas}}$  = surcharge requirement for gas defined as the forecast cost of gas to be used for generation during the recovery period subject to the following limits: Only forecast gas costs in excess of \$3.00 per mmbtu are eligible for recovery. The maximum price of gas allowed in the forecast cost of gas is limited to 150% of the maximum price actually paid during the most recent 90 days available at the time of calculation.

$\text{SR}_{\text{ppt}}$  = surcharge requirement for purchased power defined as the forecast cost of purchased energy during the recovery period subject to the following limits: Only forecast energy purchases in excess of \$30 per MWh are eligible for recovery. The maximum energy purchase price allowed in the forecast is limited to the lesser of \$78 per MWh or 150% of the maximum price actually paid during the most recent 90 days available at the time of calculation.

$\text{RR}_{t-1}$  = refundable recovery from the previous recovery period as defined below. There is no refundable recovery in the calculation of the ERS for the first recovery period.

$S_t$  = forecast kWh sales for the recovery period.

$t$  = current recovery period. A recovery period is a consecutive six-month period beginning on either January 1 or July 1. The first recovery period under this experimental surcharge begins January 1, 2001.

P.S.C. MO. No. \_\_\_\_\_

(Original)

SHEET NO. 79

(Revised)

Cancelling P.S.C. MO. No. \_\_\_\_\_

(Original)

SHEET NO. \_\_\_\_\_

(Revised)

MISSOURI PUBLIC SERVICE  
KANSAS CITY, MO 64138

FOR: All Territory Served by Missouri Public Service

EXPERIMENTAL RECOVERY SURCHARGE (CONTINUED)  
ELECTRICRECOVERY REFUND

After each recovery period the amount recovered under the surcharge and the actual eligible costs shall be determined. No attempt shall be made to recover actual costs in excess of recovery collected. If recovery collected exceeds actual costs, the difference shall be refunded through an adjustment to the ERS applicable in the subsequent recovery period. The refundable recovery (RR) amount shall be calculated as follows:

$$RR = \text{refundable recovery} = SC - AC_{gas} - AC_{pp} + \text{Int}$$

Where:

SC = actual surcharge collected during a recovery period as recorded on the company's books and records through the customer billing process.

$AC_{gas}$  = actual cost of gas used for generation during the recovery period subject to the same price limits applicable to the determination of  $SR_{gas}$ .

$AC_{pp}$  = actual cost of purchased energy during the recovery period subject to the same price limits applicable to the determination of  $SR_{ppt}$ .

$$\text{Int} = \text{interest on the refundable amount} = [SC - AC_{gas} - AC_{pp}] \times 9.5\% \times 0.25$$

EFFECTIVE EXPERIMENTAL RECOVERY SURCHARGESRecovery PeriodRate

January 1 – June 30, 2001

\$0.0050 per kWh

TERMS AND CONDITIONS

The term of this schedule shall be limited because of its experimental nature. This schedule will terminate no later than December 31, 2002. Earlier termination is subject to Commission approval. Within 60 days of the end of each recovery period the following information shall be filed with the Commission:

- Recovery period kWh sales
- Amount of actual surcharge collected
- Actual cost of gas used for generation
- Actual cost of gas exceeding the cap rate
- Actual cost of energy purchases
- Actual cost of energy purchases exceeding the cap rate
- Interest calculation if applicable