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July 25, 2001

FILED²
JUL 25 2001

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

RE: Case No. ER-2001-672 – In the matter of the Tariff Filing of Missouri Public Service (MPS), a Division of UtiliCorp United, Inc., to Implement a General Rate Increase for Retail Electric Service Provided to Customers in the Missouri Service Area of MPS.

Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and eight (8) conformed copies of the **STAFF'S TEST YEAR RECOMMENDATION**.

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,

Nathan Williams
Associate General Counsel
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(573) 751-9285 (Fax)
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Enclosure
cc: Counsel of Record

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED²

JUL 25 2001

Missouri Public
Service Commission

In the matter of the Tariff Filing of Missouri)
Public Service (MPS), a Division of UtiliCorp)
United, Inc., to Implement a General Rate Increase)
for Retail Electric Service Provided to Customers)
in the Missouri Service Area of MPS.)

Case No. ER-2001-672

STAFF'S TEST YEAR RECOMENDATION

COMES NOW the Staff of Missouri Public Service Commission (Staff) and, for its response to the June 21, 2001, Suspension Order And Notice of the Missouri Public Service Commission (Commission) directing the Staff to file on or before July 25, 2001, a pleading either indicating the Staff's concurrence in the test year recommended by UtiliCorp United, Inc. d/b/a Missouri Public Service (MPS) or proposing alternatives to MPS's recommended test year, states:

1. On July 10, 2001, pursuant to the Commission's June 21, 2001, Suspension Order And Notice, MPS filed its pleading entitled "Test Year Recommendation" which, in part, it states:

As reflected at page 5 of the prepared direct testimony of MPS witness Gary L. Clemens filed on June 8, 2001, MPS recommends as the test year in this case the twelve months ended December 31, 2000.

Additionally, in the same pleading MPS recommends an update period as follows:

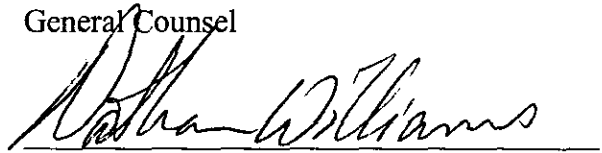
In addition, because of the significant increases in MPS's fuel and purchased power costs, (a portion of which costs relate to the purchased power agreement with MEP Pleasant Hill, L.L.C., and began to be incurred on June 1, 2001 and an additional portion of which costs will begin in January 2002), MPS now recommends that the "test year as updated" in this case should be through and including June 30, 2001, except for the costs associated with those items listed in MPS's separate pleading regarding true-up.

The Staff concurs in the test year recommendation of MPS of the twelve (12) months ended December 31, 2000, updated through June 30, 2001, for material, known and measurable changes that maintain a proper matching of revenues, expenses and rate base.

WHEREFORE the Staff concurs in the test year recommendation of UtiliCorp United, Inc. d/b/a Missouri Public Service, filed on July 10, 2001, of the twelve (12) months ended December 31, 2000, updated for known and measurable changes through June 30, 2001, that maintain a proper matching of revenues, expenses and rate base.

Respectfully submitted,

DANA K. JOYCE
General Counsel

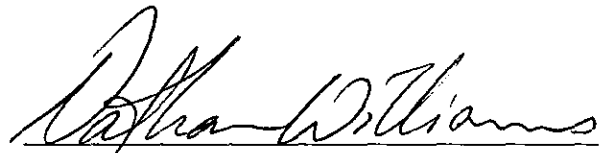


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Certificate of Service

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 25th day of July 2001.



Service List for
Case No. ER-2001-672
Verified: July 25, 2001 (rr)

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