



Missouri Public Utility Alliance

Missouri Association of Municipal Utilities
Municipal Gas Commission of Missouri
Missouri Joint Municipal Electric Utility Commission

2407 W. Ash
Columbia, MO 65203-0045

August 2, 2001

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

FILED³

AUG 02 2001

Missouri Public
Service Commission

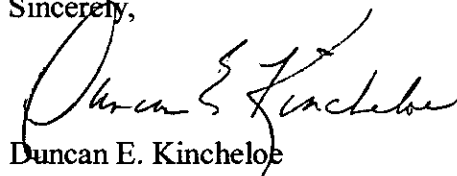
RE: Case No. ER-2001-672
Missouri Public Service, Division of UtiliCorp United

Dear Mr. Roberts:

Enclosed for filing in the above referenced matter are the original and eight (8) copies of the Missouri Joint Municipal Electric Utility Commission's Further Suggestions in Support of Its Application for Intervention. A copy of the foregoing Suggestions has been mailed today to all parties of record.

Thank you for your attention to this matter.

Sincerely,



Duncan E. Kincheloe

Enclosures

FILED³

AUG 02 2001

Missouri Public
Service Commission

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

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
Tariff No. 200101173

**MISSOURI JOINT MUNICIPAL ELECTRIC UTILITY COMMISSION'S
FURTHER SUGGESTIONS IN SUPPORT OF ITS APPLICATION FOR
INTERVENTION**

COMES NOW the Missouri Joint Municipal Electric Utility Commission ("MJMEUC") and, in offering its Further Suggestions in Support of Its Application for Intervention respectfully states as follows to the Missouri Public Service Commission ("Commission"):

1. On July 24, 2001, UtiliCorp ("UCU") d/b/a/ Missouri Public Service ("MPS") filed its Reply to MJMEUC'S Response to UCU's objection in this proceeding and stated:

" MJMEUC alleges that it is exclusively a wholesale customer of UtiliCorp... Allowing the intervention of uninterested parties will serve only to create an imbalance in this proceeding that will make resolution of the issues extremely difficult, if not impossible. (paragraph 1)

MJMEUC would point out that this is not the first time that a wholesale customer of UtiliCorp has requested, and been granted intervention in a case involving retail electric rates for customers of MPS. In its last rate case, (Case No. ER-97-394 et. al.) St. Joseph Light & Power, Kansas City Power & Light, and Union Electric Company were all granted intervention by the Commission. To the best of MJMEUC's knowledge, these utilities would have been, and would continue to be wholesale, not retail, customers of UtiliCorp.

2. MJMEUC would also state that it is certainly not its intent to obstruct the resolution of any issues solely affecting retail customers of UtiliCorp in this proceeding and there is no basis for any concern of this sort. MJMEUC has intervened in matters before this

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Commission before without having ever been detrimental to outcomes affecting retail matters.

3. UCU further states in its footnote to paragraph 1 that

“...UtiliCorp is unaware of any situation where MJMEUC has taken service from UtiliCorp.” (footnote 1)

Since the last UCU rate case (effective date of Commission order: March 18, 1998) MJMEUC has purchased at least \$188,000 in services from UCU/ MPS. There may be additional purchases not yet identified.

4. In its Discussion, UCU briefly describes the process that must be followed by the Federal Energy Regulatory Commission (“FERC”) with respect to setting wholesale electric rates and to costs that are allowed recovery through FERC’s fuel adjustment clause. UCU states:

“ the FERC currently has an open docket in which MJMEUC is a party, to consider this very process in regard to UtiliCorp’s fuel adjustment clause recovery. (Docket No. EL-00-68-001). Also a subject of this FERC docket is **UtiliCorp’s purchases of a portion of its load requirements from other sources** [emphasis added] and these costs impact the amount that is passed through the FERC fuel adjustment clause. The prudence of the amount for MJMEUC’s purchases purposes will be determined in the FERC docket, not in this case.” (paragraph 6)

MJMEUC is in complete agreement with UCU on this point. It is certainly not the intent of MJMEUC to relitigate issues in FERC Docket EL-68-001 in this case. MJMEUC recognizes that the costs passed through FERC’s fuel adjustment clause are within the sole jurisdiction of the FERC, not the Missouri Commission. However, it is the source of these purchases and the prices paid to these sources that continue to cause MJMEUC to be concerned with UCU’s purchased power practices on a forward-going basis. As stated in our previous pleading, UCU does not purchase power separately for its retail vs. wholesale customers.

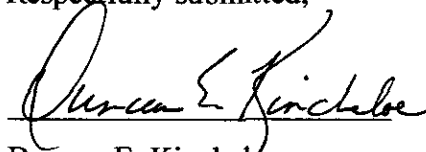
5. With respect to the public interest served by the intervention of MJMEUC, as stated previously, MJMEUC represents the interests of municipalities in their power purchases from UCU and the costs associated with those purchases (which are not incurred separately from those of retail customers.) Moreover, MJMEUC represents the interests of customers served by municipal utilities and would point to the potentially representative circumstance of the City of Odessa that is currently considering the sale of

its municipal utility to UCU. (This issue is expected to be put to the voters in Odessa in November 2000.) Because Odessa is currently not a city that is served on MPS retail rates, there is no obligation on the part of UCU to notify Odessa of its impending rate increase. MJMUEC is situated to provide information not only to the City of Odessa but all of its member cities by its intervention in this case.

6. MJMEUC believes that it is important for the Commission to have on record all information relevant to a requested order. As a consequence of the nature and status of MJMUEC, and its access to information derived from that status, the public interest would be served by its participation as a party in the instant case.

WHEREFORE, having again stated its grounds for intervention, the MJMEUC requests the Commission to enter its Order granting leave to intervene as a full party in this case, and for such other and further relief as the Commission may deem appropriate.

Respectfully submitted,



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