



Missouri Public Service Commission

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General Counsel

August 31, 2001

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

FILED<sup>2</sup>  
AUG 31 2001  
Missouri Public  
Service Commission

**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 **JOINT LIST OF TRUE-UP ACCOUNTS, AGREEMENT THAT THE TRUE-UP ACCOUNTS ENCOMPASS MORE THAN THE MEP PLEASANT HILL POWER PLANT, AND SUGGESTIONS OF LOCAL PUBLIC HEARING SITES.**

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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Enclosure  
cc: Counsel of Record

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

FILED<sup>2</sup>  
AUG 31 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

**JOINT LIST OF TRUE-UP ACCOUNTS, AGREEMENT THAT  
THE TRUED-UP ACCOUNTS ENCOMPASS MORE THAN  
THE MEP PLEASANT HILL POWER PLANT, AND  
SUGGESTIONS OF LOCAL PUBLIC HEARING SITES**

COMES NOW the Staff of the Missouri Public Service Commission, the Office of the Public Counsel, UtiliCorp United, Inc. d/b/a Missouri Public Service, County of Jackson, Missouri, the Sedalia Industrial Energy Users Association, City of Kansas City, Missouri, and the Missouri Joint Municipal Electric Utility Commission, and jointly state:

1. On August 14, 2001, the Commission issued its Order establishing a procedural schedule and, among other things, directing the parties to “jointly file a list of accounts to be trued-up” and to “jointly file a list of suggested locations for the two Local Public Hearings” by August 31, 2001. In that same order the Commission stated, “The true-up shall be limited to those accounts necessarily concerned with the MEP Pleasant Hill, L.L.C., power unit and UtiliCorp’s Power Sales Agreement for electric power generated by that unit.”

2. Subsequent to the above order the parties have conferred and jointly recommend the following list of items to be trued-up:

**RATE BASE:**

- (1) Plant in service
  - (a) All plant in service accounts; and
  - (b) If the Commission decides to treat UtiliCorp's Power Sales Agreement for electric power generated by the MEP Pleasant Hill, L.L.C. power unit (the Aries Combined Cycle unit) as a power plant owned by UtiliCorp, then the Commission must determine that that unit is "fully operational and used for service" (Section 393.135 RSMo 2000) before the costs of the unit and related items for which UtiliCorp has received an invoice, approved and authorized payment, recorded payment in its accounts payable system and that are auditable at the time of the true-up audit are included in rate base. The unit is scheduled to be operational on January 1, 2002.
- (2) Depreciation reserve;
- (3) Deferred taxes;
- (4) Fuel inventories for oil and coal – prices;
- (5) Related cash working capital;
- (6) Materials and supplies;
- (7) Prepayments;
- (8) Advances and contributions;
- (9) Customer deposits;
- (10) Income tax offsets; and
- (11) Interest expense offset.

**CAPITAL STRUCTURE:**

- (1) Rate of return – embedded cost of long-term debt, short-term debt and preferred stock (excludes return-on-equity);
- (2) Capital structure.

**INCOME STATEMENT:**

- (1) Revenues and kWh sales to account for customer growth;
- (2) Uncollectibles;
- (3) Payroll – employee levels, current wage rates, payroll related benefits and payroll taxes;
- (4) Fuel prices for gas, oil and freight;
- (5) Purchased power prices;
- (6) System loads;
- (7) Fuel and purchased power expense to reflect fuel prices, purchased power prices, margin from off-system sales and net system load (i.e., re-run production cost model);
- (8) Rate case expense and MoPSC assessment;
- (9) Lease cost;
- (10) Property insurance;
- (11) Depreciation expense;
- (12) Property taxes – if applicable and appropriate;
- (13) Income tax effects.

Additionally, the allocation factors will be trued-up to maintain the relationship of the allocators and related items at a consistent point in time.

4. The parties agree that to be included in the true-up audit, standard monthly documentation must be available for all applicable items (i.e., monthly operating reports, ledgers and supporting invoices) which assure that the item in fact has occurred or is in service, has been

booked, payment has been recorded in UtiliCorp's accounts payable system and is auditable at the time of the true-up audit.

5. The parties agree that the true-up should not be limited to those items "necessarily concerned with the MEP Pleasant Hill, L.L.C., power unit and UtiliCorp's Power Sales Agreement for electric power generated by that unit," but should include all major changes to revenue, expenses, rate base and capital structure occurring through the true-up date.

6. The parties jointly recommend that the Commission hold the scheduled Local Public Hearings in or about Warrensburg, Missouri and Raytown, Missouri.

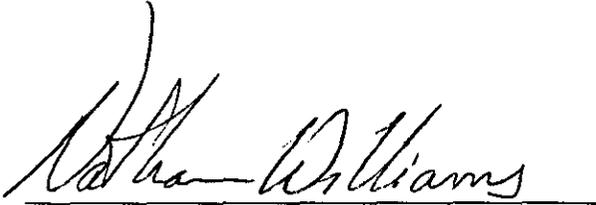
7. In supporting this joint pleading, the Office of the Public Counsel does not waive any arguments that it has made with regard to its Motion to Reject Tariff Filing and continues to believe that it is unlawful for the Commission to consider this rate case.

8. By supporting this joint pleading, the City of Kansas City, the County of Jackson and the Sedalia Industrial Energy Users Association do not waive any arguments or positions they may have with respect to the Office of Public Counsel's Motion to Reject Tariff Filing.

**WHEREFORE** the parties jointly respond to the Commission's Order of August 14, 2001 as stated hereinabove.

Respectfully submitted,

DANA K. JOYCE  
General Counsel



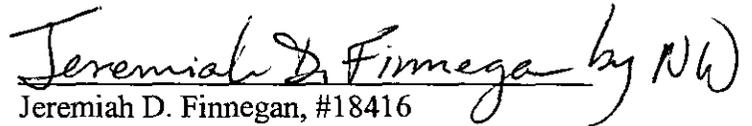
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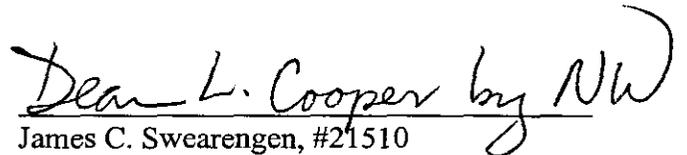
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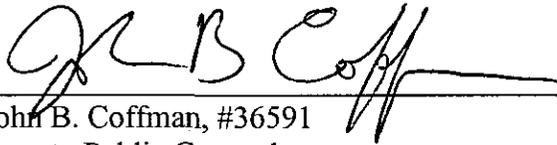
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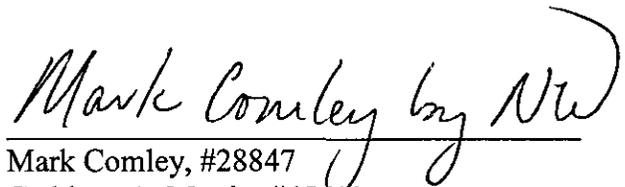
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### Certificate of Service

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 31<sup>st</sup> day of August 2001.



**Service List for**  
**Case No. ER-2001-672**  
**Verified: August 24, 2001 (ccl)**

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