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August 28, 2000

FILED[2]
AUG 28 2000
Missouri Public Service Commission

Mr. Dale Hardy Roberts
Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

RE: UtiliCorp United Inc. Case Nos. GT-2001-61

Dear Mr. Roberts:

Enclosed for filing in the above-referenced proceeding please find an original and eight copies of UtiliCorp's Filing in Compliance with Order Directing Response. Please stamp the enclosed extra copy "filed" and return same to me.

Thank you very much for your attention to this matter.

Sincerely,

BRYDON, SWEARENGEN & ENGLAND P.C.

By: [signature]
Dean L. Cooper

DLC/rhg
Enclosures
cc: Office of the Public Counsel
Dana K. Joyce, PSC
Douglas Micheel, OPC
Melissa Randol
Robert J. Amdor

FILED[2]
AUG 28 2000
Missouri Public Service Commission

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Missouri Public Service, a Division of UtiliCorp United Inc.'s Tariff Designed to Establish an Experimental Small Volume Aggregation Program in Missouri.	)))))	Case No. GT-2001-61

UTILICORP'S FILING IN COMPLIANCE WITH ORDER DIRECTING RESPONSE

Comes now UtiliCorp United Inc. ("UtiliCorp" or "UCU"), d/b/a Missouri Public Service ("MPS"), and, in compliance with the Missouri Public Service Commission's ("Commission") Order Directing Response, states to the Commission as follows:

1. On August 24, 2000, the Commission issued its Order Directing Response (the "Order"). The Order, among other things, directed UtiliCorp to respond to issues raised by the Petition of Mountain Energy Corporation to Intervene and Public Counsel's Reply to UtiliCorp's Response to OPC Motion to Suspend by 3:00 p.m. on August 28, 2000.

2. Similar to its earlier Response[1] in this docket, UtiliCorp believes that its response will be easier to understand if it addresses point by point the issues raised by the Office of the Public Counsel ("OPC"). Thus, it will do so in the following paragraphs. In responding to the OPC, UtiliCorp states in this pleading that certain tariff sheets have been substituted to address the OPC concerns. Copies of these substitute tariff sheets are attached hereto as Appendix A. Mountain Energy's Petition does not generally contain specific allegations or criticisms. However, there is an exception which UtiliCorp will address near the end of this response.

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[1] Response to OPC Motion to Suspend filed August 11, 2000 ("UtiliCorp's Response").

OPC ISSUES

3. OPC alleged that there are differences:

> between the proposed Missouri aggregation program and the aggregation program that UCU is already operating in Kansas. First, the Kansas program is not available to **all** small non-residential customers. In UCU's Kansas program, the smallest non-residential customers, those whose usage is not anticipated to exceed 500 Mcf per year, are not eligible for gas aggregation services. Unlike the Kansas program, the proposed Missouri aggregation program would be available to even the smallest non-residential customers. The other key difference between the Kansas program and the proposed Missouri program, is that the Missouri program requires program participants to take daily balancing service from UCU.

The OPC additionally questioned UtiliCorp's statement in its Response as to impacts as follows:

> UCU cites the impact that the proposed program would have if ten percent of eligible customers take advantage of the proposed program. UCU asserts that if ten percent of eligible customers take advantage of the program, then "the associated volumes would represent only about two percent of MPS's total annual volumes."
>
> OPC further states that it:
>
> believes that UCU has vastly understated the impact that the proposed program will have on the buying power of bundled load customers by using a ten percent estimate of participation rates. UCU's choice of a ten percent participation rate to support its contention that this program will not harm remaining bundled load customers is especially curious because the Company has provided other documents to OPC indicating that it expects a 50% participation rate in the proposed program. In its response to OPC DR No. 521, UtiliCorp stated that "it is estimated that 50% of the current non-residential sales customers will move to transportation service" and that "this estimate is based on UtiliCorp's experience in Kansas." (UCU's response to OPC DR No. 521 is attached as Attachment 1) Based on UtiliCorp's estimate in its DR responses that 50% of eligible customers will participate in the program, not 10% as stated in its response to OPC's motion, the potential adverse impacts are much greater for the residential and other customers who continue to receive regulated bundled service from MPS.
>
> The OPC further discussed the participation estimates in the following statements: UtiliCorp's response also addressed the second key issue that OPC's had regarding the inadequate provisions in the proposed tariffs to protect from harm residential customers who are not eligible for the program and other small customers who do not choose to take advantage of the aggregation option. OPC's second key issue in this

area was that MPS has proposed that the revenues from only one of the services offered in the proposed program (mandatory daily balancing service) be returned to ratepayers to offset the costs associated with utilizing the gas supply portfolio of bundled service customers to provide these new services to aggregation customers. UtiliCorp's response to OPC's motion again mischaracterized the impact that this program will have in terms of its impact on (1) remaining bundled service customers and (2) the amount of new revenue sources that this program will provide for MPS. In its response, UtiliCorp has attempted to minimize the amount of new revenues that the proposed program would provide by suggesting there will be only a ten percent participation rate, just as UtiliCorp attempted to minimize the impact that the proposed program will have on the buying power of MPS's bundled service customers by describing the smaller impacts associated with a ten percent participation rate. As stated previously in this response to UCU's response, UtiliCorp has stated in response to an OPC data request in this case that "based on UtiliCorp's experience in Kansas" it "estimated that 50% of the current non-residential sales customers will move to transportation service."

In its response, UtiliCorp stated that, "if ten percent of the eligible customers opted to aggregate...the total annual revenue from the daily balancing service would be about $75,000." However, if UtiliCorp's response had cited the same UCU participation rate estimates that it provided in its response to OPC DR No. 521, then its response would have revealed that if 50% of the eligible customers opted to aggregate, as UCU predicts, the total annual revenue from the daily balancing service would be about $375,000. Perhaps UCU believes that $375,000 in annual revenues is "relatively minor", but OPC would disagree with this characterization. Maybe UCU recognizes that $375,000 is not "relatively minor" and for that reason referenced a number in its response to OPC's motion that is only one fifth of the amount of annual balancing service revenues that it actually expects to receive in the proposed program.

UtiliCorp Response: A footnote in UtiliCorp's response to data request OPC-503 estimated 50 percent participation for the Missouri program. This estimate was part of a spreadsheet that provided the explanation for the 4 cent aggregation pooling service. This spreadsheet estimated the total costs to provide pooling services for the Missouri program ($36,344) and divided by the volumes from the expected aggregation customers (827,655 Mcf). The 50 percent participation rate was used for two reasons. First, UtiliCorp has already used a 4 cent aggregation service fee in Minnesota and Nebraska, and proposed a 4 cent fee in Iowa and Kansas, so the same rate provides uniformity. Second, when a ten percent participation rate was used, the cost per Mcf for the service would have been $0.22 per Mcf. The use of the higher participation rate was intended to justify the more conservative 4 cent fee. It is important to note that regardless of the participation rate, UtiliCorp is passing most of this revenue back to ratepayers.

UtiliCorp feels a ten percent participation rate is reasonable. In data response OPC-514(2), UtiliCorp presented the participation rates for the Company's Kansas program. The response stated, "The attached spreadsheet "A" shows that participation ranged from 63 percent for irrigation customers to 7.8 percent for small volume (501-5000 Mcf) customers." UtiliCorp's Kansas gas operations have 7,115 customers in the Small Commercial class (0-500 Mcf annual usage, not eligible for transportation), and 1,850 customers in the Small Volume class (501-5,000 Mcf annual usage, with 145 participants). UtiliCorp does not expect many customers in the 0-500 Mcf class to participate, but might have a few accounts if they are related to larger participants. The Kansas program has a large participation by farm irrigators because the Company has certificated territories close to a number of interstate pipelines, but this service is not available to the Missouri Public Service tariff. In the Small Volume (501-5000 Mcf) class, <u>the Company serves 145 of 1,850 eligible customers, a 7.8 percent participation rate</u>. On these bases, UtiliCorp's estimate of ten percent participation for this program is reasonable and should be accepted.

4. In paragraphs 8, 9, 10 and 11, the OPC alleged that while UtiliCorp had stated that the revenues would be a part of the ACA process, UtiliCorp had not modified its tariffs to clarify this point.

UtiliCorp Response: UtiliCorp has submitted a substitute tariff sheet 36, which now states, "...all revenues collected which are attributable to the Daily Balancing Charge, Daily Out-of Balance Charge, Monthly Cash-Out Charge, Unauthorized Delivery Charge, and the Monthly Balancing

Service charges shall be credited to the respective system ACA accounts" in order to clarify this point.

5. The OPC next discussed potential results of charges associated with ACA, Refund, TOP, and TC factors after the effective date of the Company's scheduled winter 2001 filing. OPC stated that it believes:

> a cross-subsidy between 'general system' bundled service customers and aggregation service customers is grossly unfair and will result in rates that are unreasonable and discriminatory for 'general system' customers. UtiliCorp's response seeks to minimize this concern and the magnitude of the cross-subsidy that will occur by stating that "it should be noted that the general system will also receive a subsidy when a customer elects to leave this program and return to general service." UCU did not, however, cite any statistics to support its contention that customers are likely to return to "general system" service once they have tried aggregation service.

UtiliCorp Response: The language OPC refers to was prepared jointly by Staff and UtiliCorp as a solution to a difficult issue - what to do when customers leave firm service for traditional or aggregated transportation service, and no longer pay the ACA, TOP and related charges that relate to gas they consumed in the prior year. The proposed approach of requiring the charges to be paid for one year is a reasonable compromise. After paying these charges for one year after initiating aggregation under this program, the program participants will have paid most of the ACA and related charges which were allocable to their pre-program consumption. UtiliCorp has no interest in manually segregating the entrants to the program by year, and manually billing the ACA charges that would apply to customers that enter the program each year. Given the low expected participation rate for the program, the effect on the ACA after the first year should be immaterial.

6. In paragraph 13, of its Reply, the OPC expresses continued concern over the fact that Section G. 13 on Sheet No. 32.18 incorrectly refers to a "service agreement."

UtiliCorp Response: UtiliCorp has submitted a substitute tariff sheet 32.18 and has changed the "service agreement" reference to "End User Verification Form." This reflects the fact that the End User Form is the only document the Company will require from an End User to document participation in the program and to verify the selection of a marketer.

7. The OPC next expresses in paragraph 14 of its Reply displeasure with the provision of the tariff relating to a "shut-off" of service to end-users where UtiliCorp is not paid for services such as daily balancing.

UtiliCorp Response: UtiliCorp included this language because of a concern that without the ability to demand payment from end users, marketer defaults could potentially be subsidized or born by the general system ratepayers. This language is similar to UtiliCorp's Kansas transportation tariff. The responsibility for payment of an end-user's bill, although delegated to its agent-marketer, remains the ultimate responsibility of the end-user.

8. In paragraph 15, the OPC states that it is "opposed to allowing the smallest commercial customers (e.g. barber shops, laundromats, and automobile repair shops) to move to unbundled service without a safety net to insure that they are not permanently punished for making a poor choice." OPC further states that "an educational program is needed and could help mitigate some of the risk inherent in UtiliCorp's "buyer beware" proposal, but no such program has been proposed by UtiliCorp."

UtiliCorp Response: An education program for end users is a worthy concept, but would be expensive and time consuming to be effective, and is not practical for an experimental program of this kind. UtiliCorp intends to hold meetings with interested marketers to explain the program. UtiliCorp will add the following language to the End User Verification Form:

Important Disclosure to Program Participants - Missouri Public Service has pipeline capacity constraints on some areas of its system, and cannot guarantee that sufficient capacity will be available to serve your needs if you transfer from firm service to this program. For more details, please contact your Missouri Public Service customer service representative at 816-737-7489.

(See Appendix B).

9. OPC again recommends in paragraph 16 that "all of the contracts and agreements associated with the program should be included in the proposed tariffs."

UtiliCorp Response: The Staff and OPC have reviewed the documents and most of their suggested changes have been accepted. UtiliCorp will post these agreements on the Gas Supply website, so changes will be readily accessible. The agreements could change, and in an experimental program should not be made part of the tariff.

10. In paragraph 17, OPC challenges UtiliCorp's statements in its Response in regard to the EnergyOne logo.

UtiliCorp Response: UtiliCorp's *regulated* operations use the brand name EnergyOne. For example, Missouri Public Service bills show the MPS name and the Energy One logo. The Energy One brand is used in conjunction with the Company's division names in all states in which UtiliCorp has regulated operations. Energy One is not a logo or trade name for UtiliCorp's non-regulated activities. However, UtiliCorp does have a non-regulated marketing affiliate with a similar name -- Energy One Ventures (EOV). UtiliCorp recognizes that any use of the "Energy One" brand name in Missouri by a non-regulated affiliate will require a disclaimer in accordance with 4 CSR 240-20.015(2)(F) and 4 CSR 240-40.015(2)(F).

11. In paragraph 18, the OPC states that "UtiliCorp's response appears to indicate that the Company agrees with some of the reporting requirements proposed by OPC but the Company

has not altered its proposed tariffs to reflect this agreement. While Public Counsel believes that our recommended reporting requirements should be incorporated in the proposed tariffs, we strongly recommend the Commission to at least order UtiliCorp to provide the information in OPC's proposed reporting requirements in its order approving the proposed tariffs."

UtiliCorp Response: Tariff sheet 32.4 requires UtiliCorp to provide the following information for program evaluation:

> During the term of the program, MPS shall file quarterly reports, beginning with an initial report to be filed in January, 2001, and subsequent reports filed at the beginning of each quarter thereafter, showing, at a minimum, the following information:
>
> (a) The number of aggregators actively forming aggregated pools on the MPS system,
>
> (b) The number of end-users electing to be served as part of aggregated pools,
>
> (c) End-users requesting to leave aggregated pools and return to the sales service of MPS, and
>
> (d) The amount of interstate pipeline capacity assigned from MPS to specific aggregators forming aggregated pools.

UtiliCorp is not opposed to providing additional information, but prefers to avoid (1) placing information requirements on gas supply personnel on critical days, and (2) lists of "discretionary actions" as defined by the OPC. It should also be noted that the data response process should allow parties to review certain areas in more detail.

12. Paragraphs 19 and 20 of the OPC Reply addresses the "daily out-of-balance charges for non-critical days" and the statement in Section E.2. on Sheet No. 32.11 of the proposed tariff that "aggregators shall be exempted from daily out-of-balance charges, except during a critical day or when an operational flow order is imposed."

UtiliCorp Response: UtiliCorp has submitted a substitute tariff sheet to remove the conflicting language from Sheet 32.11.

MOUNTAIN ENERGY ISSUES

13. In paragraph 6 of its Petition for Intervention, Mountain Energy states that UtiliCorp failed in its recent Kansas gas rate case to provide an adequate basis for the $0.04 volumetric aggregation service. UtiliCorp disagrees with this statement and notes that the Company provided a spreadsheet in data request OPC-503 that supports the fee. More importantly, it should be noted that the company has agreed to credit most of the revenue from this fee to ratepayers through the reduced Delivery Charge. The Company also notes that it uses a similar 4 cent aggregation fee in Minnesota and Nebraska, and has requested the fee in Kansas and Iowa.

14. UtiliCorp also like to take this opportunity to clarify the record as to the history of this transaction in the State of Kansas. In UtiliCorp's August 11 Response to OPC Motion to Suspend, the Company stated, "OPC has quoted only a portion of the testimony of Mr. Joe Williams, a rate design analyst at the Kansas Corporation Commission. Mr. Williams worked closely with UtiliCorp over the last four years to refine UtiliCorp's Kansas transportation program, including the aggregation service. In UtiliCorp's 2000 gas rate case, several types of aggregation were proposed to allow (a) aggregation behind multiple receipt points, and (b) aggregation behind multiple town border stations. UtiliCorp proposed a step rate increase, so that if marketers opted for more complex aggregation services, the volumetric rate would increase. *Mr. Williams did not take issue with the 4 cent basic aggregation rate*, which is what would be charged in Missouri. His concerns related to the proposed step rate, which was intended to increase the charge to marketers as they attempt to aggregate customers in different geographic areas or under conditions that would have made it more complex to administer. MPS's proposed 4 cent aggregation fee is reasonable . . . ."

15. This statement needs further explanation. While Mr. Williams did not actively oppose the volumetric rate or the 4 cent fee in his testimony, he did oppose it during the course of the hearing. After the hearing, the 4 cent fee was not approved in Kansas.

16. Mountain Energy makes two other vague challenges to the tariff, claiming the requirements "to opt into and/or out of the program" and the "required purchase of balancing services " are unduly restrictive. These statements are non-specific, so UtiliCorp cannot comment further, but would refer the Commission to the rationale for the need for a daily balancing service, which is contained herein.

WHEREFORE, MPS requests a Commission order:

a) approving MPS's tariffs, as substituted, designed to establish an experimental small volume aggregation program (Tariff No. 200100065) with an effective date of September 1, 2000; and,

b) granting such further relief as may be necessary which is consistent with the relief requested herein.

Respectfully submitted,

Dean L. Cooper MBE #36592
BRYDON, SWEARENGEN & ENGLAND P.C.
312 E. Capitol Avenue
P. O. Box 456
Jefferson City, MO 65102
(573) 635-7166
(573) 635-0427 facsimile

ATTORNEYS FOR UTILICORP UNITED INC.
D/B/A MISSOURI PUBLIC SERVICE

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was sent by U.S. Mail, postage prepaid, or hand-delivered, on this 28th day of August, 2000, to all parties of record.

____

1815 Capitol Avenue
Omaha, NE 68102
402-221-2091
Fax: 402-221-2501

August 25, 2000

UTILICORP UNITED

ENERGYONE

Mr. Dale Hardy Roberts
Secretary, Chief Regulatory Law Judge
Missouri Public Service Commission
200 Madison Street, Suite 100
P.O. Box 360
Jefferson City, Mo. 65102-0360.

Re: Case No. GT-2001-61, Tariff No. 200100065

Dear Mr. Roberts:

Enclosed are three sets of substitute Tariff Sheets 32.11, 32.18 and 36 of the Missouri Public Service gas tariff. At the request of Mr. Matisziw of the Commission Staff, we are submitting these sheets to correct typographical or grammatical errors in our July 20 filing.

Very truly yours,

Robert J. Amdor

Robert J. Amdor
Regulatory Services

Enclosures

APPENDIX A

EXPERIMENTAL SMALL VOLUME TRANSPORTATION SERVICE – AGGREGATED (SVTS-A)

E. MANDATORY CHARGES FOR AGGREGATORS

The following charges shall apply to aggregators taking service under the Company's Experimental SVTS-A rate schedule:

1. Aggregation Charge: A monthly aggregation charge shall be charged per pool of end-users for the purpose of nominating and balancing transportation deliveries on a common pipeline and behind a town border station. This charge shall be $0.004 for each Ccf delivered for the pool.

2. Daily Balancing Charge: A charge shall apply to any aggregator served through PEPL or any other pipeline that subsequently adopts daily scheduling. Under this service, aggregator is provided operating flexibility through balancing tolerances in excess of normal daily scheduling tolerances. This service is available for a minimum term of one (1) year and the charge for this service shall be $0.0075 per Ccf per month. Aggregators shall be exempted from daily out-of-balance charges, except during a critical day or when an operational flow order is imposed. The revenues collected as a result of this balancing service shall be credited to the respective system's ACA accounts.

3. Daily Out-of-Balance Charge: A daily charge shall apply to any aggregator served through PEPL or any other pipeline that subsequently adopts daily scheduling charges, and whose out-of-balance condition exceeds the daily scheduling tolerance during a critical day or when an operational flow order is imposed. This daily charge is applied to the daily quantities by which aggregator's out-of-balance condition exceeds aggregator's daily scheduling tolerance. Actual daily delivery quantities shall be used to determine the out-of-balance condition for end-users with recording equipment or telemetry. Estimated daily delivery quantities shall be used to determine the out-of-balance condition for end-users without recording equipment or telemetry, or where such equipment malfunctions. Estimated daily delivery quantities shall be determined based on available data, including nominated quantities, meter readings, end-user load characteristics, actual weather conditions and other information.

   On critical days or when operational flow orders have been declared, daily out-of-balance charges otherwise applicable shall be waived if aggregator is in an overage condition.

   On critical days or when operational flow orders have been declared, the daily scheduling charges for variances in excess of the tolerance level shall be the greater of the highest daily price published in Gas Daily's "Citygate, Pooling Point Prices- Chicago LDC's" for the day (Saturday and Sunday shall be the preceding Friday price) in which the variance occurred, or the following:

Variance	Charge
5% - 10%	$ 25.00 per Dt.
> 10% - 15%	$ 50.00 per Dt.
> 15% - 50%	$100.00 per Dt.
> 50	$200.00 per Dt.

11. Liability: Gas shall be and shall remain the property of the aggregator or end-user while being transported and delivered by the Company. The Company shall not be liable to the aggregator or end-user for any loss arising from or out of gas transportation service while in the Company's system or for any other cause, except for gross or willful negligence of the Company's own employees. The Company reserves the right to commingle gas of the aggregator or end-user with other gas supplies. The aggregator or end-user shall be responsible for determining the extent of and maintaining all insurance it deems necessary to protect its property interest in such gas before, during, and after receipt by the Company.

12. Measurement: All transport gas shall be measured on a Btu basis. Measurement shall be based on available information regarding volumes received and delivered, pressure and temperature conditions, and energy content of the gas stream. Company shall determine the measurement equipment required to determine the receipts and deliveries of end-user owned gas transported hereunder.

13. Minimum Term: The End User Verification Form shall have a minimum term of one (1) year for end-users served under the SVTS-A rate schedule.

14. Nomination: Aggregators are required to nominate daily for end-users. Aggregators requesting gas to flow on the first day of any month shall contact Company's Gas Control Department via Company's Internet-enabled electronic bulletin board, known as Gas Track Online (http://www.gastrackonline.com) and inform them of the volumes to be transported by receipt point(s) and by delivery point(s). This electronic notification shall occur no later than 9:00 A.M. Central Clock Time (CCT), three (3) working days prior to the end of the preceding month. Any nomination changes must be made to Company no later than 9:00 A.M. CCT on the day preceding the requested effective date of the nomination change, and will be subject to the Company's ability to confirm such nomination change. Any nomination that may take unfair advantage of any tariff provision may be rejected or changed by the Company.

PURCHASED GAS ADJUSTMENT CLAUSE (CONTINUED)
GAS

B. The amounts of gas cost recovery revenue for each month shall be the product of that month's actual billed Ccf sales and the applicable authorized PGA factor(s) in effect during that same month.

C. For each twelve (12) month period ending with the August revenue month, the differences resulting from the comparisons described above including any balance or credit for the previous year shall be accumulated to produce a cumulative balance of excess or deficit of gas cost recovery revenue for each of the Northern, Southern and Eastern Systems. ACA factors shall be computed by dividing these cumulative balances by the estimated annualized and normalized sales volumes expected during the next ACA audit period. All actual ACA revenues recovered shall be debited or credited to the appropriate balance of the ACA account and any remaining balance shall be reflected in subsequent ACA factor computations.

D. The Northern, Southern and Eastern System ACA factors shall be rounded to the nearest $.00001 per Ccf and applied to billings commencing with the winter PGA revenue period. These ACA factors shall remain in effect until superseded by a subsequent ACA calculated according to this provision.

E. Revenues received that are attributable to any non-permanent assignment of capacity under the Experimental SVTS-A service schedule will be credited to the appropriate system ACA accounts. This credit shall be the greater of the maximum rate as published in the interstate pipeline's tariff applied to the assigned volumes or actual revenues received from the assignment. Also, all revenues collected which are attributable to the Daily Balancing Charge, Daily Out-of Balance Charge, Monthly Cash-Out Charge, Unauthorized Delivery Charge, and the Monthly Balancing Service charges shall be credited to the respective system ACA accounts.

III. CARRYING COSTS

Carrying Costs shall be applied in the following manner:

(1) No carrying costs shall be applied in connection with any PGA-related item until such time as the net "Deferred Carrying Cost Balance" exceeds an amount equal to ten percent of the Company's average annual level of gas costs for the three then most recent ACA periods (hereinafter "Annual Gas Cost Level"). The Deferred Carrying Cost Balance shall include the cumulative under or over recoveries of gas costs at the end of each annual period. The under and over recoveries of gas costs which give rise to the Deferred Carrying Cost Balance are defined as the difference between the Company's actual cost of gas (as calculated for purposes of determining the Company's current purchased gas adjustment factor) and actual authorized as billed revenues recovered by the Commission approved PGA.

(2) In the event the Deferred Carrying Cost Balance (whether over-or under-recovered) exceeds ten percent of MPS's Annual Gas Cost Level, carrying cost equal to simple interest at the prime rate as noted in the Wall Street Journal on the first business day of the following month, minus one percentage point shall be applied to such portion of the balance amounts as exceeds ten percent for the period such excess balance amounts exist.

EXHIBIT "B"

UTILICORP UNITED

ENERGYONE

END USER VERIFICATION FORM

Missouri Public Service - Experimental Aggregated Transportation Service

UtiliCorp United Inc.
Energy Supply Services
Attn: Transportation Administration
2533 North 117 Avenue, Suite 300
Omaha, NE 68164

Phone: (402) 492-3664
Fax: (402) 492-7898

RE: Verification of Transportation Charges

Dear Transportation Administration:

This letter will verify and confirm that the undersigned, ______________________ ("End User"), has selected ______________________________ as its marketer for the purpose of aggregating End User's gas supply with the gas supplies of other end users on the local gas distribution system of Missouri Public Service as provided under Rate Schedule SVTS-A of Company's Tariff on file with the Missouri Public Service Commission.

1. End User agrees to pay, directly to Company upon invoice, the following tariff charges applicable to the transportation service to be provided by Company with respect to End User's gas:

Customer Charge : $15.00 per Delivery Point per Month

Delivery Charge:

1st 600 Ccf	$0.23908
Next 800 Ccf	$0.22108
Next 1,000 Ccf	$0.20305
Excess Ccf	$0.07546

L&U Factor: The Company's system-wide Lost and Unaccounted (L&U) Account as computed in the Company's annual PGA will be applied on a volumetric basis to the quantity of gas delivered to the End-User.

Interim PGA Charges: End Users shall be charged the appropriate systems' ACA, Refund, TOP and TC factors as listed for GNG Rate Schedule sales customers on sheet numbers 43, 44 or 44.1. These charges shall terminate with the scheduled Winter 2001 PGA filing.

Company will invoice End User for the above charges beginning with the month following the commencement of service to End User.

2. General Rules, Regulations, Terms and Conditions: End User acknowledges that transportation service is subject to Company's General Rules and Regulations and Company's Transportation Services Terms and Conditions on file with the Missouri Public Service Commission, as the same may be revised or amended from time to time.

Important Disclosure to Program Participants – Missouri Public Service has pipeline capacity constraints on some areas of its system, and cannot guarantee that sufficient capacity will be available to serve your needs if you transfer from firm service to this program. For more details, please contact your Missouri Public Service customer service representative at 816-737-7489.

______________________________ ______________ ("End User") Phone #: ______________

By: ______________________________ Fax#: ______________
(Signature & Printed Name)

Title: ______________ ______________________________ Account Numbers(s): ____________

Date: ______________________________ ______________________

Service Name: ______________________ Pipeline: ______ ______________

Service Address: ______________ ______________________ ______________

APPENDIX B