BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Aquila, Inc. d/b/a Aquila)	
Networks - MPS and Aquila Networks - L&P's)	Case No. EO-2003-0566
Application to Join the Midwest Independent)	
Transmission System Operator, Inc.)	

RESPONSE TO ORDER DIRECTING STATUS REPORT

COMES NOW Aquila, Inc., d/b/a Aquila Networks - MPS and Aquila Networks - L&P ("Aquila" or "Company") and states as follows to the Missouri Public Service Commission ("Commission"):

- 1. This case was initiated by Aquila's filing of an application for the Commission's approval to join the Midwest Independent Transmission System, Inc. ("MISO"). On March 2, 2004, the Commission issued its Order Directing Status Report, wherein it directed that the parties file a procedural schedule no later than March 17, 2004.
- 2. Aquila, with the support of the other parties to this case, previously filed a Motion for Continuance. The basis of Aquila's Motion for Continuance was the uncertainty surrounding both Commission Case No. EO-2003-0271, Union Electric Company d/b/a AmerenUE's ("AmerenUE") application to join the MISO through Grid America, and events at the Federal Energy Regulatory Commission ("FERC"). AmerenUE's participation in the MISO is extremely important to Aquila and this application as Aquila's only direct connection to the MISO is through AmerenUE.
- 3. As was pointed out in the Commission's Order, the Commission issued an order approving an agreement in EO-2003-0271 that resolved all issues in that case on February 26, 2004. However, the Commission order did not conclude that matter. A necessary part of the stipulation and agreement that was approved by the Commission was a service agreement that requires approval

by the FERC.

- 4. The AmerenUE service agreement was filed with the FERC for approval on February 19, 2004 (FERC Docket Number ER04-571). The intervention period for that FERC proceeding closed on March 5, 2004. The FERC has not yet approved the service agreement and, in fact, has not yet issued any type of procedural order as to the AmerenUE service agreement. Should the FERC fail to approve the service agreement, approve the service agreement with conditions, or otherwise seek to modify the service agreement the question of AmerenUE's MISO participation would require further action by the Missouri Commission.
- 5. As a result, uncertainty associated with the AmerenUE case continues to exist. Aquila, therefore, requests that the Commission allow the current continuance to remain in place and direct the parties to file another status report in thirty (30) days.
- 6. Counsel for the Commission Staff, the Office of the Public Counsel, Kansas City Power & Light Company, Union Electric Company d/b/a AmerenUE and The Empire District Electric Company have indicated to the undersigned that they have no objection to proceeding in the manner proposed by Aquila.

WHEREFORE, Aquila respectfully requests the Commission allow the current continuance

to remain in place and direct the parties to file a status report in thirty (30) days.

Respectfully submitted,

Dean L. Cooper

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CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing document was provided by electronic mail, on March 17th, 2004, to the following:

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