

AQUILA, INC.
CASE NO. EF-2003-0465
DATA REQUEST NO. OPC-602

FILED

DEC 05 2003

**Missouri Public
Service Commission**

DATE OF REQUEST: May 20, 2003

DATE RECEIVED: May 20, 2003

DATE DUE: June 9, 2003

REQUESTOR: James Busch

QUESTION:

Why will Aquila have to prepay for natural gas supplies? Please provide a list of all natural gas suppliers who have required prepayment and a list of all providers who have indicated that they are going to start requiring Aquila to prepay for natural gas supplies in the future.

RESPONSE: Aquila is currently carrying sub-investment grade credit. Until that changes to investment grade, Aquila can expect to fully collateralize the vast majority of natural gas supplies.

There are a number of different ways to collateralize natural gas purchases. While our supplier list can change from month-to-month, following is a list of suppliers that require full collateralization either in the form of prepays, margining agreements or other forms:

BP Energy Company
Tenaska Marketing
Tenaska Marketing Ventures
Anadarko Energy Services Company
ONEOK Energy Marketing and Trading Company, LP
Cook Inlet Energy Supply
Cinergy Marketing and Trading, LP
LaClede Energy Resources, Inc.
Williams Energy Trading and Marketing Co.
Duke Energy Trading and Marketing LLC
Reliant Energy Services, Inc.
Eprime
Unocal Energy Trading, Inc.
Nexen Marketing USA Inc.

Of the small number of suppliers that are not requiring prepayments, none have indicated that they will start requiring prepayment.

ATTACHMENT: NA

ANSWERED BY: Eric L. Watkins



SIGNATURE OF RESPONDENT

Exhibit No. 39
Case No(s) EF-2003-0465
Date 10/20/03 **Rptr** TL

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