

**STATE OF MISSOURI
MISSOURI PUBLIC SERVICE COMMISSION**

In the matter of Aquila, Inc. d/b/a Aquila)	
Networks-L&P, for authority to file tariffs)	
increasing steam rates for the service provided to)	HR-2005-0450
customers in the Aquila Networks-L&P area.)	
)	
)	

AQUILA'S PROGRESS REPORT

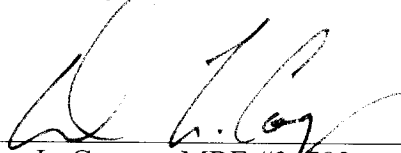
COMES NOW Aquila, Inc. d/b/a Aquila Networks - L&P ("Aquila"), and, as its progress report, states to the Missouri Public Service Commission ("Commission") as follows:

1. On February 15, 2006, the Commission issued its Order Directing Aquila to File a Progress Report no later than February 17, 2006, concerning the progress of negotiations toward a stipulation and agreement regarding the proposed general rate increase for steam heat service.

2. In answer to the Commission's inquiry, Aquila believes that a stipulation and agreement will be filed in the very near future. All parties have either reached agreement in principle, or have stated that they do not object to the terms of the settlement. A stipulation and agreement (along with all attachments) has been circulated to the parties for comment, revised in response to those comments and re-circulated. Aquila is in the process of obtaining signatures and authority from the signatory parties to file the document. This process has one challenge in that one of the attorneys is out of state and not as available as he otherwise would be.

WHEREFORE, Aquila respectfully requests that the Commission consider this pleading to be responsive to its Order Directing Aquila to File a Progress Report.

Respectfully submitted,



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ATTORNEYS FOR AQUILA, INC.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was sent by electronic mail on this 17th day of February, 2006, to the Parties of record as shown by the Commission's records.

