

**AQUILA NETWORKS - MPS  
Northern System Gas Refund  
2003-2004 ACA Year**

		FIRM	INTERRUPTIBLE	TOTAL
1	<b>Beginning Balance September 2003</b>	<b>\$21,168.05</b>	<b>\$0.00</b>	<b>\$21,168.05</b>
2	<b>Actual Refund to Customers by Month</b>			
3	September 2003	(\$165.22)	\$0.00	(\$165.22)
4	October 2003	(\$271.16)	\$0.00	(\$271.16)
5	November 2003	(\$482.39)	\$0.00	(\$482.39)
6	December 2003	\$1,568.62	\$0.00	\$1,568.62
7	January 2004	\$3,090.32	\$0.00	\$3,090.32
8	February 2004	\$3,501.63	\$0.00	\$3,501.63
9	March 2004	\$2,322.81	\$0.00	\$2,322.81
10	April 2004	\$1,315.26	\$0.00	\$1,315.26
11	May 2004	\$697.66	\$0.00	\$697.66
12	June 2004	\$348.65	\$0.00	\$348.65
13	July 2004	\$279.60	\$0.00	\$279.60
14	August 2004	<u>\$261.56</u>	\$0.00	<u>\$261.56</u>
15	<b>TOTAL:</b>	<b>\$12,467.34</b>	<b>\$0.00</b>	<b>\$12,467.34</b>
16	<b>(Over)/Under Refund</b>	<b>\$8,700.71</b>	<b>\$0.00</b>	<b>\$8,700.71</b>
17	<b>Supplier Refunds Sep-03 to Aug-04</b>			
	Panhandle Ad Valorem Refund Check #2083964 April 21, 2004	\$1,795.68	\$0.00	\$1,795.68
	6% Interest (04/21/04 - 11/01/04)	\$57.56	\$ 0.00	\$57.56
	Panhandle Ad Valorem Refund Check #2090606 July 16, 2004	\$3,073.88	\$ 0.00	\$3,073.88
	6% Interest (07/16/04 - 11/01/04)	\$55.08	\$ 0.00	\$55.08
	EPL Remaining Ad Valorem (Order GE-2004-0528) March 31, 2004	\$14,391.83	\$ 0.00	\$14,391.83
	6% Interest (03/31/04 - 11/01/04)	\$511.01	\$ 0.00	\$511.01
	<b>TOTAL:</b>	<b>\$19,885.04</b>	<b>\$0.00</b>	<b>\$19,885.04</b>
	<b>Balance as of August 31, 2004</b>	<u><b>\$28,585.75</b></u>	<u><b>\$0.00</b></u>	<u><b>\$28,585.75</b></u>

**Annual Normalized Firm Mcf Sales: 1,390,228**

**Refund Rate Per Ccf: \$ 0.00206**

***MPS proposes to change the refund rate from the present rate of (\$.0144)/Mcf.to (\$.0206)/Mcf***

PEPL Docket KP-98-40

CK# 0002090606 \$ 4,170  
 CK# 0002083964 \$ 2,436  
 Total Refund \$ 6,605

	Usage Percentage	Amount Per Class	March 03-Feb. 04 Usage	Amount Per MCF	Amt Refunded
Residential	48.51%	\$3,204	737,784	\$0.00434	\$3,204
Sm Comm/Other Sales	25.16%	\$1,662	404,357	\$0.00411	\$1,662
Company Use	0.05%	\$3	832	\$0.00383	\$3
Remaining Refund:		\$1,736	* To Be refunded through PGA ->		\$4,869
Lg/Industrial/Trans	26.29%	\$1,736	**Allocated portion of CK# 0002090606 & 0002083964		
		\$5,196	**Amount remaining from Refund processed on May 10, 2004		
Total LV Refund		\$6,932	437,069	\$0.01586	\$6,932

Volumes reflect only customers with provided proof



Panhandle Eastern Pipe Line Company, LLC  
 5444 Westheimer Road  
 Houston, TX 77056-5306

**Enclosure 7**

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PAGE 1 OF 1

MISSOURI PUBLIC SERVICE COMPANY  
 C/O AQUILA NETWORKS  
 1815 CAPITAL AVE  
 OMAHA NE 68102

VENDOR NO.	CHECK NO.	DATE
14358	0002083964	04/21/2004

INVOICE NUMBER	INVOICE DATE	VOUCHER ID	GROSS AMOUNT	DISCOUNT TOTAL	PAID AMOUNT
KAVT REFUND65 Kansas Ad Valorem Tax Refund From ONEOK and IMC Global Settlement	04/21/2004	447604	\$2,435.52	\$0.00	\$2,435.52
		TOTAL	\$2,435.52	\$0.00	\$2,435.52

THE FACE OF THIS DOCUMENT HAS A BLUE BACKGROUND - THE BACK HAS AN ARTIFICIAL WATERMARK



Panhandle Eastern Pipe Line Company, LLC  
 5444 Westheimer Road  
 Houston, TX 77056-5306

JPMORGAN CHASE BANK  
 SYRACUSE, NEW YORK

50-937  
 213

CHECK DATE: 04/21/2004  
 CHECK NUMBER: 0002083964

PAY IN U.S. DOLLARS

\*\*\*\*\*TWO THOUSAND FOUR HUNDRED THIRTY FIVE AND 52/100 DOLLARS\*\*\*\*\*

CHECK AMOUNT  
 \$2,435.52

TO THE ORDER OF

MISSOURI PUBLIC SERVICE COMPANY  
 C/O AQUILA NETWORKS  
 1815 CAPITAL AVE  
 OMAHA NE 68102

*Richard N. Marshall*

Authorized Signature  
 Void After 60 Days



5444 Westheimer Road  
Houston, TX 77056-5306  
P.O. Box 4967  
Houston, TX 77210-4967  
713.989.7000

April 29, 2004

VIA CERTIFIED MAIL

Missouri Public Service Company  
C/O Aquila Networks  
Harry Ono  
1815 Capital Avenue  
Omaha, NE 68102

RE: Panhandle Eastern Pipe Line Company, LLC  
Docket No. RP98-40, et al.  
Distribution of Kansas Ad Valorem Tax Refunds, related to the Final  
Settlement Obligation of IMC Global, Inc. and ONEOK Energy Resources  
Company

Dear Sir/Madam,

This letter transmits your company's settlement Kansas ad valorem tax refunds in accordance with Part II, Section 7 and Exhibit No. 1 of the Settlement Agreement (Settlement) in the above captioned proceeding.

On November 10, 2003, Panhandle Eastern Pipe Line Company, LLC (Panhandle), the Missouri Public Service Commission (MoPSC), IMC Global, Inc. (IMC), ONEOK Energy Resources Company, formerly ONEOK Exploration Company (ONEOK), ProLiance Energy (ProLiance), SEMCO Energy Gas Company (SEMCO), CMS/Consumers Energy Co. (CMS) and Ameren US and Ameren CIPS (Ameren) (collectively, Signatory Parties and Settling Parties) filed a Settlement Agreement (Settlement) in the instant proceeding. The Commission issued an order approving the Settlement on February 13, 2004. The Settlement became effective March 15, 2004.

In accordance with Part II, Section 2 of the Settlement, the Settling Parties IMC and ONEOK refunded Kansas ad valorem taxes to Panhandle on March 30, 2004. Work papers supporting the refund distribution are attached. Schedule 1 shows the Settlement Distribution of Kansas ad valorem tax refund amounts to be distributed to Panhandle's jurisdictional customers, including interest. Schedule 2 shows the refund amounts received from the Settling Parties. Interest has been calculated in accordance with Part II, Section 2 of the Settlement Agreement. Schedule 3 is a copy of Settlement Distribution included in Exhibit No. 1 of the Settlement.

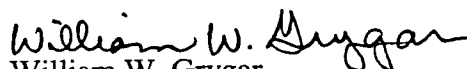
Accordingly, Panhandle has today mailed your company's portion of the Settlement Kansas ad valorem tax refunds that Panhandle received from Settling Parties.

Panhandle will be filing a refund report with the Commission. In order to complete this process, Panhandle must have your signed acknowledgement of the receipt of refund, which we request you return, at the earliest possible time, in the prepaid postage envelope we are providing.

If you have any questions regarding the attached schedules or need additional information, please contact me at (713) 989-7660.

Very truly yours,

Panhandle Eastern Pipe Line Company, LLC

  
William W. Grygar  
Vice President  
Rates and Regulatory Affairs

Attachments

PANHANDLE EASTERN PIPE LINE COMPANY, LLC

Docket No. RP98-40-000, et al.  
SETTLEMENT  
Kansas Ad Valorem Tax Refunds

Line No.	Customer (1)	ONEOK Exploration Company			Partnership Properties Co. / IMC Global, Inc.			Total (8)
		Settlement 1/ (2)	Additional Interest 2/ (3)	Settlement with Interest (4)	Settlement 3/ (5)	Additional Interest 4/ (6)	Settlement with Interest (7)	
1	Associated Natural Gas Company	\$ 505.29	\$ 4.60	\$ 509.89	\$ 165.35	\$ 4.54	\$ 169.89	\$ 679.78
2	Auburn, City of	39.66	0.36	40.02	51.55	1.41	52.96	92.98
3	Bainbridge, Town of	7.60	0.07	7.67	9.88	0.27	10.15	17.82
4	Battle Creek Gas Company	8,509.87	77.40	8,587.27	9,412.65	258.30	9,670.95	18,258.22
5	Bowling Green Gas Company	199.12	1.81	200.93	65.16	1.79	66.95	267.88
6	Bushnell, City of	58.78	0.53	59.31	76.41	2.10	78.51	137.82
7	Central Illinois Light Company	6,264.35	56.98	6,321.33	8,143.25	223.47	8,366.72	14,688.05
8	Central Illinois Public Service	3,423.74	31.14	3,454.88	4,450.64	122.13	4,572.77	8,027.65
9	Citizens Gas Fuel Company	491.07	4.47	495.54	638.36	17.52	655.88	1,151.42
10	Clarence, City of	10.88	0.10	10.98	14.14	0.39	14.53	25.51
11	Columbia Gas Transmission Corporation	6.32	0.06	6.38	8.21	0.23	8.44	14.82
12	Columbia Gas Transmission Corporation	1,269.55	11.55	1,281.10	1,650.33	45.29	1,695.62	2,976.72
13	Divernon, Village of	14.80	0.13	14.93	19.24	0.53	19.77	34.70
14	East Ohio Gas Company	4,665.51	42.43	4,707.94	6,064.86	166.43	6,231.29	10,939.23
15	Edinburg, Village of	16.08	0.15	16.23	20.91	0.57	21.48	37.71
16	Franklin, Village of	8.71	0.08	8.79	11.33	0.31	11.64	20.43
17	Fulton, City of	153.88	1.40	155.28	200.04	5.49	205.53	360.81
18	Gas Service Company, a Division of ONEOK, Inc.	251.50	2.29	253.79	326.93	8.97	335.90	589.69
19	Great River Gas Company	2,079.35	18.91	2,098.26	690.45	18.67	699.12	2,797.38
20	Gruver, City of	11.70	0.11	11.81	15.21	0.42	15.63	27.44
21	Hardesty, Town of	3.80	0.03	3.83	4.94	0.14	5.08	8.91
22	Hazellon, City of	1.70	0.02	1.72	2.20	0.06	2.26	3.98
23	Herrmann, City of	55.68	0.51	56.19	72.38	1.99	74.37	130.56
24	Illinois Power Company	2,840.49	25.83	2,866.32	3,692.46	101.33	3,793.79	6,660.11
25	Kansas Power and Light Company	4,244.46	38.60	4,283.06	1,388.97	38.12	1,427.09	5,710.15
26	Kokomo Gas And Fuel Company	1,356.11	12.33	1,368.44	1,762.86	48.38	1,811.24	3,179.68
27	LaCygne, Village of	19.36	0.18	19.54	25.17	0.69	25.86	45.40
28	Lapel, Town of	26.55	0.24	26.79	34.52	0.95	35.47	62.26
29	Louisburg, City of	17.37	0.16	17.53	22.58	0.62	23.20	40.73
30	Macon, City of	86.45	0.79	87.24	112.37	3.08	115.45	202.69
31	Madison, City of	7.19	0.07	7.26	9.35	0.26	9.61	16.87
32	Miami Pipe Line Company, The	9.30	0.08	9.38	12.09	0.33	12.42	21.80
33	Michigan Consolidated Gas Company	1,654.11	15.04	1,669.15	2,150.24	59.01	2,209.25	3,878.40
34	Michigan Gas Storage Company	11,938.00	108.57	12,046.57	13,868.99	380.58	14,249.57	26,296.14
35	Michigan Gas Utilities	498.91	4.54	503.45	648.55	17.80	666.35	1,169.80
36	Missouri Public Service Company	1,810.36	16.47	1,826.83	592.43	16.26	608.69	2,435.52
37	Monroe City, City of	48.14	0.44	48.58	62.57	1.72	64.29	112.87
38	Montezuma, Town of	21.52	0.20	21.72	27.98	0.77	28.75	50.47
39	Montgomery City, City of	27.72	0.25	27.97	36.04	0.99	37.03	65.00
40	Morse Utility Company	2.05	0.02	2.07	2.66	0.07	2.73	4.80
41	Morton, Village of	180.38	1.64	182.02	234.48	6.43	240.91	422.93
42	Northern Illinois Gas Company	14.33	0.13	14.46	18.63	0.51	19.14	33.60
43	Northern Indiana Fuel & Light Company	803.34	7.31	810.65	1,044.29	28.66	1,072.95	1,883.60

PANHANDLE EASTERN PIPE LINE COMPANY, LLC

Docket No. RP98-40-000, et al.  
SETTLEMENT  
Kansas Ad Valorem Tax Refunds

Line No.	Customer (1)	ONEOK Exploration Company		Partnership Properties Co./IMC Global, Inc.		Total (8)	
		Settlement 1/ Interest 2/ (2)	Additional Settlement with Interest (3) (4)	Settlement 3/ Interest 4/ (5)	Additional Settlement with Interest (6) (7)		
1	Northern Indiana Public Service Company	\$ 4,434.60	\$ 40.33	\$ 4,474.93	\$ 158.19	\$ 5,922.88	\$ 10,397.81
2	Ohio Gas Company	1,100.69	10.01	1,110.70	39.26	1,470.09	2,580.79
3	Ohio Valley Gas Corporation	273.26	2.49	275.75	9.75	364.97	640.72
4	Paris, City of	21.11	0.19	21.30	0.75	28.20	49.50
5	Pawnee, Village of	26.38	0.24	26.62	0.94	35.23	61.85
6	Perry, City of	10.06	0.09	10.15	0.36	13.44	23.59
7	Pittsboro, Town of	12.81	0.12	12.93	0.46	17.11	30.04
8	Pittsfield, City of	67.32	0.61	67.93	2.40	89.91	157.84
9	Pleasant Hill, Village of	13.10	0.12	13.22	0.47	17.50	30.72
10	Proliance Energy, LLC	23,722.66	215.75	23,938.41	800.97	29,989.28	53,927.69
11	Riverton, Village of	32.75	0.30	33.05	1.17	43.75	76.80
12	Roachdale, Town of	17.08	0.16	17.24	0.61	22.81	40.05
13	Roodhouse, City of	29.65	0.27	29.92	1.06	39.61	69.53
14	Rossville, Village of	22.23	0.20	22.43	0.79	29.68	52.11
15	Selling Public Works Authority	11.52	0.10	11.62	0.41	15.39	27.01
16	Shelbina, City of	29.77	0.27	30.04	1.06	39.76	69.80
17	Slinnett, City of	24.51	0.22	24.73	0.87	32.73	57.46
18	Stonington, Village of	19.89	0.18	20.07	0.71	26.56	46.63
19	Sunray Utilities, City of	0.58	0.01	0.59	0.02	0.78	1.37
20	Taloga, Town of	5.15	0.05	5.20	0.18	6.87	12.07
21	Union Electric Company	12,861.42	116.97	12,978.39	115.49	4,324.29	17,302.68
22	United Cities Gas Co. - Rurals	21.00	0.19	21.19	0.75	28.05	49.24
23	United Cities Gas Co. - Town	97.21	0.88	98.09	3.47	129.83	227.92
24	Vici Public Works Authority	10.59	0.10	10.69	0.38	14.14	24.83
25	Waverly, City of	21.23	0.19	21.42	0.76	28.36	49.78
26	Westfield Gas Corporation	26.26	0.24	26.50	0.94	35.08	61.58
27	Westville, Village of	53.93	0.49	54.42	1.92	72.02	126.44
28	White Hall, City of	40.59	0.37	40.96	1.45	54.22	95.18
29	Winchester, City of	26.03	0.24	26.27	0.93	34.76	61.03
30	Jurisdictional Subtotal	96,688.46	879.40	97,567.86	2,734.10	102,366.53	199,934.39
31	Non-Jurisdictional	10,011.54	91.06	10,102.60	284.50	10,652.07	20,754.67
32	Total	\$ 106,700.00	\$ 970.46	\$ 107,670.46	\$ 3,018.60	\$ 113,018.60	\$ 220,689.06

1/ Principal & Interest at March 31, 2003.  
2/ ONEOK interest calculation based on escrow interest rates for the Escrow Account.  
3/ Principal & Interest at July 31, 2003.  
4/ IMC interest calculated on FERC interest factors.

## PANHANDLE EASTERN PIPE LINE COMPANY, LLC

Interest On Settlement Of Kansas Ad Valorem Tax Reimbursement  
ONEOK Energy Resources Company  
For the Period 4/1/03 through 03/30/04  
Detail of Escrow Account and Interest

Line No.	Bank Stmt. (1)	Escrow Total Interest (2)	Disbursement Fees (3)	Escrow Total Balance (4)	Interest Rate (5)	Escrow Interest (6)	Balance (7)
1	03/31/03			\$ 417,512.01			\$ 106,700.00 1/
2	04/30/03	\$ 401.77	\$ (250.00)	417,663.78	0.010981	\$ 96.30	106,796.30
3	05/31/03	376.84	(250.00)	417,790.62	0.010754	97.54	106,893.84
4	06/30/03	381.49	(250.00)	417,922.11	0.010052	88.31	106,982.15
5	07/31/03	345.19	(250.00)	418,017.30	0.008846	80.38	107,062.53
6	08/31/03	313.98	(250.00)	418,081.28	0.008583	78.05	107,140.58
7	09/30/03	304.71	(250.00)	418,135.99	0.008383	73.82	107,214.40
8	10/31/03	288.08	(250.00)	418,174.07	0.008339	75.93	107,290.33
9	11/30/03	296.13	(250.00)	418,220.20	0.008485	74.82	107,365.15
10	12/31/03	291.65	(250.00)	418,261.85	0.008634	78.73	107,443.88
11	01/31/04	306.67	(207.36)	418,361.16	0.008570	77.99	107,521.87
12	02/29/04	303.61	(207.35)	418,457.42 2/	0.008570 3/	73.01	107,594.88
13	03/30/04				0.008570 3/	75.58	107,670.46
14	Settlement Refund Amount as of 3/31/03					\$ 106,700.00	
15	Interest through 3/30/04					<u>970.46</u>	
16	Settlement Payment					<u>\$ 107,670.46</u>	

1/ Settlement Refund Amount per Settlement Agreement approved by the Federal Energy Regulatory Commission on February 13, 2004.

2/ Escrow statement date February 27, 2004.

3/ Interest for February 1 through March 30, 2004 is calculated based on the interest rate for the January Escrow Account, and assumes escrow interest will remain constant.



## PANHANDLE EASTERN PIPE LINE COMPANY, LLC

Interest On Settlement Of Kansas Ad Valorem Tax Reimbursement  
Partnership Properties Co. / IMC Global, Inc.  
For the Period 8/1/03 through 03/30/04  
Interest Compounded Quarterly

Line No.	Year	Month/ Days	Cumulative Principal	Cumulative Interest	Total	Interest Rate	Monthly Interest	Total Interest
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	2003	07/31	\$110,000.00					
2		08/1-31	110,000.00	\$ -	\$110,000.00	0.0425	\$ 397.05	\$ 397.05
3		09/1-30	110,000.00	-	110,000.00	0.0425	384.25	781.30
4		10/1-31	110,000.00	781.30	110,781.30	0.0407	382.94	1,164.24
5		11/1-30	110,000.00	781.30	110,781.30	0.0407	370.59	1,534.83
6		12/1-31	110,000.00	781.30	110,781.30	0.0407	382.94	1,917.77
7	2004	1/1-31	110,000.00	1,917.77	111,917.77	0.0400	379.17	2,296.94
8		2/1-29	110,000.00	1,917.77	111,917.77	0.0400	354.71	2,651.65
9		3/1-30	110,000.00	1,917.77	111,917.77	0.0400	366.94	3,018.60
10		Settlement Refund Amount as of 7/31/03			\$110,000.00	1/		
11		Interest through 03/30/04			<u>\$3,018.60</u>			
12		Settlement Payment			<u>\$113,018.60</u>			

1/ Settlement Refund Amount per Settlement Agreement approved by the Federal Energy Regulatory Commission on February 13, 2004.

## PANHANDLE EASTERN PIPE LINE COMPANY, LLC

Docket No. RP98-40, et al.

FERC Interest Factors Used to Calculate Interest on  
Refunds Payable by First Sellers

<u>Time Period</u>	<u>Annual Percentage</u>
July 1 through September 30, 2003	4.25%
October 1 through December 31, 2003	4.07%
January 1 through March 31, 2004	4.00%

PANHANDLE EASTERN PIPE LINE COMPANY

Docket No. RP98-40-000, et al.  
 SETTLEMENT REFUND DISTRIBUTION SCHEDULE  
 Kansas Ad Valorem Tax Refunds

Line No.	Customer	ONEOK Exploration Company 1/ (1)	Partnership Properties Co./ IMC Global, Inc. 2/ (2)	Total (3)
1	Associated Natural Gas Company (now Atmos Energy Corporation)	\$ 505.29	\$ 165.35	\$ 670.64
2	Auburn, City of	39.66	51.55	91.21
3	Bainbridge, Town of	7.60	9.88	17.48
4	Battle Creek Gas Company	8,509.87	9,412.65	17,922.52
5	Bowling Green Gas Company (now Atmos Energy Corporation)	199.12	65.16	264.28
6	Bushnell, City of	58.78	76.41	135.19
7	Central Illinois Light Company	6,264.35	8,143.25	14,407.60
8	Central Illinois Public Service	3,423.74	4,450.64	7,874.38
9	Citizens Gas Fuel Company	491.07	638.36	1,129.43
10	Clarence, City of	10.88	14.14	25.02
11	Columbia Gas Transmission Corporation	6.32	8.21	14.53
12	Columbia Gas Transmission Corporation	1,269.55	1,650.33	2,919.88
13	Divernon, Village of	14.80	19.24	34.04
14	East Ohio Gas Company	4,665.51	6,064.86	10,730.37
15	Edinburg, Village of	16.08	20.91	36.99
16	Franklin, Village of	8.71	11.33	20.04
17	Fulton, City of	153.88	200.04	353.92
18	Gas Service Company, a Division of ONEOK, Inc.	251.50	326.93	578.43
19	Great River Gas Company (now Atmos Energy Corporation)	2,079.35	680.45	2,759.80
20	Gruver, City of	11.70	15.21	26.91
21	Hardesty, Town of	3.80	4.94	8.74
22	Hazelton, City of	1.70	2.20	3.90
23	Hermann, City of	55.68	72.38	128.06
24	Illinois Power Company	2,840.49	3,692.46	6,532.95
25	Kansas Power and Light Company (now Missouri Gas Energy)	4,244.46	1,388.97	5,633.43
26	Kokomo Gas And Fuel Company	1,356.11	1,762.86	3,118.97
27	LaCygne, Village of	19.36	25.17	44.53
28	Lapel, Town of	26.55	34.52	61.07
29	Louisburg, City of	17.37	22.58	39.95
30	Macon, City of	86.45	112.37	198.82
31	Madison, City of	7.19	9.35	16.54
32	Miami Pipe Line Company, The	9.30	12.09	21.39
33	Michigan Consolidated Gas Company	1,654.11	2,150.24	3,804.35
34	Michigan Gas Storage Company	11,938.00	13,868.99	25,806.99
35	Michigan Gas Utilities	498.91	648.55	1,147.46
36	Missouri Public Service Company (now Aquila Networks-MPS)	1,810.36	592.43	2,402.79
37	Monroe City, City of	48.14	62.57	110.71
38	Montezuma, Town of	21.52	27.98	49.50
39	Montgomery City, City of	27.72	36.04	63.76
40	Morse Utility Company	2.05	2.66	4.71
41	Morton, Village of	180.38	234.48	414.86
42	Northern Illinois Gas Company	14.33	18.63	32.96
43	Northern Indiana Fuel & Light Company	803.34	1,044.29	1,847.63
44	Northern Indiana Public Service Company	4,434.60	5,764.69	10,199.29
45	Ohio Gas Company	1,100.69	1,430.83	2,531.52
46	Ohio Valley Gas Corporation	273.26	355.22	628.48
47	Paris, City of	21.11	27.45	48.56
48	Pawnee, Village of	26.38	34.29	60.67
49	Perry, City of	10.06	13.08	23.14
50	Pittsboro, Town of	12.81	16.65	29.46
51	Pittsfield, City of	67.32	87.51	154.83
52	Pleasant Hill, Village of	13.10	17.03	30.13
53	Proliance Energy, LLC	23,722.66	29,188.31	52,910.97
54	Riverton, Village of	32.75	42.58	75.33
55	Roachdale, Town of	17.08	22.20	39.28
56	Roodhouse, City of	29.65	38.55	68.20

## PANHANDLE EASTERN PIPE LINE COMPANY

Docket No. RP98-40-000, et al.  
SETTLEMENT REFUND DISTRIBUTION SCHEDULE  
Kansas Ad Valorem Tax Refunds

Line No.	Customer	ONEOK Exploration Company 1/ (1)	Partnership Properties Co./ IMC Global, Inc. 2/ (2)	Total (3)
1	Rossville, Village of	\$ 22.23	\$ 28.89	\$ 51.12
2	Seiling Public Works Authority	11.52	14.98	26.50
3	Shelbina, City of	29.77	36.70	68.47
4	Stinnett, City of	24.51	31.86	56.37
5	Stonington, Village of	19.89	25.85	45.74
6	Sunray Utilities, City of	0.58	0.76	1.34
7	Taloga, Town of	5.15	6.69	11.84
8	Union Electric Company	12,861.42	4,208.80	17,070.22
9	United Cities Gas Co. - Rurals	21.00	27.30	48.30
10	United Cities Gas Co. - Town	97.21	126.36	223.57
11	Vici Public Works Authority	10.59	13.76	24.35
12	Waverly, City of	21.23	27.60	48.83
13	Westfield Gas Corporation	26.26	34.14	60.40
14	Westville, Village of	53.93	70.10	124.03
15	White Hall, City of	40.59	52.77	93.36
16	Winchester, City of	26.03	33.83	59.86
17	Jurisdictional Subtotal	\$ 96,688.46	\$ 99,632.43	\$ 196,320.89
18	Non-Jurisdictional	10,011.54	10,367.57	20,379.11
19	Total	\$ 106,700.00	\$ 110,000.00	\$ 216,700.00

1/ Principal &amp; Interest at March 31, 2003.\*

2/ Principal &amp; Interest at July 31, 2003.\*

\*Subsequent interest amounts included in the Settlement payments will be allocated to each customer consistent with this Exhibit No. 1.



Panhandle Eastern Pipe Line Company, LLC  
5444 Westheimer Road  
Houston, TX 77056-5306

PAGE 1 OF 1

MISSOURI PUBLIC SERVICE COMPANY  
C/O AQUILA NETWORKS  
1815 CAPITAL AVE  
OMAHA NE 68102

VENDDR. NO.	CHECK NO.	DATE
14358	0002090606	07/16/2004

INVOICE NUMBER	INVOICE DATE	VOUCHER ID	GROSS AMOUNT	DISCOUNT TOTAL	PAID AMOUNT
KAVT REFUND14 Kansas Ad Valorem Tax Refund From Burlington, Anadarko, Gath, N. Natural	07/15/2004	466083	\$4,169.72	\$0.00	\$4,169.72
		TOTAL	\$4,169.72	\$0.00	\$4,169.72

Please Deposit  
Attached Check  
And Book to  
MPD 229001  
Thanks Jean

ALL NORTHERN SYSTEM PER HARRY

THE FACE OF THIS DOCUMENT HAS A BLUE BACKGROUND - THE BACK HAS AN ARTIFICIAL WATERMARK



Panhandle Eastern Pipe Line Company, LLC  
5444 Westheimer Road  
Houston, TX 77056-5306

JPMORGAN CHASE BANK  
SYRACUSE, NEW YORK

50-937  
213

CHECK DATE: 07/16/2004  
CHECK NUMBER: 0002090606

PAY IN U.S. DOLLARS

\*\*\*\*\*FOUR THOUSAND ONE HUNDRED SIXTY NINE AND 72/100 DOLLARS\*\*\*\*\*

CHECK AMOUNT

\$4,169.72

TO THE ORDER OF

MISSOURI PUBLIC SERVICE COMPANY  
C/O AQUILA NETWORKS  
1815 CAPITAL AVE  
OMAHA NE 68102

*Richard N. Marshall*

Authorized Signature  
Void After 60 Days



5444 Westheimer Road  
Houston, TX 77056-5306

P.O. Box 4967  
Houston, TX 77210-4967

713.989.7000

July 22, 2004

VIA CERTIFIED MAIL

Missouri Public Service Company  
C/O Aquila Networks  
Harry Ono  
Director Supply & Planning East Region  
1815 Capital Avenue  
Omaha, NE 68102

RE: Panhandle Eastern Pipe Line Company, LP

Docket No. RP98-40, et al.

Distribution of Kansas Ad Valorem Tax Refunds, related to Burlington Resources Oil & Gas Company, Anadarko Gathering Company, and Northern Natural Gas Company

Dear Sir/Madam,

This letter transmits Panhandle's flowthrough of Kansas ad valorem tax refunds in the above captioned proceeding. Schedule 1 itemizes the refunds received from Southland Royalty Company / Burlington Resources Oil & Gas Company, LP (Burlington), Anadarko Gathering Company (Anadarko), and Northern Natural Gas Company (Northern Natural). Schedule 2 calculates the Jurisdictional Refund Amount to be allocated. Schedule 3 shows the individual company allocated amount to be distributed.

Burlington

On April 1, 2003, the Commission issued Order Granting Clarification, Denying Rehearing and Removing Party from Hearing. This Order established Burlington's Kansas ad valorem tax refund amount. Burlington was ordered to pay the outstanding ad valorem tax refund to Panhandle by May 1, 2003. Burlington's refund has been pending court review in the District of Columbia Circuit Court of Appeals. On July 12, 2004, the Commission issued an Order requiring Panhandle to flowthrough Burlington's refund to customers in the instant proceeding, effective July 22, 2004. As shown on Schedule 4, Page 1, Panhandle has calculated additional interest from May 2, 2003 until distribution herein is made.

Anadarko

Anadarko's Joint Settlement Offer to resolve all outstanding issues in Docket No. RP98-43-000, was approved by the Commission February 27, 2003. Panhandle received the Kansas ad valorem refunds on May 14, 2003. As shown on Schedule 4, Page 2, Panhandle has calculated additional interest from this date until distribution herein is made.

Northern Natural

Northern Natural distributed Kansas ad valorem refunds pursuant to the Commission's Order in Public Service Company of Colorado, et al., Docket Nos. RP97-369-000, et al., issued September 10, 1997 and the Settlement approved by the Commission on December 27, 2000 in Docket No. RP98-39-000, et al. This distribution reflects refunds received from Northern on June 13, 2003. Schedule 4, Page 3 reflects the calculation of additional interest from this date until distribution herein is made.

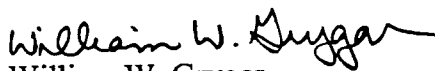
Accordingly, Panhandle has today mailed your company's portion of the Kansas ad valorem tax refunds that Panhandle received from these Parties. Panhandle will be filing a refund report with the Commission. In order to complete this process, Panhandle must have your signed acknowledgement of the receipt of refund, which we request you return, at the earliest possible time, in the prepaid postage envelope we are providing.

The refunds provided today are submitted without prejudice to and subject to an express claim of Panhandle's right to adjust or retrieve these refunds or any portion thereof with interest in the event of changes required by a court or otherwise as a result of other Commission orders.

If you have any questions regarding the attached schedules or need additional information, please contact me at (713) 989-7660.

Very truly yours,

Panhandle Eastern Pipe Line Company, LP

  
William W. Grygar  
Vice President  
Rates and Regulatory Affairs

Attachments

PANHANDLE EASTERN PIPE LINE COMPANY, LP

Docket No. RP98-40-000, et al.  
Kansas Ad Valorem Tax Refunds

Summary of Refunds

Southland Royalty Company / Burlington Resources Oil & Gas Company, LP	\$ 666,416.13
Anadarko Gathering Company	107,451.04
Northern Natural Gas Company	<u>355.11</u>
Total	<u>\$ 774,222.28</u>



## PANHANDLE EASTERN PIPE LINE COMPANY, LP

Docket No. RP98-40-000, et al.  
Kansas Ad Valorem Tax Refunds

## Jurisdictional Allocation

<u>Line No.</u>		
	<u>Ratio of Sales Volumes</u>	
1	Jurisdictional	1,218,852,175
2	Non-Jurisdictional	<u>147,401,021</u>
3	Total	<u><u>1,366,253,196</u></u>
4	Ratio of Jurisdictional Sales Volumes to Total Sales Volumes	89.2113 % 1/
5	Total Refund Amount	<u>\$ 774,222.28</u>
6	Jurisdictional Refund Amount	<u><u>\$ 690,693.76</u></u>

1/ Based on Exhibit No. 3, Page 3 of the Stipulation and Agreement filed in Docket No. RP98-40-000 filed June 22, 2001.

## PANHANDLE EASTERN PIPE LINE COMPANY, LP

Docket No. RP98-40-000, et al.  
Kansas Ad Valorem Tax Refunds

## Distribution of Refunds 1/

Line No.		Refund Amount (1)	Allocation Factor 2/ (2)
	<u>General Service Rate Schedule G-1</u>		
1	Battle Creek Gas Company	\$ 11,535.28	1.6701 %
2	Citizens Gas Fuel Company	5,379.12	0.7788
3	Citizens Gas And Coke Utility	88,209.88	12.7712
4	Indiana Gas Company	103,153.74	14.9348
5	Kokomo Gas And Fuel Company	14,855.44	2.1508
6	Michigan Gas Utilities	5,465.46	0.7913
7	Northern Indiana Fuel & Light Company	8,800.13	1.2741
8	Northern Indiana Public Service Company	48,579.25	7.0334
9	Ohio Valley Gas Corporation	2,993.47	0.4334
10	Ohio Gas Company	12,057.44	1.7457
11	Richmond Gas Corporation	8,007.90	1.1594
12	Southeastern Michigan Gas Company	21,436.37	3.1036
	<u>General Service Rate Schedule G-2</u>		
13	Central Illinois Light Company	68,623.19	9.9354
14	Central Illinois Public Service	37,505.36	5.4301
15	Kansas Power and Light Company	9,776.08	1.4154
16	Great River Gas Company	4,789.27	0.6934
17	Illinois Power Company	31,116.44	4.5051
18	Missouri Public Service Company	4,169.72	0.6037
19	Union Electric Company	29,623.16	4.2889
	<u>General Service Rate Schedule G-3</u>		
20	Gas Service Company, a Division of ONEOK, Inc.	2,755.18	0.3989
	<u>Small General Service - Eastern Zone SG-1</u>		
21	Bainbridge, Town of	82.88	0.0120
22	Columbia Gas Transmission Corporation	69.07	0.0100
23	Dayton Power and Light Co., The	249.34	0.0361
24	Lapel, Town of	290.78	0.0421
25	Montezuma, Town of	235.53	0.0341
26	Pittsboro, Town of	140.21	0.0203
27	Roachdale, Town of	187.18	0.0271
28	Westfield Gas Corporation	287.33	0.0416
	<u>Small General Service - Central Zone SG-2</u>		
29	Associated Natural Gas Company	1,163.82	0.1685
30	Auburn, City of	434.45	0.0629
31	Bowling Green Gas Company	458.62	0.0664
32	Bushnell, City of	643.73	0.0932
33	Clarence, City of	119.49	0.0173
34	Divernon, Village of	161.62	0.0234
35	Edinburg, Village of	176.13	0.0255
36	Franklin, Village of	95.32	0.0138
37	Fulton, City of	1,685.98	0.2441
38	Hermann, City of	609.88	0.0883
39	Macon, City of	946.94	0.1371
40	Madison, City of	78.74	0.0114
41	Monroe City, City of	527.69	0.0764
42	Montgomery City, City of	303.21	0.0439
43	Morton, Village of	1,976.07	0.2861
44	Paris, City of	231.38	0.0335
45	Pawnee, Village of	288.71	0.0418
46	Perry, City of	110.51	0.0160
47	Pittsfield, City of	736.97	0.1067
48	Pleasant Hill, Village of	143.66	0.0208

## PANHANDLE EASTERN PIPE LINE COMPANY, LP

Docket No. RP98-40-000, et al.  
Kansas Ad Valorem Tax Refunds

## Distribution of Refunds 1/

Line No.		Refund Amount (1)	Allocation Factor 2/ (2)
49	Riverton, Village of	359.16	0.0520
50	Roodhouse, City of	325.32	0.0471
51	Rossville, Village of	243.81	0.0353
52	Shelbina, City of	326.01	0.0472
53	Stonington, Village of	218.26	0.0316
54	United Cities Gas Co. - Town	1,065.05	0.1542
55	United Cities Gas Co. - Rurals	230.00	0.0333
56	Waverly, City of	232.07	0.0336
57	Westville, Village of	590.54	0.0855
58	White Hall, City of	444.81	0.0644
59	Winchester, City of	285.26	0.0413
	<u>Small General Service - Western Zone SG-3</u>		
60	Gruver, City of	128.47	0.0186
61	Hardesty, Town of	41.44	0.0060
62	Hazelton, City of	18.65	0.0027
63	LaCygne, Village of	212.04	0.0307
64	Louisburg, City of	189.94	0.0275
65	Miami Pipe Line Company, The	102.22	0.0148
66	Morse Utility Company	22.79	0.0033
67	Seiling Public Works Authority	125.71	0.0182
68	Stinnett, City of	268.68	0.0389
69	Sunray Utilities, City of	6.22	0.0009
70	Taloga, Town of	56.64	0.0082
71	Vici Public Works Authority	116.04	0.0168
	<u>Limited Service Rate Schedule LS-1</u>		
72	East Ohio Gas Company	51,108.58	7.3996
73	Columbia Gas Transmission Corporation	13,907.81	2.0136
	<u>Limited Service Rate Schedule LS-2</u>		
74	Northern Illinois Gas Company	156.79	0.0227
	<u>Seasonal Service Rate Schedule SS-1</u>		
75	Michigan Consolidated Gas Company	18,119.66	2.6234
	<u>Combined Service Rate Schedule CS-1</u>		
76	Michigan Gas Storage Company	70,524.67	10.2107
77	Total Jurisdictional	690,693.76	100.0000 %
78	Non Jurisdictional	83,528.52	
79	Total	<u>\$ 774,222.28</u>	

1/ Southland Royalty Company/Burlington Resources Oil & Gas Company, LP, Anadarko Gathering Company, and Northern Natural Gas Company. See Schedule 1 for refund amounts.

2/ Based on Exhibit No. 3 of the Stipulation and Agreement filed in Docket No. RP98-40-000 on June 22, 2001.

PANHANDLE EASTERN PIPE LINE COMPANY, LP

Docket No. RP98-40-000 et al.  
Kansas Ad Valorem Tax Refunds  
Interest Calculation  
May 2, 2003 through July 22, 2004

Southland Royalty Company/ Burlington Resources Oil & Gas Company, LP

<u>Line No.</u>				<u>Amount</u>
1	Amount Received on May 1, 2003 <sup>1/</sup>			\$ 633,953.94
	<u>For the Period Ended</u>	<u>Interest Rate 2/</u>	<u>Number of Days</u>	
2	June 30, 2003	4.25%	60	3/ 4,412.32
3	September 30, 2003	4.25%	92	6,812.64
4	December 31, 2003	4.07%	92	6,647.92
5	March 31, 2004	4.00%	91	6,465.47
6	June 30, 2004	4.00%	91	6,529.60
7	July 22, 2004	4.00%	22	<u>1,594.24</u>
8	Total Interest			32,462.19
9	Total Principal and Interest			<u><u>\$ 666,416.13</u></u>

1/ Interest calculated through May 1, 2003 and included in amount received by wire from Southland Royalty Company/Burlington Resources Oil & Gas Company, LP on May 1, 2003.  
2/ FERC Interest Factors  
3/ Interest calculation begins May 2, 2003.

PANHANDLE EASTERN PIPE LINE COMPANY, LP

Docket No. RP98-40-000 et al.  
Kansas Ad Valorem Tax Refunds  
Interest Calculation  
May 14, 2003 through July 22, 2004

Anadarko Gathering Company

<u>Line No.</u>				<u>Amount</u>
1	Amount Received on May 14, 2003			\$ 102,370.25
	<u>For the Period Ended</u>	<u>Interest Rate 1/</u>	<u>Number of Days</u>	
2	June 30, 2003	4.25%	47	558.12
3	September 30, 2003	4.25%	92	1,098.45
4	December 31, 2003	4.07%	92	1,071.89
5	March 31, 2004	4.00%	91	1,042.47
6	June 30, 2004	4.00%	91	1,052.81
7	July 22, 2004	4.00%	22	<u>257.05</u>
8	Total Interest			5,080.79
9	Total Principal and Interest			<u><u>\$ 107,451.04</u></u>

1/ FERC Interest Factors.

## PANHANDLE EASTERN PIPE LINE COMPANY, LP

Docket No. RP98-40-000 et al.  
 Kansas Ad Valorem Tax Refunds  
 Interest Calculation  
 June 13, 2003 through July 22, 2004

Northern Natural Gas Company

<u>Line No.</u>				<u>Amount</u>
1	Amount Received June 13, 2003			\$ 339.45
	<u>For the Period Ended</u>	<u>Interest Rate 1/</u>	<u>Number of Days</u>	
2	June 30, 2003	4.25%	18	0.71
3	September 30, 2003	4.25%	92	3.63
4	December 31, 2003	4.07%	92	3.54
5	March 31, 2004	4.00%	91	3.45
6	June 30, 2004	4.00%	91	3.48
7	July 22, 2004	4.00%	22	<u>0.85</u>
8	Total Interest			15.66
9	Total Principal and Interest			<u>\$ 355.11</u>

1/ FERC Interest Factors.

PANHANDLE EASTERN PIPE LINE COMPANY, LP

Docket No. RP98-40, et al.

FERC Interest Factors Used to Calculate Interest on  
Refunds Payable by First Sellers

<u>Time Period</u>	<u>Annual Percentage</u>
April 1 through June 30, 2003	4.25%
July 1 through September 30, 2003	4.25%
October 1 through December 31, 2003	4.07%
January 1 through March 31, 2004	4.00%
April 1 through June 30, 2004	4.00%
July 1 through September 30, 2004	4.00%

## Appendix B

**PEPL Docket RP-98-40**

<b>Original Refund Amt (Wired)</b>	<b>\$ 215,122</b>
------------------------------------	-------------------

<b>Total Available Refund for Residential, Small Commercial, Other Sales &amp; Company Use</b>	<b>\$158,576</b>
<b>Refunded to Customers (May 2004):</b>	
Residential	\$93,373
Sm. Commercial/Other Sales	\$50,701
Company Use	\$110
<b>Total Amount Refunded</b>	<b>\$144,184</b>
<b>Remaining Refund Amount</b>	<b>\$14,392</b> *

<b>Total Available Refund for Lg. Volume/Industrial Customers</b>	<b>\$56,547</b>
<b>Refunded to Customers (July 2004):</b>	
Lg. Volume/Industrial Customers	\$51,351
<b>Total Amount Refunded</b>	<b>\$51,351</b>
<b>Remaining Refund Amount</b>	<b>\$5,196</b>

<b>Total Remaining Refund Amount to be included in Annual Filing:</b>	<b>\$19,588</b>
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**Aquila Networks - MPS  
Southern System  
Estimated Deferred Carrying Cost Balance (DCCB) Calculation  
2003-2004 ACA Year**

	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Total
<b>Annual Gas Cost Level</b>													
Gas Cost from Nov 03 ACA calculation	19,453,110												
Gas Cost from Nov 02 ACA calculation	15,415,511												
Gas Cost from Nov 01 ACA calculation	29,366,994												
<b>Average of 3 most recent gas cost calculations</b>	<u>21,411,872</u>												
10%	2,141,187												
<b>10% of average annual gas cost threshold</b>													
<b>Sales Volumes (in Mcf)</b>	72,910	97,425	184,043	428,024	588,261	652,065	447,308	249,609	137,970	82,429	73,702	64,940	3,078,686
<b>Cost of Gas Purchased and Produced</b>	773,938	921,377	1,514,677	3,868,300	4,551,958	3,616,867	2,043,166	1,147,524	970,311	681,878	653,589	670,245	21,413,830
<b>PGA - Estimated Annualized Unit Cost of Gas</b>	\$ 7,7069	\$ 7,7071	\$ 7,6297	\$ 6,5313	\$ 6,2746	\$ 6,2671	\$ 6,2734	\$ 6,2760	\$ 6,3710	\$ 6,2742	\$ 6,2471	\$ 6,2507	
<b>Actual Annualized Unit Cost of Gas</b>	<u>10,6150</u>	<u>9,4573</u>	<u>8,2300</u>	<u>9,0376</u>	<u>7,7380</u>	<u>5,5468</u>	<u>4,5677</u>	<u>4,5973</u>	<u>7,0328</u>	<u>8,2723</u>	<u>8,8681</u>	<u>10,3210</u>	
<b>Difference</b>	-2,9081	-1,7501	-0,6003	-2,5062	-1,4634	0,7204	1,7057	1,6787	-0,6617	-1,9981	-2,6210	-4,0703	
<b>Actual Sales Volumes</b>	72,910	97,425	184,043	428,024	588,261	652,065	447,308	249,609	137,970	82,429	73,702	64,940	
<b>DCCB Monthly Over/(Under) Recovery</b>	(212,029)	(170,506)	(110,487)	(1,072,731)	(860,853)	469,719	762,953	419,014	(91,301)	(164,702)	(193,169)	(264,325)	
<b>2003-04 DCCB Yr to Date Over/(Under) Recovery</b>	(212,029)	(382,535)	(493,022)	(1,565,753)	(2,426,606)	(1,956,887)	(1,193,933)	(774,919)	(866,220)	(1,030,922)	(1,224,091)	(1,488,415)	
<b>10% of average annual gas cost threshold</b>	2,141,187	2,141,187	2,141,187	2,141,187	2,141,187	2,141,187	2,141,187	2,141,187	2,141,187	2,141,187	2,141,187	2,141,187	
<b>Absolute Value Rcvry Bal that exceeds threshold Over/(Und) Rcvry Bal that exceeds 10% threshold</b>	-	-	-	-	285,418	-	-	-	-	-	-	-	
<b>Interest at Prime Rate - Wall Street Journal - 1%</b>	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.25%	3.25%	
<b>Carrying Costs Refunded/(Collected)</b>	-	-	-	-	(714)	-	-	-	-	-	-	-	(714)
<b>DCCB Percent of Avg Annual Gas Costs</b>	-0.99%	-1.79%	-2.30%	-7.31%	-11.33%	-9.14%	-5.58%	-3.62%	-4.05%	-4.81%	-5.72%	-6.95%	

Note: The DCCB will become 0 at the beginning of each new ACA period (Sep).  
Note: Shaded Area indicates estimate.

**Aquila Networks - MPS  
Northern System  
Estimated Deferred Carrying Cost Balance (DCCB) Calculation  
2003-2004 ACA Year**

	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Total</u>
<b>Annual Gas Cost Level</b>													
Gas Cost from Nov 03 ACA calculation	7,177,062												
Gas Cost from Nov 02 ACA calculation	6,358,388												
Gas Cost from Nov 01 ACA calculation	9,391,314												
<b>Average of 3 most recent gas cost calculations</b>	<u>7,642,255</u>												
10%													
<b>10% of average annual gas cost threshold</b>	764,225												
<b>Sales Volumes (in Mcf)</b>	19,287	29,542	62,682	139,956	198,137	214,294	144,976	82,013	43,172	21,774	17,423	16,446	989,702
<b>Cost of Gas Purchased and Produced</b>	270,964	329,824	762,007	1,020,759	1,352,582	1,044,638	682,697	614,067	272,416	243,899	231,191	236,954	7,062,199
<b>PGA - Estimated Annualized Unit Cost of Gas</b>	\$8,2314	\$8,2370	\$8,1363	\$6,8427	\$6,5378	\$6,5374	\$6,5427	\$6,5609	\$6,8056	\$6,9448	\$6,9181	\$6,9203	
<b>Actual Annualized Unit Cost of Gas</b>	<u>14,0491</u>	<u>11,1644</u>	<u>12,1568</u>	<u>7,2934</u>	<u>6,8265</u>	<u>4,8757</u>	<u>4,7090</u>	<u>7,4875</u>	<u>6,3100</u>	<u>11,2012</u>	<u>13,2692</u>	<u>14,4064</u>	
<b>Difference</b>	-5,8177	-2,9275	-4,0206	-0,4507	-0,2888	1,6617	1,8336	-0,9266	0,4955	-4,2564	-6,3511	-7,4881	
<b>Actual Sales Volumes</b>	19,287	29,542	62,682	139,956	198,137	214,294	144,976	82,013	43,172	21,774	17,423	16,446	
<b>DCCB Monthly Over/(Under) Recovery</b>	(112,206)	(86,484)	(252,015)	(63,080)	(57,214)	356,094	265,835	(75,991)	21,393	(92,680)	(110,656)	(123,146)	
<b>2003-04 DCCB Yr to Date Over/(Under) Recovery</b>	(112,206)	(198,690)	(450,705)	(513,785)	(570,999)	(214,905)	50,930	(25,062)	(3,868)	(96,348)	(207,004)	(330,149)	
<b>10% of average annual gas cost threshold</b>	764,225	764,225	764,225	764,225	764,225	764,225	764,225	764,225	764,225	764,225	764,225	764,225	
<b>Absolute Value Rcvry Bal that exceeds threshold</b>	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Over/(Und) Rcvry Bal that exceeds 10% threshold</b>	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Interest at Prime Rate - Wall Street Journal - 1%</b>	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.25%	3.25%	
<b>Carrying Costs Refunded/(Collected)</b>	-	-	-	-	-	-	-	-	-	-	-	-	
<b>DCCB Percent of Avg Annual Gas Costs</b>	-1.47%	-2.60%	-5.90%	-6.72%	-7.47%	-2.81%	0.67%	-0.33%	-0.05%	-1.26%	-2.71%	-4.32%	

Note: The DCCB will become 0 at the beginning of each new ACA period (Sep).  
Note: Shaded Area indicates estimate.

**Aquila Networks - L&P  
Estimated Deferred Carrying Cost Balance (DCCB) Calculation  
2003-2004 ACA Year**

	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Total
<b>Annual Gas Cost Level</b>													
Gas Cost from Nov 03 ACA calculation	4,299,872												
Gas Cost from Nov 02 ACA calculation	3,084,409												
Gas Cost from Nov 01 ACA calculation	5,546,786												
<b>Average of 3 most recent gas cost calculations</b>	<u>4,310,355</u>												
10% of average annual gas cost threshold	431,036												
<b>Sales Volumes (in Mcf)</b>													
Cost of Gas Purchased and Produced	12,131	20,978	49,249	95,816	133,222	144,790	99,917	51,117	27,665	15,066	13,614	11,508	675,072
	92,742	314,138	450,502	665,500	896,550	593,383	429,832	209,472	174,308	195,970	151,421	163,245	4,337,163
<b>PGA - Estimated Annualized Unit Cost of Gas</b>													
Actual Annualized Unit Cost of Gas	\$6,1299	\$6,1013	\$6,0104	\$6,0295	\$5,9960	\$5,9997	\$5,9976	\$5,9961	\$6,1594	\$6,4235	\$6,6122	\$6,4616	
Difference	7,6453	14,9744	9,1474	6,9456	6,7297	4,0982	4,3029	4,0979	6,3008	13,0078	11,1228	14,1851	
	-1,5154	-8,8731	-3,1370	-0,9161	-0,7338	1,9015	1,6947	1,8982	-0,1414	-6,5844	-4,5106	-7,7235	
<b>Actual Sales Volumes</b>													
	12,131	20,978	49,249	95,816	133,222	144,790	99,917	51,117	27,665	15,066	13,614	11,508	
<b>DCCB Monthly Over/(Under) Recovery</b>													
	(18,383)	(186,144)	(154,493)	(87,779)	(97,759)	275,318	169,326	97,031	(3,911)	(99,197)	(61,406)	(88,884)	
<b>2003-04 DCCB Yr to Date Over/(Under) Recovery</b>													
	(18,383)	(204,526)	(359,020)	(446,799)	(544,557)	(269,239)	(99,913)	(2,882)	(6,793)	(105,989)	(167,395)	(256,279)	
<b>10% of average annual gas cost threshold</b>	431,036	431,036	431,036	431,036	431,036	431,036	431,036	431,036	431,036	431,036	431,036	431,036	
<b>Absolute Value Rcvry Bal that exceeds threshold</b>	-	-	-	15,764	113,522	-	-	-	-	-	-	-	-
<b>Over/(Und) Rcvry Bal that exceeds 10% threshold</b>	-	-	-	(15,764)	(113,522)	-	-	-	-	-	-	-	-
<b>Interest at Prime Rate - Wall Street Journal - 1%</b>	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.25%	3.25%	
<b>Carrying Costs Refunded/(Collected)</b>	-	-	-	(39)	(284)	-	-	-	-	-	-	-	(323)
<b>DCCB Percent of Avg Annual Gas Costs</b>	-0.43%	-4.74%	-8.33%	-10.37%	-12.63%	-6.25%	-2.32%	-0.07%	-0.16%	-2.46%	-3.88%	-5.95%	

Note: The DCCB will become 0 at the beginning of each new ACA period (Sep).  
Note: Shaded Area indicates estimate.

Aquila Networks - MPS  
 Prior Period Adjustment Summary  
 2003-2004 ACA Year

# Enclosure 11

**Southern System**

Annual Gas Cost  
 Level Adjustment  
 Summary

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Gas Cost from Nov 03 ACA calculation Adjustments:	19,453,110.12
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Total Adjusted Gas Cost Nov 03 ACA	19,453,110.12
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Gas Cost from Nov 02 ACA calculation Adjustments:	15,273,267.84
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01/02 tracker - UCU Pool Gas PPA 11/01	142,242.78
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Total Adjusted Gas Cost Nov 02 ACA	15,415,510.62
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Gas Cost from Nov 01 ACA calculation Adjustments:	29,361,721.89
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11/00 tracker - Oneok Energy Mktg Trans. PPA 10/00	3,126.90
11/00 tracler - Oneok Energy Mktg Trans. PPA 09/00	3,126.90
12/00 tracker - Imbalance Gas PPA 11/00	354.40
12/00 tracker - WNG Transportation PPA 11/00	19.81
12/00 tracker - WNG Storage PPA 11/00	(4,129.83)
12/00 tracker - WNG Capacity Release PPA 11/00	(2,087.49)
12/00 tracker - Swing Pool Gas PPA 11/00	4,585.34
01/01 tracker - Swing Pool Gas PPA 12/00	278.31
01/01 tracker - WNG Assoc. Co. Storage PPA 12/00	(2.05)

Total Adjusted Gas Cost Nov 01 ACA	29,366,994.18
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**Northern System**

Annual Gas Cost  
 Level Adjustment  
 Summary

Gas Cost from Nov 03 ACA calculation	7,191,777.02
09/02 tracker - PEPL Transportation Penalty 08/02	(705.78)
10/02 tracker - PEPL Transportation Penalty 09/02	(40.19)
11/02 tracker - PEPL Transportation Penalty 10/02	(216.91)
11/02 tracker - PEPL Transportation PPA 06/02	(26.10)
12/02 tracker - PEPL Transportation Penalty 11/02	(161.77)
01/03 tracker - PEPL Transportation Penalty 12/03	(355.94)
02/03 Tracker - PEPL Transportation Penalty 01/03	(832.96)
02/03 Tracker - PEPL Transportation Penalty 02/02-11/02	3.99
03/03 Tracker - PEPL Transportation PPA 02/03	1.56
03/03 Tracker - PEPL Transportation Penalty 02/03	(232.01)
04/03 Tracker - PEPL Transportation Penalty 03/03	(729.70)
05/03 Tracker - PEPL Transportation Penalty 04/03	(687.80)
07/03 Tracker - PEPL Transportation PPA 06/03	(73.40)
08/03 Tracker - PEPL Transportation Penalty 07/03	(85.42)
08/03 Tracker - PEPL Capacity Release PPA 07/03	(10,572.70)
Total Adjusted Gas Cost Nov 03 ACA	7,177,061.89

Gas Cost from Nov 02 ACA calculation	6,359,459.10
09/01 tracker - PEPL Transportation PPA 08/01	(100.45)
02/02 tracker - PEPL Transportation PPA 01/02	0.36
03/02 tracker - PEPL Transportation PPA 02/02	(15.64)
03/02 tracker - PEPL Transportation Penalty 02/02	(129.05)
04/02 tracker - PEPL Transportation PPA 02/02	4.85
04/02 tracker - PEPL Transportation PPA 03/02	2.64
04/02 tracker - PEPL Transportation Penalty 02/02	(248.91)
05/02 tracker - PEPL Transportation Penalty 04/02	(134.93)
06/02 tracker - PEPL Transportation PPA 05/02	11.67
06/02 tracker - PEPL Transportation Penalty 05/02	(325.58)
07/02 tracker - PEPL Transportation PPA 05/02	96.69
07/02 tracker - PEPL Transportation Penalty 06/02	(114.75)
08/02 tracker - PEPL Transportation PPA 06/02	47.29
08/02 tracker - PEPL Transportation Penalty 07/02	(165.60)
Total Adjusted Gas Cost Nov 02 ACA	6,358,387.69

Gas Cost from Nov 01 ACA calculation	9,298,566.71
10/00 tracker - PEPL Transportation PPA 08/00	(153.95)
12/00 tracker - PEPL Transportation PPA 11/00	(21.13)
12/00 tracker - PEPL Assoc Co Storage PPA 11/00	18.28
01/01 tracker - PEPL Transportation PPA 11/00	(1,479.86)
07/01 tracker - PEPL Transportation PPA 06/01	12,360.00
07/01 tracker - PEPL Transportation PPA 05/01	9,512.00
07/01 tracker - PEPL Transportation PPA 04/01	12,560.04
07/01 tracker - PEPL Transportation PPA 03/01	9,712.00
07/01 tracker - PEPL Transportation PPA 02/01	18,256.04
07/01 tracker - PEPL Transportation PPA 01/01	9,712.00
07/01 tracker - PEPL Transportation PPA 12/00	9,712.00
07/01 tracker - PEPL Transportation PPA 11/00	12,560.04
Total Adjusted Gas Cost Nov 01 ACA	9,391,314.17

Missouri Public Service  
Prior Period Adjustment Summary  
2003-2004 ACA Year

Enclosure 13

**St. Joseph Light & Power**

Annual Gas Cost  
Level Adjustment  
Summary

Gas Cost from Nov 03 ACA calculation	4,299,902.66
Adjustments:	
07/03 Tracker - ANR Transportation (99722) PPA 06/03	(12.70)
07/03 Tracker - ANR Transportation (99723) PPA 06/03	(18.43)
Total Adjusted Gas Cost Nov 03 ACA	4,299,871.53

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Gas Cost from Nov 02 ACA calculation	3,084,409.10
Adjustments:	
No Prior Period Adjustments	
Total Adjusted Gas Cost Nov 02 ACA	3,084,409.10

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Gas Cost from Nov 01 ACA calculation	5,548,143.56
Adjustments:	
01/01 Tracker - 12/00 ANR Transportation PPA	(1,357.75)
Total Adjusted Gas Cost Nov 01 ACA	5,546,785.81

**Aquila Networks - MPS  
Southern System  
2003-2004 Winter Season Revenue Impact from Winter PGA Filing**

**Original Calculation Filed**

Month	PGA Factor	Month	PGA Factor	PGA Change (11/04)	Revenue Impact (Winter Season)
Nov-03	6.4646	Nov-04	8.7191	2.2545	714,929
Dec-03	6.4646	Dec-04	8.7191	2.2545	1,319,302
Jan-04	6.4646	Jan-05	8.7191	2.2545	1,739,415
Feb-04	6.4646	Feb-05	8.7191	2.2545	1,599,378
Mar-04	6.4646	Mar-05	8.7191	2.2545	1,171,894
<b>Estimated Winter Season Change in Revenue</b>					<b>6,544,919</b>
<b>Percent Change Between PGA Factors</b>					<b>34.87%</b>

Firm Sales Volume @ Burnertip 3,923,036

Month	Estimated Customer Usage Mcf/Mnth	Estimated % Mcf/Yr	Estimated Company Sales Mcf/Mnth
Jan	23.6	19.67%	771,530
Feb	21.7	18.08%	709,416
Mar	15.9	13.25%	519,802
Apr	9.6	8.00%	313,843
May	5.3	4.42%	173,267
Jun	3.6	3.00%	117,691
Jul	2.8	2.33%	91,538
Aug	2.7	2.25%	88,268
Sep	3	2.50%	98,076
Oct	4.2	3.50%	137,306
Nov	9.7	8.08%	317,112
Dec	<u>17.9</u>	<u>14.92%</u>	<u>585,186</u>
TOTAL	120	100%	3,923,036

Note: Estimated Customer Usage Obtained from Missouri Public Service Commission.

**Aquila Networks - MPS  
Northern System  
2003-2004 Winter Season Revenue Impact from Winter PGA Filing**

**Original Calculation Filed**

Month	PGA Factor	Month	PGA Factor	PGA Change (11/04)	Revenue Impact (Winter Season)
Nov-03	6.9065	Nov-04	8.4443	1.5378	172,813
Dec-03	6.9065	Dec-04	8.4443	1.5378	318,902
Jan-04	6.9065	Jan-05	8.4443	1.5378	420,452
Feb-04	6.9065	Feb-05	8.4443	1.5378	386,602
Mar-04	6.9065	Mar-05	8.4443	1.5378	283,271

**Estimated Winter Season Change in Revenue                    1,582,041**

**Percent Change Between PGA Factors                                    22.27%**

Firm Sales Volume @ Burnertip 1,390,228

Month	Estimated Customer Usage Mcf/Mnth	Estimated % Mcf/Yr	Estimated Company Sales Mcf/Mnth
Jan	23.6	19.67%	273,412
Feb	21.7	18.08%	251,400
Mar	15.9	13.25%	184,205
Apr	9.6	8.00%	111,218
May	5.3	4.42%	61,402
Jun	3.6	3.00%	41,707
Jul	2.8	2.33%	32,439
Aug	2.7	2.25%	31,280
Sep	3	2.50%	34,756
Oct	4.2	3.50%	48,658
Nov	9.7	8.08%	112,377
Dec	<u>17.9</u>	<u>14.92%</u>	<u>207,376</u>
TOTAL	120	100%	1,390,228

Note: Estimated Customer Usage Obtained from Missouri Public Service Commission.



**Aquila Networks - L&P  
St. Joseph Light & Power  
2003-2004 Winter Season Revenue Impact from Winter PGA Filing**

**Original Calculation Filed**

Month	PGA Factor	Month	PGA Factor	PGA Change (11/04)	Revenue Impact (Winter Season)
Nov-03	6.8975	Nov-04	7.9008	1.0033	60,933
Dec-03	6.8975	Dec-04	7.9008	1.0033	112,444
Jan-04	6.8975	Jan-05	7.9008	1.0033	148,250
Feb-04	6.8975	Feb-05	7.9008	1.0033	136,314
Mar-04	6.8975	Mar-05	7.9008	1.0033	99,880
<b>Estimated Winter Season Change in Revenue</b>					<b>557,820</b>
<b>Percent Change Between PGA Factors</b>					<b>14.55%</b>

Firm Sales Volume @ Burnertip

751,332

Month	Estimated Customer Usage Mcf/Mnth	Estimated % Mcf/Yr	Estimated Company Sales Mcf/Mnth
Jan	23.6	19.67%	147,762
Feb	21.7	18.08%	135,866
Mar	15.9	13.25%	99,551
Apr	9.6	8.00%	60,107
May	5.3	4.42%	33,184
Jun	3.6	3.00%	22,540
Jul	2.8	2.33%	17,531
Aug	2.7	2.25%	16,905
Sep	3	2.50%	18,783
Oct	4.2	3.50%	26,297
Nov	9.7	8.08%	60,733
Dec	<u>17.9</u>	<u>14.92%</u>	<u>112,074</u>
TOTAL	120	100%	751,332

Note: Estimated Customer Usage Obtained from Missouri Public Service Commission.