Notice of Ex Parte Contact

TO:

Data Center

All Parties in Case No. EM-2007-0374

FROM:

Chairman Jeff Davis

Commissioner Connie Murray

Commissioner Robert M. Clayton III

Commissioner Terry Jarrett TM

Commissioner Kevin Gunn



DATE:

May 7, 2008

On May 7, 2008, we received the attached letter from Senator Charles W. Shields. The Commission is currently considering the issues discussed in this document in Case No. EM-2007-0374, which is a contested case. In contested cases, the Commission is bound by the same *ex parte* rule as a court of law. Accordingly, we are making notice to the parties this communication has been received.

Although communications from members of the public and members of the legislature are always welcome, those communications must be made known to all parties to a contested case so that those parties have the opportunity to respond. According to the Commission's rules (4 CSR 240-4.020(8)), when a communication (either oral or written) occurs outside the hearing process, any member of the Commission or Regulatory Law Judge who received the communication shall prepare a written report concerning the communication and submit it to each member of the Commission and the parties to the case. The report shall identify the person(s) who participated in the *ex parte* communication, the circumstances which resulted in the communication, the substance of the communication, and the relationship of the communication to a particular matter at issue before the Commission.

Therefore, we submit this report pursuant to the rules cited above. This will ensure that any party to this case will have notice of the attached information and a full and fair opportunity to respond to the comments contained therein.

cc:

Executive Director

Secretary/Chief Regulatory Law Judge

General Counsel

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CHARLES W. SHIELDS
34TH DISTRICT

May 5, 2008

Mr. Jeff Davis Chairman Missouri Public Service Commission Governor Office Building 200 Madison Street P.O. Box 360 Jefferson City, MO 65101

Dear Chairman Davis and Commissioners,

As you know, one of my top priorities has been to move Missouri towards a more environmentally sound energy policy that strengthens our economy while decreasing our dependence on foreign oil.

While our primary focus has been on allowing Missouri's corn and soybean farmers to play a greater role in renewable fuels, an equally important factor in Missouri's energy future is making sure that our utilities stay financially strong, so they can continue making investments in renewable energy production and air quality initiatives.

To that end, I am encouraging the Missouri Public Service Commission to approve the proposed acquisition of Aquila by Great Plains Energy.

As I understand it, this merger represents the best possible outcome for Aquila and will result in a single regional utility that is on strong financial footing. Kansas City Power & Light, Great Plains' utility, has an excellent track record of performance within its service area and has been recognized nationally for its efforts to achieve top-tier service and increase investments in renewable energy production and air quality improvements. I was particularly pleased to learn about Kansas City Power & Light's decision to endorse the effort by Missourians for Cleaner Cheaper Energy to put a renewable energy initiative proposal on the public ballot for the November 2008 election. This is a positive step towards increasing the percentage of renewable energy in our state's generation portfolio.

In addition, the prospect of passing along to customers hundreds of millions of dollars in operational savings by combining these two utilities is appealing, especially when almost all of the risks to ratepayers have been removed. Given these uncertain economic times and the rising cost of many daily staples, including food, fuel, and energy, we need to take advantage of every opportunity to help Missourians keep their monthly electric bills as low as possible.

And last, based on conversations that I have had with many of my constituents, I believe there is overwhelming support in my community for this merger. News of this proposal has been very well received and I believe will be viewed as a positive step on behalf of customers.

Certainly there are risks in any business transaction. But the benefits of this proposed transaction seem to far outweigh any risks. I would urge the Commission to carefully consider, and then approve, this combination.

Best regards.

Charlie Shields
Senator, 34th District
State of Missouri

CS:abh

cc: Commissioner Robert Clayton

Commissioner Terry Jarrett Commissioner Kevin Gunn Commissioner Connie Murray Senate Majority Floor Leader Charles W. Shields 34TH District Room 320, State Capitol JEFFERSON CITY, MO 65101

> Commissioner Robert Clayton Missouri Public Service Commission Governor Office Building 200 Madison Street, P.O. Box 360 Jefferson City, MO 65101