

**BEFORE THE PUBLIC SERVICE COMMISSION
STATE OF MISSOURI**

Ag Processing, Inc.,)	
	Complainant,)
v.		
)	<u>Case No. HC-2012-0259</u>
KCP&L Greater Missouri Operations Company)	
Respondent)	

MOTION TO CONVENE PROCEDURAL CONFERENCE

COMES NOW the Staff ("Staff") of the Missouri Public Service Commission ("Commission") and, for its *Motion to Convene Procedural Conference* states as follows:

1. On January 29, 2012, Ag Processing, Inc., (AGP) filed a pleading entitled: "Prudence Challenge by Ag Processing Inc a Cooperative In the Form of A Complaint Concerning Recoveries From Steam Customers of Imprudently Incurred Amounts by Aquila, Inc. and Its Successors Including KCP&L Greater Missouri Operations Co."

2. On March 1, 2012, the Commission directed Staff to investigate this complaint. In that same Order, the Commission directed Staff to file a report of its investigation no later than March 26, 2012.

3. The subject of this case is the year 2009.

4. Case No. HC-2010-0235 was, similarly, a prudency challenge filed by AGP against KCP&L Greater Missouri Operations Company (GMO), concerning the prudency of GMO's hedging of natural gas for GMO's steam operations. The subjects of that case were the years 2006 and 2007.

5. In Case No. HC-2010-0235, the Commission adopted a procedural schedule proposed by the parties to that matter involving multiple rounds of prefiled testimony and an evidentiary hearing. GMO's answer to AGP's prudency challenge

would suggest that similar procedural events culminating in an evidentiary hearing will ultimately be utilized in this case.

6. In the interest of administrative efficiency, Staff suggests convening an early procedural conference for the purpose of developing a proposed procedural schedule. Development of a procedural schedule at this stage of AGP's prudency challenge would benefit the parties and the Commission in streamlining the filings necessary in this case, as well as potentially reducing timing conflicts with other pending cases.

7. In particular, Staff suggests that, if this case indeed proceeds to evidentiary hearing, the most efficient use of resources would be for the results of Staff's investigation to be presented as prefiled testimony, responsive to the pre-filed testimonies of AGP and GMO. Therefore, the ordered date for the filing of Staff's report of its investigation should be extended from March 26, 2012, until such time as specified in an adopted procedural schedule.

8. In Case No. HC-2010-0235, the procedural schedule was adopted after multiple filings over the span of approximately five months. Staff's proposal to develop a procedural schedule at this point would reduce the overall volume of filings required. Additionally, early development of a procedural schedule will reduce the likelihood that the procedural milestones in this case will coincide with those in Case Nos. ER-2012-0174, ER-2012-0175, and ER-2012-0166, the rate cases of GMO, KCPL, and Ameren Missouri, respectively.

9. The filing of an initial Staff Recommendation at this time would necessarily be followed by one or more rounds of responsive pleadings prior to the scheduling of a procedural conference, none of which would be part of the evidentiary record.

Presentation of AGP's direct case and GMO's response as prefiled testimony, and the results of Staff's investigation as responsive prefiled testimony, will streamline the evidentiary record in this proceeding and avoid needless duplication. This process will also allow Staff to draft a recommendation that is more on-point to the parties' arguments requiring resolution in the Commission's ultimate decision in this matter than would be possible if Staff were to draft a report of its investigation based only on the filings made to date.

10. Staff has discussed this matter with counsel for AGP, who supports this motion, and counsel for GMO, who does not object to this motion. The Public Counsel has indicated that at this time it does not intend to actively participate in this case.

WHEREFORE, Staff submits its *Motion to Convene Procedural Conference*, and respectfully requests (1) the Commission set a procedural conference in this matter, and direct the parties to file a proposed procedural schedule following such conference, to include Staff's report of its investigation, and (2) extend its ordered date for the filing of Staff's report of its investigation from March 26, 2012, until such time as specified in an adopted procedural schedule.

Respectfully submitted,

/s/ Sarah Kliethermes

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 8th day of March, 2012.

/s/ Sarah Kliethermes