1 2 3 4	STATE OF MISSOURI PUBLIC SERVICE COMMISSION
5 6 7	TRANSCRIPT OF PROCEEDINGS Settlement Conference
8	January 23, 2006 Jefferson City, Missouri
9 10	Volume 2
11	
12	In the Matter of the Joint) Application of Aquila, Inc., d/b/a)
13	Aquila Networks – MPS and Aquila) Networks – L&P ("Aquila"), The)
14	Empire District Gas Company ("EDG")) and The Empire District Electric)
15	Company ("EDE") for an Order) Case No. GO-2006-0205 Authorizing the Sale, Transfer and)
16	Assignment of Certain Assets and) Liabilities from Aquila to EDG and)
17	in Connection Therewith Certain) Other Related Transactions)
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19	KENNARD L. JONES, Presiding, REGULATORY LAW JUDGE.
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22	REPORTED BY:
23	KELLENE K. FEDDERSEN, CSR, RPR, CCR MIDWEST LITIGATION SERVICES
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1 PROCEEDINGS 2 JUDGE JONES: This is a settlement 3 conference for Case No. GO-2006-0205, in the matter of the joint application of Aquila, Inc., doing business as 4 5 Aquila Networks - MPS and Aquila Networks - L&P, The 6 Empire District Gas Company and the Empire District 7 Electric Company for an order authorizing the sale, 8 transfer and assignment of certain assets and liabilities 9 from Aquila to EDG and in connection therewith certain 10 other related transactions. 11 My name is Kennard Jones. I'm the 12 presiding judge over this matter. At this time we'll take entries of appearance, beginning first with Aquila. 13 14 MR. COOPER: Dean L. Cooper with the law 15 firm of Brydon, Swearengen & England, P.C., P.O. Box 456, 16 Jefferson City, Missouri 65102, appearing on behalf of Aquila, Inc. 17 JUDGE JONES: And on behalf of Empire 18 19 District? MR. KEEVIL: Yes, Judge Jones. Jeffrey A. 20 21 Keevil of the law firm Stewart & Keevil, LLC, 22 4603 John Garry Drive, Suite 11, Columbia, Missouri 65203. 23 JUDGE JONES: Thank you. For the Staff of 24 the Commission? 25 MR. BERLIN: Robert S. Berlin, Post Office

1 Box 360, Jefferson City, Missouri 65102, appearing on 2 behalf of the Staff of the Missouri Public Service 3 Commission. JUDGE JONES: From the Office of Public 4 5 Counsel? 6 MR. MILLS: Lewis Mills on behalf of the Office of the Public Counsel and the public. My address 7 8 is Post Office Box 2230, Jefferson City, Missouri 65102. 9 JUDGE JONES: Thank you. For Cornerstone 10 Energy? 11 MR. FISCHER: James M. Fischer, Fischer & Dority, PC, 101 Madison, Suite 400, Jefferson City, 12 Missouri 65101, appearing on behalf of Cornerstone Energy, 13 14 Inc. 15 JUDGE JONES: Thank you. Pittsburgh 16 Corning Corporation? 17 MR. CONRAD: Judge, on behalf of Pittsburgh Corning, Stewart Conrad, Finnegan, Conrad & Peterson, 18 19 3100 Broadway, Suite 1209, Kansas City, Missouri 64111. JUDGE JONES: Thank you, Mr. Conrad. For 20 21 Crane Plumbing? Is anyone here for Crane Plumbing? 22 (No response.) 23 JUDGE JONES: I also notice that Sedalia Industrial Users Association is on the service list. 24 25 They're not a party, though?

1 MR. CONRAD: I'm sorry? 2 JUDGE JONES: Sedalia Industrial Users 3 Association? MR. CONRAD: No, and I'm not sure, Judge, 4 5 how that -- I noticed that actually, I think, on Friday. 6 I'm not sure how that occurred. They did not -- they did 7 not petition for intervention. 8 JUDGE JONES: Is there anything you-all 9 need me to clear up before you proceed to settle this 10 matter? And I understand that you-all will be moving to a 11 different room; is that correct? Someone called me. Who was that that called me earlier? Can you state your name? 12 13 MR. RACKERS: Steve Rackers. JUDGE JONES: And, Mr. Rackers, you had 14 15 suggested that you-all would be moving to Room --MR. RACKERS: 210. 16 17 JUDGE JONES: -- 210. Will you-all be 18 continuing in that room tomorrow? 19 MR. RACKERS: Yes. JUDGE JONES: That's everyone's 20 21 understanding; is that right? It's fine with me, whether 22 you understood it to be the case or not. 23 MR. CONRAD: It's just that 210 is such a delightful place, so bright and sunny. 24 25 JUDGE JONES: Is it not conducive to

1 settlement? MR. MILLS: No. It is. MR. CONRAD: It's fine. MR. MILLS: It's got a nice big circular table and it works fine. MR. CONRAD: We've settled literally thousands of issues there. JUDGE JONES: I'll leave you-all to retire to Room 210. Thank you all for showing up today. We can go off the record. WHEREUPON, the recorded portion of the settlement conference was concluded.