



Trigen-Kansas City Energy Corporation

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March 11, 2008

Ms. Cully Dale
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102-0360

Dear Ms. Dale:

On behalf of Trigen-Kansas City Energy Corporation ("Trigen"), I am providing herewith to the Missouri Public Service Commission (the "Commission") for filing in electronic form certain tariff sheets consisting of revised steam rate schedules which are designed to increase Trigen's gross annual steam tariff revenues by approximately \$1,228,000, or 19.5%, exclusive of applicable gross receipts, sales, franchise or occupational fees or taxes. Also provided for filing in electronic form are certain tariff sheets consisting of revisions to Trigen's general rules and regulations. In addition, also included is the information required by 4 CSR 240-3.030(3)(B).

The proposed rate increase is driven by several factors. Trigen has not sought a rate increase since its acquisition of the system in 1990. Despite increases in fuel, operating and maintenance costs over those years, and changes to its plant and system as well as its capital structure, Trigen still collects essentially the same amount of revenue per unit of steam under its tariff rates as it did eighteen years ago. This filing seeks to better align Trigen's costs and revenues. However, it should be noted that Trigen is only seeking a rate increase of approximately \$1,228,000, although this rate case filing would support an increase of about \$2,600,000. Furthermore, advances in metering technology since 1990 have enabled Trigen to propose a new demand-based rate structure/rate design for its larger customers. Other proposed changes to rate structure/rate design, and certain revisions to Trigen's general rules and regulations, are also included in this filing.

The tariff sheets being filed are as follows:

P.S.C. MO. No. 1 Rates for Steam Service:

First Revised Sheet No. 1, Cancelling Original Sheet No. 1
First Revised Sheet No. 2, Cancelling Original Sheet No. 2
First Revised Sheet No. 3, Cancelling Original Sheet No. 3

First Revised Sheet No. 4, Cancelling Original Sheet No. 4
Third Revised Sheet No. 5, Cancelling Second Revised Sheet No. 5
Third Revised Sheet No. 6, Cancelling Second Revised Sheet No. 6
Second Revised Sheet No. 7, Cancelling First Revised Sheet No. 7
Third Revised Sheet No. 8, Cancelling Second Revised Sheet No. 8
Second Revised Sheet No. 9, Cancelling First Revised Sheet No. 9
First Revised Sheet No. 10, Cancelling Original Sheet No. 10
First Revised Sheet No. 11, Cancelling Original Sheet No. 11
First Revised Sheet No. 12, Cancelling Original Sheet No. 12
Second Revised Sheet No. 13, Cancelling First Revised Sheet No. 13
First Revised Sheet No. 14, Cancelling Original Sheet No. 14
First Revised Sheet No. 15, Cancelling Original Sheet No. 15
First Revised Sheet No. 16, Cancelling Original Sheet No. 16
First Revised Sheet No. 17, Cancelling Original Sheet No. 17
First Revised Sheet No. 18, Cancelling Original Sheet No. 18

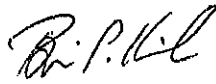
P.S.C. MO. No. 2 General Rules and Regulations:

First Revised Sheet No. 1, Cancelling Original Sheet No. 1
First Revised Sheet No. 2, Cancelling Original Sheet No. 2
First Revised Sheet No. 5, Cancelling Original Sheet No. 5
First Revised Sheet No. 8, Cancelling Original Sheet No. 8
Second Revised Sheet No. 9, Cancelling First Revised Sheet No. 9
First Revised Sheet No. 11, Cancelling Original Sheet No. 11
First Revised Sheet No. 12, Cancelling Original Sheet No. 12
First Revised Sheet No. 15, Cancelling Original Sheet No. 15
First Revised Sheet No. 17, Cancelling Original Sheet No. 17
First Revised Sheet No. 19, Cancelling Original Sheet No. 19
First Revised Sheet No. 21, Cancelling Original Sheet No. 21
First Revised Sheet No. 22, Cancelling Original Sheet No. 22
First Revised Sheet No. 23, Cancelling Original Sheet No. 23
First Revised Sheet No. 25, Cancelling Original Sheet No. 25
First Revised Sheet No. 27, Cancelling Original Sheet No. 27
First Revised Sheet No. 29, Cancelling Original Sheet No. 29
First Revised Sheet No. 30, Cancelling Original Sheet No. 30
First Revised Sheet No. 31, Cancelling Original Sheet No. 31

All of the listed schedules bear a date of issue of March 11, 2008, to be effective April 11, 2008.

Copies of this filing are being provided to the Commission's General Counsel and Staff, and two sets of this filing are being furnished this date to the Office of the Public Counsel.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "B. P. Kirk".

Brian P. Kirk
Vice President & General Manager

Enclosures

Cc: Missouri Public Service Commission General Counsel
Office of the Public Counsel

TRIGEN-KANSAS CITY ENERGY CORP.

CASE NO. HR-

AGGREGATE ANNUAL INCREASE, INCREASE BY RATE CLASSIFICATION,
NUMBER OF CUSTOMERS AND AVERAGE INCREASE BY RATE CLASSIFICATION

Line No.	Existing Tariff (A)	Existing Tariff Revenues (B)	Proposed Tariff (C)	Proposed Tariff Revenues (D)		Proposed Change		Average Monthly Increase	
				Amount (E)	Percent (F)	Amount (H)	Percent (I)		
1	Standard Steam Service (a)	\$ 679,124	Standard Commercial Service	\$ 799,085	\$ 119,960	17.7%	28	\$ 357.03	17.7%
2	Standard Steam Service (a)(b)	4,922,259	Large Commercial Service	5,784,642	862,383	17.5%	18	3,992.52	17.5%
3	Alternate Heating Source (c)	694,657	Interruptible Heating Service	940,313	245,656	35.4%	10	2,047.13	35.4%
4	Total	\$ 6,296,040	Total	\$ 7,524,040	\$ 1,228,000	19.5%	56		

Note (a): Trigen is recommending that the existing Standard Steam Service rate be split into two separate rate schedules: Standard Commercial Service ("SCS") and Large Commercial Service ("LCS").

Note (b): Trigen currently has one customer receiving service pursuant to the Vacant Building Rider rate discount, which reduces the customer's base charged. This customer is included in the existing Standard Steam Service and Large Commercial Service amounts set forth on Line 2. Trigen is proposing to discontinue the Vacant Building Rider rate schedule.

Note (c): The revenues under the existing Alternate Heating Source ("AHS") rate schedule include both the AHS Small and AHS Large rate schedules. Trigen is recommending that these AHS rate schedules be consolidated into a single Interruptible Heating Service ("IHS") rate schedule.

TRIGEN-KANSAS CITY ENERGY CORP.
CASE NO. HR-
SUMMARY COMPARISON OF EXISTING AND PROPOSED RATES

Existing Tariff Rates	Proposed Tariff Rates
<u>Standard Steam Service</u> Usage Charge (per Mlb) \$ 3.90 Annual Base Charge (a) First 500 Mlbs \$ 11.75 Next 1,500 Mlbs \$ 10.00 Next 4,000 Mlbs \$ 9.75 Over 6,000 Mlbs \$ 9.40 Minimum Charge (per month) \$ 50 (a) Annual base charge rates, billed monthly, based on usage during October-March.	<u>Standard Commercial Service</u> Steam Charge (per Mlb) First 5 Mlbs \$ 23.50 Next 20 Mlbs \$ 22.09 Next 75 Mlbs \$ 19.00 Over 100 Mlbs \$ 17.10 Meter Charge (monthly) First Meter \$ 75 Each Additional Meter \$ 50 <u>Large Commercial Service</u> Usage Charge (per Mlb) \$ 6.52 Annual Demand Charge (b) First 3 Mlbs/Hour \$ 14,250 Next 2 Mlbs/Hour \$ 12,128 Next 3 Mlbs/Hour \$ 11,825 Over 8 Mlbs/Hour \$ 11,401 Meter Charge (monthly) First Meter \$ 100 Each Additional Meter \$ 50 (b) Annual demand charge rates, billed monthly, based on highest peak-hour demand during the two preceding, completed December-March time frames.

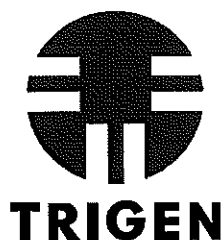
TRIGEN-KANSAS CITY ENERGY CORP.
CASE NO. HR-
SUMMARY COMPARISON OF EXISTING AND PROPOSED RATES

Existing Tariff Rates		Proposed Tariff Rates	
<u>Alternate Heating Source (Small)</u>			
Usage Charge (per Mlb)	\$ 3.90		
<u>Annual Capacity Charge (a)</u>		<u>Interruptible Heating Service</u>	
Base plus Mlbs over 750	Base 5,200 plus \$ 7.75	Usage Charge (per Mlb)	\$ 6.52
Base plus Mlbs over 1,500	\$ 10,638 plus \$ 7.25	<u>Annual Capacity Charge (c)</u>	
Base plus Mlbs over 2,000	\$ 13,763 plus \$ 6.25	First 3 Mlbs/Hour	n/a
Base plus Mlbs over 2,500	\$ 16,588 plus \$ 5.65	Over 3 & Less than 5 Mlbs/Hour	\$ 16,200 plus \$ 5,800
Meter Charge (per meter)	\$ 50	Over 5 & Less than 8 Mlbs/Hour	\$ 25,900 plus \$ 4,850
(a) Annual capacity charge rates (750 Mlbs minimum), billed monthly, based on usage during October-March.		Over 8 & Less than 10 Mlbs/Hour	\$ 37,150 plus \$ 3,750
		Over 10 & Less than 12 Mlbs/Hour	\$ 42,850 plus \$ 2,850
		Over 12 & Less than 15 Mlbs/Hour	\$ 48,250 plus \$ 2,700
		Over 15 Mlbs/Hour	\$ 56,050 plus \$ 2,600
		<u>Meter Charge (monthly)</u>	
		First Meter	\$ 100
		Each Additional Meter	\$ 50
<u>Alternate Heating Source (Large)</u>			
Usage Charge (per Mlb)	\$ 3.90		
<u>Annual Capacity Charge (b)</u>		<u>Per Add'l 100 lb/hr</u>	
Base plus 100 lb/hr over 3 Mlb/hr	Base 16,200 plus \$ 580		
Base plus 100 lb/hr over 5 Mlb/hr	\$ 25,900 plus \$ 485		
Base plus 100 lb/hr over 8 Mlb/hr	\$ 37,150 plus \$ 375		
Base plus 100 lb/hr over 10 Mlb/hr	\$ 42,850 plus \$ 285		
Base plus 100 lb/hr over 12 Mlb/hr	\$ 48,250 plus \$ 270		
Base plus 100 lb/hr over 15 Mlb/hr	\$ 56,050 plus \$ 260		
Meter Charge (per meter)	\$ 100		
(b) Annual capacity charge rates (3,000 lbs/hour minimum), billed monthly, based on peak-hour use during October-March.		(c) Annual capacity charge rates, billed monthly, based on peak-hour use during immediately preceding, completed December-March, heating period.	

TRIGEN-KANSAS CITY ENERGY CORP.
CASE NO. HR-2008-_____
NAMES OF COUNTIES AND COMMUNITIES AFFECTED

JACKSON COUNTY, MISSOURI

CITY OF KANSAS CITY, MISSOURI



Press Release

Trigen-Kansas City Energy Corporation files for new rates

Kansas City, MO – March 11, 2008 – Trigen-Kansas City Energy Corporation (Trigen-KC) announced today that it has filed a request with the Missouri Public Service Commission (MPSC) for the first change in rates for its Missouri customers since 1990. The Company is requesting \$1,228,000 in rate relief.

If the request is approved, the average increase for current standard tariff customers would be roughly 17.5%. Customers currently receiving service under the Alternative Heating Source or Vacant Building Rider tariffs will experience a higher increase of approximately 35.4%, as these customers' rates are more closely correlated to fuel prices, and these costs in particular have increased significantly since Trigen-KC began providing steam service eighteen years ago.

Trigen-KC has initiated the rate change proceeding because of increasing investment in its plant and system, fuel prices, and other input costs. As an example, Trigen-KC's fuel costs have increased more than 100% over January 2000 levels. In making the announcement, Brian Kirk, Vice President and General Manager of Trigen-KC, stated, "Due to rising costs over a period of many years, we are seeking our first rate increase since Trigen-KC began serving downtown Kansas City eighteen years ago. Since 1990, overall utility costs have increased nationally anywhere from 30% to more than 300%, depending upon the commodity or service provided. Generally speaking, consumer prices for all items have increased by more than 60% over the same period. In spite of this, I am pleased that we have been able to shield our customers from cost increases for such a long period of time, and that in finally proposing to raise rates we have sought to minimize the impact on our customers. Still, the time has nonetheless come for Trigen-KC to request a rate change."

After the filing with the MPSC, an audit of Trigen-KC's operations will be conducted, and a hearing before the MPSC will be held. Any new rates approved as a result of this request will most likely become effective no later than early 2009.

Trigen-KC provides steam service to 56 customers in Kansas City through its 6.5-mile steam distribution system. The Company is a subsidiary of Thermal North America, Inc., (a Veolia Energy company) which owns the largest portfolio of district energy systems in the United States of America.

Contact: Rowan Sanders - Tel (617) 849-6656

Summary Explanation of Why Rate Relief is Needed

Rate Relief is needed due to the following:

- The investment in net plant, the cost of fuel and other consumables and operations and maintenance expenses have increased substantially in the eighteen years since the last rate adjustment.
- Depreciation rates have not been revised in approximately two decades, during which time many changes have occurred to the plant and distribution system.
- Improvements in metering technology and a changed business environment will enable Trigen to implement more appropriate billing determinants and rate structures.