

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

In the Matter of the Application of Aquila, Inc., for)
the Issuance of An Accounting Authority Order) Case No. EU-2008-0233
Relating to its Electrical Operations)

**RESPONSE OF AQUILA, INC., TO STAFF'S
RECOMMENDATION TO GRANT ACCOUNTING AUTHORITY**

On February 11, 2008, the Missouri Public Service Commission Staff ("Staff") filed its report recommending that the Missouri Public Service Commission ("Commission") issue an Accounting Authority Order ("AAO") that will allow Aquila Inc. ("Aquila" or "Company"), to defer to Account 182.3 of the Uniform System of Accounts for Electric Companies ("USOA") the extraordinary costs that the Company incurred as a result of ice storms that occurred in December 2007. Staff's recommendation, however, proposes seven conditions that Staff believes should be imposed on Aquila if the Commission decides to issue the AAO that the Company has requested in this case.

Aquila hereby advises the Commission that the Company supports the recommendations and conclusions stated in Staff's report, and further states that accepts and is willing to abide by all of the conditions to the AAO that have been proposed by Staff. Therefore, Aquila believes that neither a pre-hearing conference nor any other formal proceedings will be required to conclude this case.

Accordingly, the Company renews its request for the Commission: 1) to grant the Company's request and to issue an AAO that will allow Aquila, subject to the conditions proposed by Staff, to defer to Account 182.3 of the USOA the extraordinary costs that the Company incurred as a result of ice storms that occurred in December 2007, as requested herein; and 2) consistent with Aquila's request, to grant such other relief as the Commission deems necessary and appropriate.

Respectfully submitted,



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ATTORNEYS FOR AQUILA, INC.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was delivered by first class mail, electronic mail, or hand delivery, on this 20th day of February, 2008, to the following:

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