

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

In the Matter of the Consideration of Adoption)	
of the PURPA Section 111(d)(12) Fuel Sources)	
Standard as Required by Section 1251 of the)	Case No. EO-2006-0494
Energy Policy Act of 2005)	

In the Matter of the Consideration of Adoption)	
of the PURPA Section 111(d)(13) Fossil Fuel)	
Generation Efficiency Standard as Required by)	Case No. EO-2006-0495
Section 1251 of the Energy Policy Act of 2005)	

**POSITION STATEMENTS OF EXPERT APPEARING ON
BEHALF OF AQUILA, INC.**

In accordance with the "Order Establishing a Procedural Schedule for On-the-Record Presentations" issued on March 15, 2007, by the Missouri Public Service Commission, Aquila, Inc. ("Aquila"), hereby files the attached written position statements of J. Matt Tracy, who will appear on Aquila's behalf at the on-the-record presentations scheduled for April 27, 2007, in the above-captioned dockets.

Respectfully submitted,

_____/s/_____
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ATTORNEYS FOR AQUILA, INC.

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**POSITION STATEMENT OF J. MATT TRACY
ON BEHALF OF AQUILA, INC.
D/B/A AQUILA NETWORKS-MPS AND AQUILA NETWORKS-L&P**

1 This position statement for Aquila, Inc. ("Aquila," "Company") in Case Nos. EO-2006-
2 0494 ("Case 494") and EO-2006-0495 ("Case 495") is provided by J. Matt Tracy, whose business
3 address is 20 W. 9th Street, Kansas City, Missouri 64105. I am employed by Aquila as a Manager
4 in Regulatory Services.

5 I am responsible for the collection and analysis of load research, rate design, supporting
6 cost-of-service studies, and other analyses as needed. I have an M.A. in Economics from the
7 University of Missouri - Kansas City and a B.A. in Psychology and Religion from William Jewell
8 College. From 1985 to 1996, I worked in load research at Missouri Public Service a division of
9 Aquila, (then UtiliCorp United Inc.), and at Aquila. Duties during that time included load research
10 sample design and analysis, cost-of-service preparation, load forecasting, and weather
11 normalization. In 1996, I accepted a position in the analytical section of UtiliCorp's Regulatory
12 Services. In 2002, I was again given responsibility for load research. In 2005 I was given
13 responsibility for the analytical section.

1 I have testified before the Missouri Public Service Commission ("Commission") in Case
2 Nos. ER-2007-0004, ER-2005-0436, HR-2004-0024, ER-2004-0384, EO-2002-0438, and ER-
3 2001-0672.

4 This position statement is responsive to Ordered item 2 in the Commission's Order
5 Establishing a Procedural Schedule for On-the-record Presentations, which states in part that "the
6 parties shall file with the Commission position statements from their identified experts, outlining
7 the experts' positions on the applicability of the prior state action exemption to the adoption of
8 the PURPA standards noted in each respective case caption, and articulating the reasons for
9 supporting those positions."

10 POSITION STATEMENT

11 The Commission should find that further consideration of the issues in Case 494 and
12 Case 495 may be dismissed due to prior state action having already addressed the issues of
13 interest in these cases.

14 SUPPORTING REASONS

15 Case 494, Fuel Sources, may be dismissed because Aquila already uses a diverse mix of
16 fuels, including coal, natural gas, nuclear, oil, and wind. Part of the diversity may be explained by
17 the properties of the various fuels and related generation technologies and Aquila's making use of
18 those properties to meet its particular system load. An additional part is due to the Commission's
19 Utility Resource Filing, or Integrated Resource Plan ("IRP") rules, which in 4 CSR-240-22.040(1)
20 includes "the identification of a variety of potential supply-side resource options..." Aquila is
21 already reviewing diverse fuel sources based on existing rules. Adopting the new rules will not
22 change what is already occurring in Missouri regarding fuel sources.

1 Case 495, Fossil Fuel Generation Efficiency, may be dismissed because Aquila already
2 complies with the IRP requirement in 4 CSR-240-22.040(1) to consider “life extension and
3 refurbishment at existing generating plants” and “efficiency improvements which reduce the
4 utility’s own use of energy.” Existing rules allow Aquila, in conjunction with the Commission, to
5 balance the value of efficiency improvements with their cost, thus providing Missouri customers
6 with “energy services that are safe, reliable and efficient, at just and reasonable rates, in a manner
7 that serves the public interest...” 4 CSR-240-22.010

8 The Federal government could have mandated all of the States to have precisely the same
9 language and rules. They did not. Missouri acted in these areas in ways that are most beneficial to
10 Missouri citizens prior to the EPAct. The Commission should end further consideration of these
11 cases due to prior state action.

12 Please refer to Aquila’s prior filings in these cases for the legal reasoning relied upon in
13 reaching these conclusions.

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to the following this 13TH day of April, 2007:

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