BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Aquila, Inc., d/b/a)	
Aquila Networks - MPS and Aquila)	
Networks - L&P for Authority to)	
Transfer Operational Control of Certain)	Case No. EO-2008-0046
Transmission Assets to the Midwest)	
Independent Transmission System)	
Operator, Inc.)	

SUPPLEMENT TO APPLICATION TO INTERVENE OUT OF TIME OF THE CITY OF INDEPENDENCE

THE CITY OF INDEPENDENCE, MISSOURI ("City"), pursuant to 4 C.S.R. 240-2.075, respectfully submits this Supplement to its Application to Intervene Out of Time ("Application"), filed with the Missouri Public Service Commission ("MPSC" or "Commission") on October 30, 2007, in order to further explain the untimeliness of the City's Application to Intervene. This proceeding pertains to the filing by Aquila, Inc. ("Aquila") of an application for authorization to transfer control of its transmission facilities to the Midwest Independent Transmission System Operator, Inc. ("Midwest ISO").

I. SUPPLEMENT TO APPLICATION TO INTERVENE

1. In its Application, the City advised the MPSC that it was aware that it is applying to intervene out of time, and requested leave to intervene because the City has direct interests in the proceeding, the proceeding is still at an early stage, the City anticipates that it will add evidence and argument to the record that will aid the Commission's consideration of Aquila's Application, and because no party will be

prejudiced by permitting the City to intervene at this time. The City hereby further sets forth the basis for its untimely intervention.

- 2. Great Plains Energy and Aquila have separately filed a petition before this Commission in Case No. EM-2007-0374 seeking approval for the two companies to merge (the "Merger Proceeding"). Independence filed a timely motion to intervene and limited protest, and is an active participant in the Merger Proceeding.
- 3. In the Merger Application, the Applicants informed this Commission and the Participants in that proceeding that Applicants had not determined which Regional Transmission Organization ("RTO") the Aquila assets would be placed under, even though the KCPL assets are under the operational control of the Southwest Power Pool ("SPP"). Indeed, even Applicants' supplemental testimony filed in that proceeding on August 8, 2007, indicated that they intended to place the Aquila assets under the SPP, not the Midwest ISO (but did not commit to that position).
- 4. The City expressed its concerns in the Merger Application Proceeding about the inability for participants to effectively evaluate the effects of the proposed merger if the company's RTO selection had not been finalized. The City therein filed the prepared written testimony of Mr. Mark Volpe that explains the significant operational and cost differences associated with Aquila's participation in the Midwest ISO RTO as compared to the SPP RTO.
- 5. The City was not served with a copy of Aquila's Application, and learned of it from a company response to a City data request in the Merger Application Proceeding, a copy of which is attached hereto as Attachment A. That response is dated September 28, 2007. Because the response was posted electronically rather than served via postal or

electronic mail, the City and its counsel did not in fact review that response and learn of this proceeding until approximately October 8, 2007.

- 6. The City learned of the pendency of the instant proceeding on or about October 8, by which time the September 17 intervention deadline established by the Commission had elapsed. The City was focused on finalizing its testimony in the Merger proceeding (which was due on October 12) and then evaluating other parties' testimony to determine whether the City would prepare and file rebuttal testimony in that proceeding.
- 7. The City filed its Application to Intervene Out of Time on October 30. Time was required to review Aquila's Application, determine whether the City was prepared to take a position at this time in response thereto (which it did not do in its Application to Intervene and which it continues to analyze internally), prepare and circulate draft pleadings, and generally coordinate among the City officials (including in-house counsel and electric system managers) and outside counsel.
- 8. The City is not a regulated utility, and its resources are not unlimited. Consequently, the City in the ordinary course of business has not engaged in daily or regular monitoring of proceedings before the MPSC.
- 9. As noted in the Application, the City will of course abide by the Commission's forthcoming Procedural Order. No other party can adequately protect the City's interests in this proceeding. The City anticipates that its participation will aid the Commission's consideration of Aquila's Application herein by adding relevant evidence and argument to the record. No party will be prejudiced by the City's intervention out of time.

10. The City has direct and immediate interests in this proceeding that cannot be adequately represented by any other party. The City is partially dependent on Aquila's transmission system for access to third party wholesale suppliers and other generating resources. Aquila's RTO participation will have direct operational and cost consequences to the City, and the City should be permitted to express its views on the matter and participate as a party herein.

II. CONCLUSIONS

The City regrets having filed out of time. Its untimely application to intervene is by no means due to disrespect for this Commission or its procedures. The City has been timely on all filings in the Merger Proceeding before this Commission. The City apologizes for causing the Commission inconvenience, but for the reasons stated and because of the direct impacts this proceeding will have on the City, the City respectfully requests that the Commission grant its Application to Intervene Out of Time.

Dated this 31st day of October, 2007.

Respectfully submitted,

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DATA REQUEST- Set Independence_20070920 Case: EM-2007-0374

Date of Response: 09/28/2007 Information Provided By: Requested by: Robbins Alan

Question No.: 2-9

Please clarify whether Aquila, Inc. will become a member of SPP or the Midwest Independent Transmission System Operator, Inc. ("Midwest ISO") following the merger. If no decision has been made regarding Aquila's RTO participation, please explain why not.

Response:

AQUILA RESPONSE:

Aquila has filed with the Missouri Public Service Commission, in Docket EO-2008-0046, for approval to become a member of MISO.

ATTACHMENTS: None

ANSWERED BY: Dennis Odell

DATE ANSWERED: September 26, 2007

Please refer to the Aquila response.

Prepared by: Todd Fridley, KCPL – Transmission Services