

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

In the Matter of Aquila, Inc., d/b/a Aquila Networks - L&P and Aquila Networks - MPS to Implement a General Rate Increase in Electricity)
) Case No. ER-2004-0034
)
)

In the Matter of the Request of Aquila, Inc. d/b/a Aquila Networks - L&P, to Implement a General Rate Increase in Steam Rates)
) Case No. HR-2004-0024
)

**AQUILA, INC.'S STATEMENT OF POSITION
WITH RESPECT TO RECOUPMENT OF ACQUISITION
PREMIUM AND MERGER SAVINGS**

Comes now Aquila, Inc., by counsel, and respectfully states to the Missouri Public Service Commission ("Commission") as follows:

Aquila states that it will not seek to recover through rates the merger savings or synergies in connection with the merger transaction involving St. Joseph Light & Power Company (which savings recovery the Staff has characterized as "premium recovery") either in the pending Aquila rate cases, Case No. ER-2004-0034, Case No. HR-2004-0024, and Case No. GR-2004-0072, or any subsequent Aquila rate proceeding before this Commission.

Respectfully submitted,



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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was sent by U.S. Mail, postage prepaid, or hand-delivered, on this 24TH day of February 2004, to all parties of record.

Paul C. Shroyer