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March 29, 2001

FILED²

MAR 29 2001

Missouri Public
Service Commission

Mr. Dale Hardy Roberts
Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

RE: Missouri Public Service - Case No. GR-2001-461

Dear Mr. Roberts:

Enclosed for filing in the above-referenced proceeding please find an original and eight copies of a Motion for Waiver and/or Variance Concerning Summer PGA Filing. Please stamp the enclosed extra copy "filed" and return same to me.

If you have any questions concerning this matter, then please do not hesitate to contact me. Thank you very much for your attention to this matter.

Sincerely,

BRYDON, SWEARENGEN & ENGLAND P.C.

By:

Dean L. Cooper
Dean L. Cooper *by Rg*

DLC/rhg

Enclosures

cc: Office of the Public Counsel
Office of the General Counsel
Kent Kopetzky, MPS

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED²

MAR 29 2001

Missouri Public
Service Commission

In the Matter of Missouri Public Service's)
Purchased Gas Adjustment factors to be reviewed) Case No. GR-2001-461
in its 2000-2001 Actual Cost Adjustment.)

MOTION FOR WAIVER AND/OR VARIANCE
CONCERNING SUMMER PGA FILING

Comes now UtiliCorp United Inc. ("UtiliCorp") d/b/a Missouri Public Service ("MPS"), in accordance with Commission Rule 4 CSR 240-2.060(14), and as its motion for a waiver and/or variance from certain aspects of MPS's P.S.C. No. 5, 4th Revised Sheet No. 34 and P.S.C. No. 5, 5th Revised Sheet No. 35, states to the Missouri Public Service Commission ("Commission") as follows:

1. On February 23, 2001, MPS filed in this case tariff sheets designed to reflect unscheduled changes in its Purchased Gas Adjustment ("PGA") factors. The interim rates established by these tariffs were approved by the Commission's Order Approving Interim Rates, effective March 9, 2001.

2. As a part of that unscheduled PGA filing, MPS requested a one time waiver and/or variance to allow it to forego carrying costs that would otherwise be applied to such portion of the Deferred Carrying Cost Balance (whether over-or-under recovered) which exceeds ten percent of MPS's Annual Gas Cost Level. MPS requested this waiver for a period beginning with such date as the interim rates became effective and ending with such date as changes are made to these rates.

3. Similar circumstances exist today as existed at the time of the filing of MPS's unscheduled PGA and request for waiver and/or variance related to the carrying costs. Unprecedented increases have been present in the natural gas markets during the winter months.

7

MPS delayed filing for an unscheduled PGA, as would otherwise be permitted by its tariffs, until late February in order to mitigate the impact on its customers. This delay enabled MPS's rates to be more stable during the winter months. However, it also increased the amount of the under recovery in MPS's Deferred Carrying Cost Balance.

4. The rates that resulted from the Commission's Order Approving Interim Rates have now been in effect for just over two weeks. They have not yet had time to reduce the under recovery balance in any meaningful way and this balance remains quite significant. Accordingly, MPS proposes that the interim rates which were approved by the Commission on March 6, 2001, remain in effect until the filing of its next Winter PGA (October-November 2001).

5. MPS's P.S.C. No. 5, 4th Revised Sheet No. 34 and P.S.C. No. 5, 5th Revised Sheet No. 35, among other things, require that a summer PGA be filed between March 15 and April 4 of each year and that the rates set as the result of any scheduled PGA filing not exceed certain parameters. MPS proposes that it not make a PGA filing in the time period suggested and that the current rates be allowed to remain in effect.

6. This approach would serve two purposes. First, it would assist in reducing the under recovery balance. Because the summer is generally a time of more limited use of natural gas, the increased price during this time period should be more manageable than attempting to set rates in the future to recover the balance combined with winter's higher usages. Failure to reduce the balance at this time would result in even sharper increases next season. Second, as indicated in MPS's Motion for Waiver and/or Variance, MPS is willing to forego the collection of carrying costs on the Deferred Carrying Cost Balance, as long as the interim rates remain in effect.

7. In support of this request and in order to assist the Staff, MPS is simultaneously providing to the Commission Staff and the Public Counsel the documentation that would normally

be provided with a summer PGA filing.

8. Therefore, for the reasons stated above, MPS hereby requests a waiver and/or variance from MPS's P.S.C. No. 5, 4th Revised Sheet No. 34 and P.S.C. No. 5, 5th Revised Sheet No. 35 to allow MPS to forego its otherwise required summer PGA filing and to thereby leave in effect MPS's current interim rates until the filing of MPS's next winter PGA.

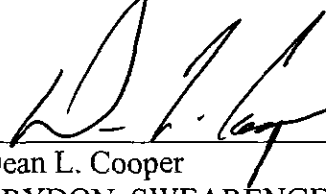
9. Good cause exists for the grant of this waiver and/or variance because it will allow for reduction of the under recovery balance during a less onerous time than the winter heating season and therefore mitigate what would otherwise likely be a sharp increase to address such under recovery during the next winter heating season.

WHEREFORE, MPS requests a Commission order:

- a) granting MPS a waiver and/or variance from MPS's P.S.C. No. 5, 4th Revised Sheet No. 34 and P.S.C. No. 5, 5th Revised Sheet No. 35 to allow MPS to forego its otherwise required summer PGA filing and to thereby leave in effect MPS's current interim rates until the filing of MPS's next winter PGA; and,
- b) granting such further relief as may be necessary which is consistent with the relief

requested herein.

Respectfully submitted,



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ATTORNEYS FOR UTILICORP UNITED INC.
D/B/A MISSOURI PUBLIC SERVICE

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing document was hand-delivered on March 21st, 2001 to the following:

Office of the General Counsel
Governor Office Building
Jefferson City, Mo 65101

Office of the Public Counsel
Governor Office Building
Jefferson City, MO 65101

