2007.07.23 15:50:04 Kansas Corporation Commission /S/ Susan K. Duffy

STATE CORPORATION COMMISSION

BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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JUL 2 3 2007

Suman Thangfor Docket

In the Matter of the Investigation of Affiliate and Ring-Fencing Rules Applicable to all Kansas Electric and Gas Public Utilities

Docket No. 06-GIMX-181-GIV

JOINT MOTION TO APPROVE PROCEDURAL SCHEDULE

COMES NOW the Staff of the State Corporation Commission of the State of Kansas ("Staff" and "Commission," respectively), Citizens' Utility Ratepayer Board ("CURB"), Atmos Energy, Aquila, Inc., The Empire District Electric Company, Kansas City Power & Light Company, Midwest Energy, Inc., Kansas Gas Service, a Division of ONEOK, Inc., Sunflower Electric Power Corporation, Mid-Kansas Electric Company, LLC, Westar Energy, Inc., Kansas Gas and Electric Company and Kansas Electric Power Cooperative, Inc. ("Joint Movants") and file this Joint Motion for approval of a procedural schedule in this matter. In support of this Joint Motion, Joint Movants state as follows:

1. On August 30, 2005, the Commission issued an order opening an investigation into affiliate and ring-fencing rules applicable to all Kansas gas and electric utilities. The Commission's order required Staff to file substantive recommendations regarding whether the Commission should adopt affiliate and ring-fencing rules and, if so, the context of those rules. The order provided a procedural schedule for industry participants to comment on Staff's report.

2. On January 13, 2006, the Staff filed its Report and Recommendation with the Commission (the "Report"). In the Report, Staff indicated it was intended to be the starting point for engaging in discussions with all intervenors to the docket.

3. Subsequent to the filing of Staff's Report and Recommendation, intervenors filed

comments in this docket relating to Staff's proposals.

4. On July 17, 2006, Staff filed its Revised Report and Recommendation, which contained a second draft of proposed ring-fencing rules. The Revised Report and Recommendation contained revisions aimed at addressing issues raised by intervenors in their filed comments.

5. Subsequent to the filing of Staff's Revised Report and Recommendation, intervenors filed a second round of comments addressing the rules contained in the Revised Report and Recommendation. Additionally, Staff met informally with intervenors to discuss the comments and other issues relating to Staff's Revised Report and Recommendation.

6. On May 14, 2007, Staff filed its Third Report and Recommendation on proposed ring-fencing rules. Staff suggested that it was submitting the context of its report for comment by the intervenors to this docket. Staff also suggested that all comments be filed within sixty (60) days of the date of its filing.

7. On June 27, 2007, the Joint Movants met to determine if a consensus could be reached on a recommendation that could be made to the Commission on the next procedural steps that should be taken in this docket. As a result of that meeting, the Joint Movants would recommend and move that the Commission adopt the following next procedural steps in this docket:

(a) CURB and the utilities shall file comments in response to Staff's Third Report and Recommendation by September 17, 2007; and

(b) Staff, CURB and the utilities shall meet at the Commission's offices on October 15, 2007, for an informal meeting to discuss Staff's Third Report and Recommendation and the comments filed by CURB and the utilities. Staff, CURB and the utilities shall also discuss at that meeting the next procedural steps that could be recommended to the Commission for its approval in this docket. Staff, CURB, and the utilities shall use this meeting for the purpose of narrowing the issues raised in each Staff Report and Recommendation and corresponding round of utility comments.

(c) On October 31, 2007, Staff shall file a Status Report indicating which issues, if any, the parties were able to resolve at the October 15, 2007 meeting. Additionally, proposals for a procedural schedule shall be filed on October 31, 2007.

8. The Joint Movants all agreed at the June 27, 2007, meeting that it would be premature at this point to present any of the issues to the Commission for determination and that the filing of the comments by September 17, 2007, and the meeting on October 15, 2007, are necessary in order to better define what issues needed to be presented to the Commission for determination and what would be the best procedure to use (i.e., evidentiary hearing, oral argument, roundtable discussion, other procedure or a combination of those procedures).

WHEREFORE, for the reasons set forth herein, Joint Movants respectfully request the Commission issue an order granting their Joint Motion.

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VERIFICATION

STATE OF KANSAS))ss: COUNTY OF FRANKLIN)

James G. Flaherty, of lawful age, being first duly sworn on oath, states:

That he is the attorney for Atmos Energy, Aquila, Inc. and The Empire District Electric Company, named in the foregoing Joint Motion to Amend Procedural Schedule, and is duly authorized to make this affidavit on behalf of Atmos Energy, Aquila, Inc., The Empire District Electric Company, Kansas City Power & Light Company, Midwest Energy, Inc., Kansas Gas Service, a Division of ONEOK, Inc., Sunflower Electric Power Corporation, Mid-Kansas Electric Company, LLC, Westar Energy, Inc., Kansas Gas and Electric Company and Kansas Electric Power Cooperative, Inc. ("Joint Movants"); that he has read the foregoing Joint Motion; knows the contents thereof; and that the facts set forth therein are true and correct to the best of his knowledge, information and belief.

James G. Flaherty SUBSCRIBED AND SWORN to before me this 20th day of Julip, 2007. NOTARY PUBLIC - State of Kansas RONDA ROSSMAN MI ADDI EXDIRES J25 / 2010 Notary Public

VERIFICATION

STATE OF KANSAS))ss: COUNTY OF SHAWNEE)

Dana Bradbury, of lawful age, being first duly sworn on oath, states:

That she is an attorney for the Staff of the State Corporation Commission of the State of Kansas named in the foregoing Joint Motion to Amend Procedural Schedule, and is duly authorized to make this affidavit on behalf of the Staff of the State Corporation Commission of the State of Kansas; that she has read the foregoing Joint Motion; knows the contents thereof; and that the facts set forth therein are true and correct to the best of her knowledge, information and belief.

Dana Bradbury

SUBSCRIBED AND SWORN to before me this <u>20</u>th day of <u>July</u>, 2007.

Notary Public- State of Kansas Kimberly K. Davis Wy Anot, Exp.

Kimberly K. Davis Notary Public

VERIFICATION

STATE OF KANSAS))ss: COUNTY OF SHAWNEE)

David R. Springe, of lawful age, being first duly sworn on oath, states:

That he is an attorney for Citizens' Utility Ratepayer Board named in the foregoing Joint Motion to Amend Procedural Schedule, and is duly authorized to make this affidavit on behalf of the Citizens' Utility Ratepayer Board; that he has read the foregoing Joint Motion; knows the contents thereof; and that the facts set forth therein are true and correct to the best of his knowledge, information and belief.

David R. Springe

SUBSCRIBED AND SWORN to before me this 20^{4n} day of July, 2007.

Kimber Notary Public

Notary Public- State of Kansas Kimberly K. Davis Appt. Exp. 2-24

CERTIFICATE OF SERVICE

06-GIMX-181-GIV

I, the undersigned, hereby certify that a true and correct copy of the above and foregoing JOINT MOTION TO APPROVE PROCEDURAL SCHEDULE was placed in the United States mail, postage prepaid, or hand-delivered this 23rd day of July, 2007, to the following:

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