

## **APPENDIX B**

### **Supporting Schedules**

**AQUILA NETWORKS-KANSAS GAS OPERATIONS****TEST YEAR ENDING JUNE 30, 2006****REVENUE REQUIREMENT SUMMARY**

	Company Claim	Recommended Adjustment	Recommended Position	
	(A)			
1. Pro Forma Rate Base	\$83,610,994	(\$1,833,839)	\$81,777,155	(B)
2. Required Cost of Capital	9.60%	-1.34%	8.26%	(C)
3. Required Return	\$8,026,488	(\$1,275,339)	\$6,751,149	
4. Operating Income @ Present Rates	3,666,429	1,003,519	4,669,948	(D)
5. Operating Income Deficiency	\$4,360,059	(\$2,278,859)	\$2,081,200	
6. Revenue Multiplier	1.6606	1.6606	1.6606	
7. Revenue Requirement Increase	<b><u>\$7,240,218</u></b>	<b><u>(\$3,784,222)</u></b>	<b><u>\$3,455,996</u></b>	

## Sources:

(A) Company Filing, Section 3, Schedule 1.

(B) Schedule ACC-8.

(C) Schedule ACC-2.

(D) Schedule ACC-13.

**AQUILA NETWORKS-KANSAS GAS OPERATIONS****TEST YEAR ENDING JUNE 30, 2006****REQUIRED COST OF CAPITAL**

	Capital Structure (%)	Cost Rate (%)		Weighted Cost (%)
	(A)			
1. Common Equity	50.73%	9.35%	(B)	4.74%
2. Long-Term Debt	49.27%	7.13%	(A)	3.51%
3. Total Cost of Capital	100.00%			<b><u>8.26%</u></b>

## Sources:

(A) Per Company Filing, Section 7, Schedule 1, Page 1.

(B) Schedule ACC-3.

**AQUILA NETWORKS-KANSAS GAS OPERATIONS****TEST YEAR ENDING JUNE 30, 2006****RECOMMENDED COST OF EQUITY**

1. Discounted Cash Flow Result (A)	9.23%	
2. Discounted Cash Flow Weighting (B)	<u>75.00%</u>	6.92%
3. CAPM Result (C)	9.72%	
4. CAPM Weighting (B)	<u>25.00%</u>	2.43%
5. Recommended Return on Equity		<u><b>9.35%</b></u>

## Sources:

(A) Schedule ACC-4.

(B) Based on Commission's reliance primarily upon the DCF method.

(C) Schedule ACC-7.

Schedule ACC-4

**AQUILA NETWORKS-KANSAS GAS OPERATIONS**

**TEST YEAR ENDING JUNE 30, 2006**

**DISCOUNTED CASH FLOW RESULT**

1. Dividend Yield	3.63%	(A)
2. Half Year Growth	0.10%	(B)
3. Growth Rate	<u>5.50%</u>	(C)
4. Total Cost of Equity	<u><b>9.23%</b></u>	

Sources:

(A) Derived from Schedule ACC-5.

(B) 50% of Line 3 X Line 1.

(C) Derived from Schedule ACC-6.

**AQUILA NETWORKS-KANSAS GAS OPERATIONS****TEST YEAR ENDING JUNE 30, 2006****AVERAGE DIVIDENDS**

Company	Dividend	Closing Price	Dividend Yield	52-Week Low	52-Week High	Average	Average Yield
	(A)	(A)		(A)	(A)		
1. Laclede Gas Company	\$1.46	\$31.51	4.63%	\$31.29	\$37.51	\$34.40	4.24%
2. New Jersey Resources	\$1.52	\$50.55	3.01%	\$42.70	\$53.16	\$47.93	3.17%
3. NICOR, Inc.	\$1.86	\$46.87	3.97%	\$38.72	\$49.92	\$44.32	4.20%
4. Northwest Natural Gas Co.	\$1.42	\$45.41	3.13%	\$33.08	\$45.74	\$39.41	3.60%
5. Piedmont Natural Gas Co.	\$0.96	\$26.23	3.66%	\$23.21	\$28.44	\$25.83	3.72%
6. South Jersey Industries	\$0.98	\$34.65	2.83%	\$25.63	\$35.24	\$30.44	3.22%
7. Southwest Gas Company	\$0.82	\$38.52	2.13%	\$26.46	\$39.95	\$33.21	2.47%
8. WGL Holdings, Inc.	\$1.35	\$32.54	4.15%	\$27.04	\$33.55	\$30.30	4.46%
	<b>Average</b>		<b><u>3.44%</u></b>				<b><u>3.63%</u></b>

Sources:

(A) Yahoo Finance, February 26, 2007.

**AQUILA NETWORKS-KANSAS GAS OPERATIONS****TEST YEAR ENDING JUNE 30, 2006****GROWTH IN EARNINGS, DIVIDENDS, BOOK VALUE**

Company	Past Five Year Earnings	Past Five Years Dividends	Past Five Years Book Value	Past Ten Year Earnings	Past Ten Years Dividends	Past Ten Years Book Value	Projected Five Years Earnings	Projected Five Years Dividends	Projected Five Years Book Value
1. Laclede Gas Company	4.50%	0.50%	2.50%	2.50%	1.00%	3.00%	5.00%	2.50%	7.50%
2. New Jersey Resources	8.00%	3.50%	8.50%	7.50%	3.00%	6.50%	4.50%	4.50%	8.50%
3. NICOR, Inc.	-3.50%	3.50%	1.50%	1.00%	4.00%	3.00%	4.00%	1.00%	4.50%
4. Northwest Natural Gas Co.	5.00%	1.00%	3.50%	1.50%	1.00%	4.00%	7.00%	4.00%	3.50%
5. Piedmont Natural Gas Co.	5.00%	5.00%	6.50%	5.50%	5.50%	6.50%	6.00%	5.50%	3.00%
6. South Jersey Industries	11.50%	2.50%	13.00%	8.00%	1.50%	5.50%	7.00%	6.00%	6.00%
7. Southwest Gas Company	-0.50%		3.00%	7.50%	0.50%	2.00%	9.00%		4.50%
8. WGL Holdings, Inc.	6.00%	1.50%	3.00%	4.50%	1.50%	4.00%	1.50%	2.00%	3.50%
9. Average	<u>4.50%</u>	<u>2.50%</u>	<u>5.19%</u>	<u>4.75%</u>	<u>2.25%</u>	<u>4.31%</u>	<u>5.50%</u>	<u>3.64%</u>	<u>5.13%</u>

Sources:

(A) Value Line Investment Survey, December 15, 2006.

**AQUILA NETWORKS-KANSAS GAS OPERATIONS**

**TEST YEAR ENDING JUNE 30, 2006**

**CAPITAL ASSET PRICING MODEL RESULT**

Risk Free Rate + (Beta X Market Premium)

$$4.68\% + (.84 \times 6.0\%) = 9.72\%$$

(A)      (B)      (C)

Sources:

(A) Risk Free Rate = 30 Year Constant Maturity Treasury at February 28, 2007 per Federal Reserve Statistical Release.

(B) Beta per Company Filing, Schedule DAM-23.

(C) Market Premium per 2006 Yearbook (Stocks, Bonds, Bills, and Inflation), Ibbotson Associates, Table 2-1. Reflects average of large and small company geometric premiums.



**AQUILA NETWORKS-KANSAS GAS OPERATIONS****TEST YEAR ENDING JUNE 30, 2006****RATE BASE SUMMARY**

	Company Claim (A)	Recommended Adjustment		Recommended Position
1. Gas Plant	\$175,359,212	\$0		\$175,359,212
Less:				
2. Accumulated Depreciation	(80,584,375)	66,288	(B)	(80,518,087)
3 Net Utility Plant	\$94,774,837	\$66,288		\$94,841,125
Plus:				
4. Construction Work in Progress	\$0	\$0		\$0
5 Materials and Supplies	1,150,336	0		1,150,336
6 Gas Storage	7,050,188	(255,574)	(C)	6,794,614
7. Prepayments	1,312,321	(944,036)	(D)	368,285
8. Working Capital	700,517	(700,517)	(E)	0
Less:				
9. Customer Advances	(\$1,104,345)	\$0		(\$1,104,345)
10. Customer Deposits	(1,525,311)	0		(1,525,311)
11. Reserve for Injuries and Damages	(128,187)	0		(128,187)
12. Accumulated Deferred Income Taxes	(18,600,697)	0		(18,600,697)
13. Deferred Investment Tax Credit	(18,665)	0		(18,665)
14. Total Rate Base	<b><u>\$83,610,994</u></b>	<b><u>(\$1,833,839)</u></b>		<b><u>\$81,777,155</u></b>

## Sources:

(A) Company Filing, Section 3, Schedule 2, page 1.

(B) Schedule ACC-9.

(C) Schedule ACC-10.

(D) Schedule ACC-11.

(E) Schedule ACC-12.

**AQUILA NETWORKS-KANSAS GAS OPERATIONS**

**TEST YEAR ENDING JUNE 30, 2006**

**ACCUMULATED DEPRECIATION**

1. Adjustment for Deferred Amount	(\$66,288)	(A)
2. Recommended Adjustment	<u>\$66,288</u>	

Sources:

(A) Response to CURB-2.

**AQUILA NETWORKS-KANSAS GAS OPERATIONS****TEST YEAR ENDING JUNE 30, 2006****GAS IN STORAGE**

1. Two Year Average Volumes	963,775	(A)
2. Thirteen Month Average Price	<u>\$7.05</u>	(B)
3. Recommended Adjustment	\$6,794,614	
4. Company Claim	<u>7,050,188</u>	(C)
5. Recommended Adjustment	<b><u>(\$255,574)</u></b>	

## Sources:

(A) Response to CURB-7.

(B) Derived from response to CURB-7.

(C) Company Filing, Section 3, Schedule 2, page 1.

**AQUILA NETWORKS-KANSAS GAS OPERATIONS**

**TEST YEAR ENDING JUNE 30, 2006**

**PREPAYMENTS**

1. Prepaid Insurance	\$368,285	(A)
2. Company Claim	<u>1,312,321</u>	(B)
3. Recommended Adjustment	<u><b>(\$944,036)</b></u>	

Sources:

(A) Response to CURB-9.

(B) Company Filing, Section 3, Schedule 2, page 1.

**AQUILA NETWORKS-KANSAS GAS OPERATIONS**

**TEST YEAR ENDING JUNE 30, 2006**

**CASH WORKING CAPITAL**

1. Company Claim	\$700,517	(A)
2. Recommended Adjustment	<u><b>(\$700,517)</b></u>	

Sources:

(A) Company Filing, Section 6, Schedule 1, page 1,

**AQUILA NETWORKS-KANSAS GAS OPERATIONS****TEST YEAR ENDING JUNE 30, 2006****OPERATING INCOME SUMMARY**

		Schedule No.
1. Company Claim	\$3,666,429	1
<b>Recommended Adjustments:</b>		
2. Pro Forma Revenue	58,424	14
3. Salaries and Wages - Vacant Positions	97,228	15
4. Salary and Wage Increases - Merit	2,793	16
5. Range Penetration	66,295	17
6. Variable Compensation Plan	133,460	18
7. Payroll Taxes	22,933	19
8. Other Benefits Expense	258,982	20
9. Health Care Costs	150,014	21
10. Other Post Retirement Benefits	52,018	22
11. Customer Conversion Costs	5,577	23
12. Outside Services Costs	56,595	24
13. Injuries and Damages Expense	55,216	25
14. Vehicle Loading Expense	7,347	26
15. Unspecified Reimbursements	8,279	27
16. Legal Costs	14,061	28
17. Depreciation Expense	39,920	29
18. Interest Synchronization	(25,623)	30
19. Net Operating Income	<b><u>\$4,669,948</u></b>	

**AQUILA NETWORKS-KANSAS GAS OPERATIONS****TEST YEAR ENDING JUNE 30, 2006****PRO FORMA REVENUE - CUSTOMER ANNUALIZATION**

1. Annualization of Residential Customers	420	(A)
2. Average Sales Per Customer (Therms)	734.60	(B)
3. Average Margin Per Therm	<u>\$0.15</u>	(C)
4. Recommended Margin Adjustment	\$46,613	
5. Annual Customer Charge Revenue	<u>50,400</u>	(D)
6. Total Pro Forma Revenue Adjustment	\$97,013	
7. Income Taxes @	39.78%	<u>38,589</u>
8. Operating Income Impact	<u><b>\$58,424</b></u>	

## Sources:

(A) Reflects one-half of the annual growth between customers

for the twelve months ending June 30, 2005 and June 30, 2006,  
per the Company's Filing, Section 8, Schedule 4, Pages 4 and 5.

(B) Derived from Testimony of Ms. Winslow, Exhibit KHW-9, Table 3, page 1.

(C) Testimony of Ms. Winslow, Exhibit KHW-4.

(D) 420 customers X \$10 / month X 12 months. Note does not reflect  
full customer charge revenue of \$12 / month.

**AQUILA NETWORKS-KANSAS GAS OPERATIONS**

**TEST YEAR ENDING JUNE 30, 2006**

**SALARIES AND WAGES - VACANT POSITIONS**

1. Company Claim - Salaries and Wages	\$199,096	(A)
2. Pro Forma Expense Ratio	<u>77.64%</u>	(A)
3. Recommended Vacancy Adjustment	\$154,578	
4. Associated Incentive Adjustment	<u>6,870</u>	(B)
5. Total Salary and Wage Adjustment	\$161,448	
6. Income Taxes @ 39.78%	<u>64,220</u>	
7. Operating Income Impact	<b><u>\$97,228</u></b>	

Sources:

(A) Workpapers to Company Filing, Adjustment No. 6  
(Company Filing, Section 3, Schedule 2, Page 10).

(B) Based on percentage of the Company's Total Incentive Costs to the Company's Total Salary and Wage Claim, per the Workpapers to Adjustment No. 6. Also reflects Capitalization rate used for Incentive Costs of 84.81%.



**AQUILA NETWORKS-KANSAS GAS OPERATIONS****TEST YEAR ENDING JUNE 30, 2006****MERIT INCREASES**

1. Non Union Merit Increase		3.00%	(A)
2. Recommended Salary and Wage Adjustment		<u>154,578</u>	(B)
3. Recommended Merit Increase Adjustment		\$4,637	
4. Income Taxes @	39.78%	<u>1,845</u>	
5. Operating Income Impact		<b><u>\$2,793</u></b>	

## Sources:

(A) Company Workpapers to Company Filing, Adjustment No. 12.  
(Company Filing, Section 3, Schedule 2, Page 16).

(B) Schedule ACC-15.

**AQUILA NETWORKS-KANSAS GAS OPERATIONS**

**TEST YEAR ENDING JUNE 30, 2006**

**RANGE PENETRATION**

1. Company Claimed Adjustment		\$110,083	(A)
2. Income Taxes @	39.78%	<u>43,788</u>	
3. Operating Income Impact		<u><b>\$66,295</b></u>	

Sources:

(A) Workpapers to Company Filing, Adjustment 22.

(Company Filing, Section 3, Schedule 2, Page 26).

**AQUILA NETWORKS-KANSAS GAS OPERATIONS**

**TEST YEAR ENDING JUNE 30, 2006**

**VARIABLE COMPENSATION PLAN COSTS**

1. Company Claimed Adjustment		\$221,611	(A)
2. Income Taxes @	39.78%	<u>88,151</u>	
3. Operating Income Impact		<u><b>\$133,460</b></u>	

Sources:

(A) Workpapers to Company Filing Adjustment No. 14  
(Company Filing, Section 3, Schedule 2, Page 18).

**AQUILA NETWORKS-KANSAS GAS OPERATIONS****TEST YEAR ENDING JUNE 30, 2006****PAYROLL TAXES**

1. Salary and Wage Expense Adjustment		\$497,780	(A)
2. Payroll Taxes @	7.65%	38,080	(B)
3. Income Taxes @	39.78%	<u>15,147</u>	
4. Operating Income Impact		<u><b>\$22,933</b></u>	

## Sources:

(A) Schedules ACC-15, ACC-16, ACC-17, and ACC-18.

(B) Based on statutory tax rates.

**AQUILA NETWORKS-KANSAS GAS OPERATIONS**

**TEST YEAR ENDING JUNE 30, 2006**

**OTHER BENEFITS EXPENSE**

1. Company Claimed Adjustment		\$430,042	(A)
2. Income Taxes @	39.78%	<u>171,060</u>	
3. Operating Income Impact		<u><b>\$258,982</b></u>	

Sources:

(A) Workpapers to Company Adjustments No. 6, 12, and 22.

(Company Filing, Section 3, Schedule 2, Pages 10, 16, and 26).

**AQUILA NETWORKS-KANSAS GAS OPERATIONS****TEST YEAR ENDING JUNE 30, 2006****HEALTH CARE COSTS**

1. Test Year Actual Cost	\$1,195,991	(A)
2. Pro Forma Increase	<u>10.00%</u>	(B)
3. Pro Forma Cost Adjustment	\$119,599	
4. Company Claim	<u>368,699</u>	(A)
5. Recommended Adjustment	249,100	
6. Income Taxes @	39.78% <u>99,086</u>	
7. Operating Income Impact	<u><b>\$150,014</b></u>	

## Sources:

(A) Company Workpaper to Company Filing, Adjustment No. 9

(Company Filing, Section 3, Schedule 2, Page 13.

(B) Reflects historic annual increase of 10.0%.

**AQUILA NETWORKS-KANSAS GAS OPERATIONS****TEST YEAR ENDING JUNE 30, 2006****OTHER POST RETIREMENT BENEFITS**

1. Original Company Claim		\$389,160	(A)
2. Revised Company Claim		<u>302,783</u>	(B)
3. Recommended Adjustment		\$86,377	
4. Income Taxes @	39.78%	<u>34,358</u>	
5. Operating Income Impact		<u><b>\$52,018</b></u>	

## Sources:

(A) Derived from the response to CURB-94.

(B) Response to CURB-94.

**AQUILA NETWORKS-KANSAS GAS OPERATIONS**

**TEST YEAR ENDING JUNE 30, 2006**

**CUSTOMER CONVERSION COSTS**

1. Annual Amortization @	8.26%	\$189,080	(A)
2. Company Claim		<u>198,341</u>	(B)
3. Recommended Adjustment		\$9,261	
4. Income Taxes @	39.78%	<u>3,684</u>	
5. Operating Income Impact		<u><b>\$5,577</b></u>	

Sources:

(A) Calculated at return of 8.26% based on workpaper to Adj. #5.

(B) Company Filing, Section 3, Schedule 2, Page 9.



**AQUILA NETWORKS-KANSAS GAS OPERATIONS**

**TEST YEAR ENDING JUNE 30, 2006**

**OUTSIDE SERVICES COSTS**

1. Company Claim		\$985,408	(A)
2. Two Year Average		<u>891,432</u>	(A)
3. Recommended Expense Adjustment		\$93,976	
4. Income Taxes @	39.78%	<u>37,381</u>	
5. Operating Income Impact		<u><b>\$56,595</b></u>	

Sources:

(A) Company Filing, Section 8, Schedule 3, Page 4.

**AQUILA NETWORKS-KANSAS GAS OPERATIONS****TEST YEAR ENDING JUNE 30, 2006****INJURIES AND DAMAGES EXPENSE**

1. Company Claim		\$983,032	(A)
2. Two Year Average		<u>891,345</u>	(A)
3. Recommended Expense Adjustment		\$91,687	
4. Income Taxes @	39.78%	<u>36,471</u>	
5. Operating Income Impact		<u><b>\$55,216</b></u>	

Sources:

(A) Company Filing, Section 8, Schedule 3, Page 4.

**AQUILA NETWORKS-KANSAS GAS OPERATIONS**

**TEST YEAR ENDING JUNE 30, 2006**

**VEHICLE LOADING EXPENSE**

1. Original Company Claim		\$32,000	(A)
2. Revised Company Claim		<u>19,800</u>	(A)
3. Recommended Adjustment		\$12,200	
4. Income Taxes @	39.78%	<u>4,853</u>	
5. Operating Income Impact		<b><u>\$7,347</u></b>	

Sources:

(A) Workpaper to Company Filing, Adjustment No. 19.

(B) Response to KCC-87.

**AQUILA NETWORKS-KANSAS GAS OPERATIONS**

**TEST YEAR ENDING JUNE 30, 2006**

**UNSPECIFIED REIMBURSEMENTS**

1. Total Company Claim		\$13,748	(A)
2. Income Taxes @	39.78%	<u>5,469</u>	
3. Operating Income Impact		<u>\$8,279</u>	

Sources:

(A) Response to KCC-51.

**AQUILA NETWORKS-KANSAS GAS OPERATIONS**

**TEST YEAR ENDING JUNE 30, 2006**

**LEGAL EXPENSES**

1. Total Recommended Adjustment		\$23,348	(A)
2. Income Taxes @	39.78%	<u>9,287</u>	
3. Operating Income Impact		<u>\$14,061</u>	

Sources:

(A) Responses to KCC-163, 164, 165, 166, and 181.

**AQUILA NETWORKS-KANSAS GAS OPERATIONS**

**TEST YEAR ENDING JUNE 30, 2006**

**DEPRECIATION EXPENSE**

1. Company Claimed Adjustment		\$66,288	(A)
2. Income Taxes @	39.78%	<u>26,368</u>	
3. Operating Income Impact		<u><b>\$39,920</b></u>	

Sources:

(A) Company Adjustment No. 24.

**AQUILA NETWORKS-KANSAS GAS OPERATIONS****TEST YEAR ENDING JUNE 30, 2006****INTEREST SYNCHRONIZATION**

1. Pro Forma Rate Base	\$81,777,155	(A)
2. Weighted Cost of Debt	<u>3.51%</u>	(B)
3. Pro Forma Interest Expense-LTD	\$2,872,494	
4. Company Claim	<u>2,936,910</u>	(C)
5. Decrease in Taxable Income	(\$64,416)	
6. Decrease in Income Taxes @	39.78%	<u>(\$25,623)</u>

## Sources:

(A) Schedule ACC-8.

(B) Schedule ACC-2.

(C) Company Filing, Section 11, Schedules 2 and 3.

**AQUILA NETWORKS-KANSAS GAS OPERATIONS****TEST YEAR ENDING JUNE 30, 2006****INCOME TAX FACTOR**

1. Revenue		100.00%	
2. State Income Tax Rate		<u>7.35%</u>	(A)
3. Federal Taxable Income		92.65%	
4. Income Taxes @	35.00%	<u>32.43%</u>	(A)
5. Operating Income		60.22%	
6. Total Tax Rate		<u><b>39.78%</b></u>	(B)

## Sources:

(A) Rates are derived from Company Filing, Section 11, Schedules 2, 3, and 4.

(B) Line 2 + Line 4.



**AQUILA NETWORKS-KANSAS GAS OPERATIONS****TEST YEAR ENDING JUNE 30, 2006****REVENUE REQUIREMENT IMPACT OF ADJUSTMENTS**

1. Capital Structure/Cost of Capital	(\$1,866,400)
<b>Rate Base Adjustments:</b>	
2. Accumulated Depreciation	9,087
3. Gas Storage	(35,037)
4. Prepayments	(129,418)
5. Working Capital	(96,034)
<b>Operating Income Adjustments</b>	
6. Pro Forma Revenue	(97,017)
7. Salaries and Wages - Vacant Positions	(161,455)
8. Salary and Wage Increases - Merit	(4,638)
9. Range Penetration	(110,088)
10. Variable Compensation Plan	(221,620)
11. Payroll Taxes	(38,082)
12. Other Benefits Expense	(430,060)
13. Health Care Costs	(249,110)
14. Other Post Retirement Benefits	(86,380)
15. Customer Conversion Costs	(9,262)
16. Outside Services Costs	(93,980)
17. Injuries and Damages Expense	(91,691)
18. Vehicle Loading Expense	(12,201)
19. Unspecified Reimbursements	(13,749)
20. Legal Costs	(23,349)
21. Depreciation Expense	(66,291)
22. Interest Synchronization	42,549
23. Total Recommended Adjustments	(\$3,784,222)
24. Company Claim	<u>7,240,218</u>
25. Recommended Revenue Requirement Deficiency	<b><u>\$3,455,996</u></b>

**AQUILA NETWORKS-KANSAS GAS OPERATIONS****TEST YEAR ENDING JUNE 30, 2006****PRO FORMA INCOME STATEMENT**

	Per Company	Recommended Adjustments	Pro Forma Present Rates	Recommended Rate Adjustment	Pro Forma Proposed Rates
1. Operating Revenues	\$142,436,305	\$97,013	\$142,533,318	\$3,455,996	\$145,989,314
2. Operating Expenses	128,895,649	(1,507,519)	127,388,130	0	127,388,130
3. Depreciation	5,921,473	(66,288)	5,855,185	0	5,855,185
4. Taxes Other Than Income	3,470,849	(38,080)	3,432,769	0	3,432,769
5. Taxable Income Before Interest Expenses	\$4,148,334	\$1,708,900	\$5,857,234	\$3,455,996	\$9,313,229
6. Interest Expense	2,936,910	(64,416)	2,872,494	0	2,872,494
7. Taxable Income	\$1,211,424	\$1,773,315	\$2,984,739	\$3,455,996	\$6,440,735
8. Income Taxes @ 39.78%	481,905	705,381	1,187,286	1,374,709	2,561,994
9. Operating Income	\$3,666,429	\$1,003,519	\$4,669,948	\$2,081,287	\$6,751,235
10. Rate Base	\$83,610,994		\$81,777,155		\$81,777,155
11. Rate of Return	<u>4.39%</u>		<u>5.71%</u>		<u>8.26%</u>

## **APPENDIX C**

### **Referenced Data Requests**

CURB-2  
CURB-7  
CURB-9  
CURB-15  
CURB-26  
CURB-33 (Partial)  
CURB-78  
CURB-80 (Partial)  
CURB-93  
CURB-94

KCC-51  
KCC-87  
KCC-163 (Confidential)\*  
KCC-164 (Confidential)\*  
KCC-165 (Confidential)\*  
KCC-166 (Confidential)\*  
KCC-181 (Confidential)\*

\* Confidential Responses Not Attached

AQUILA, INC.  
AQUILA NETWORKS-KGO  
DOCKET NO. 07-AQLG-431-RTS  
CITIZENS' UTILITY RATEPAYER BOARD  
DATA REQUEST NO. CURB-2

DATE OF REQUEST: 11/28/06  
DATE RESPONSE DUE: 12/12/06  
REQUESTOR: Citizens' Utility Ratepayer Board  
AUDITOR: David Springe  
ANSWERED BY: Becky Tangeman  
WITNESS: Rich Petersen  
DATE RESPONDED: 11-30-06  
SUBJECT: Workpapers  
REFERENCE: Section 3, Schedule 2, page 1

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REQUEST:

Please provide a complete description, as well as supporting workpapers and calculations, for the depreciation and amortization reserve adjustment of \$607,699 shown in Section 3, Schedule 2, page 1 of the Company's filing.

RESPONSE:

There are 2 separate adjustments that comprise the total of \$607,699. The amount of \$541,411 comes from annualizing depreciation expense, using end of test period plant balances and calculating the amount of depreciation expense by account. The difference between the annualized number and the actual booked depreciation is the adjustment. An Excel file showing the detail of this is attached and the classification of the plant (whether it is distribution, transmission, etc.) has been added next to the adjustment amount. Since we added this amount to expense, we added it to the accumulated depreciation balance in rate base also.

A second adjustment of \$66,288 comes from amortizing the deferred depreciation reserve account over a period of 3 years. There is a tab in the Excel file attached showing this detail by plant account. There is further explanation in Rich Petersen's testimony.

ATTACHMENT: Excel file named "Aquila Networks-KGO Curb-2.xls"

AQUILA, INC.  
AQUILA NETWORKS-KANSAS GAS OPERATIONS  
ANNUALIZED DEPRECIATION ADJUSTMENT  
AS OF JUNE 30, 2006

8-Dec-2006

Acct No.		<u>Year End Plant in</u> <u>Service</u>	<u>Rate</u>	<u>Annualized Depr</u>	<u>Actual Depr</u>	<u>Depr Adjmt</u>	<u>Classificati</u> <u>on</u>
301	Organizational Costs	189,832	0.00%	5,620	used actual		
302	Franchises and Consents	74,990	0.00%	1,368	used actual		
303	Intangible Plant	1,032,039	0.00%	33,521	used actual		
	<b>TOTAL INTANGIBLE PLANT</b>	<b>1,296,861</b>		<b>40,509</b>	<b>40,509</b>	-	Intangible
<b>TRANSMISSION PLANT</b>							
365.1	Land and Land Rights	10,774	0.00%	-			
365.2	Rights of Way	488,313	0.00%	-			
366	Structures and Improvements	148,285	1.79%	2,654			
367100	Mains-Metallic	19,502,239	1.68%	327,638			
367200	Mains-Nonmetallic	265,938	1.88%	5,000			
368	Compressor Station Equipment	605,743	2.00%	12,115			
369	Meas. & Reg Station Equipment	2,748,346	1.57%	43,149			
371	Other Equipment	223,468	2.33%	5,207			
	<b>TOTAL TRANSMISSION PLANT</b>	<b>23,993,106</b>		<b>395,763</b>	<b>393,975</b>	<b>1,788</b>	Transm
<b>PRODUCTION &amp; GATHERING PLANT</b>							
325	Land and Rights of Way	-	0.00%	-			
327	Field Comp. Station Structures	-	1.06%	-			
328	Field Meas. & Reg. Station Structures	-	0.08%	-			
329	Other Structures	-	2.97%	-			
332	Field Lines	-	0.52%	-			
333	Field Comp. Station Equipment	-	-4.77%	-			
334	Field Meas. & Reg. Station equipment	-	-0.03%	-			
336	Purification equipment	18,719	2.87%	537			
	<b>TOTAL PRODUCTION &amp; GATHERING PLANT</b>	<b>18,719</b>		<b>537</b>	<b>537</b>	<b>0</b>	Prod
<b>DISTRIBUTION PLANT</b>							
374	Land and Land Rights	270,974	0.00%	-			
375	Structures & Improvements-own	180,377	0.23%	415			
376100	Mains-Metallic	23,929,571	1.77%	423,553			
376200	Mains-Nonmetallic	31,883,032	1.71%	545,200			
377	Compressor Station Equipment	3,421	3.23%	110			
378	Meas. & Reg. Station Equipment - General	2,095,938	2.21%	46,320			
379	Meas. & Reg. Station Equipment - City Gate	104,710	2.27%	2,377			
380100	Services-metallic	4,388,095	2.96%	129,888			
380200	Services-Nonmetallic	33,241,240	2.28%	757,900			
381	Meters	8,031,785	2.69%	216,055			
382	Meter Installations	1,855,038	2.06%	38,214			
383	Regulators	7,854,684	2.20%	172,803			
385100	Ind Meas. & Regulating Equipment	3,185,927	1.99%	63,400			
385200	Large volume meters	2,268,117	2.36%	53,528			
387	Other Equipment	318,034	3.23%	10,272			
	<b>TOTAL DISTRIBUTION PLANT</b>	<b>119,610,943</b>		<b>2,460,037</b>	<b>2,469,018</b>	<b>(8,981)</b>	Distr
<b>GENERAL PLANT</b>							
389	Land and Land Rights	88,759	0.00%	-			
390	Structures & Improvements	1,920,323	0.65%	12,482			
390	Leasehold Improvements	38,656	0.00%	-	actual		
391.1	Office Furniture and Equipment	570,125	4.17%	23,774			
391.3	Computer Hardware	869,193	11.00%	95,611			
391.4	Computer Software	986	6.66%	66			
392001	Transportation Equipment	-	34.60%	-			
392002	Transportation Equipment-Other	-	0.75%	-			
392003	Transportation Equipment-Cars	2,412	3.21%	-			
392004	Transportation Equipment-Medium Trucks	26,660	1.30%	-			
392005	Transportation Equipment-Heavy Trucks	6,237	3.65%	-			
392006	Transportation Equipment-Trailers	139,958	3.16%	-			
393	Stores Equipment	28,168	4.51%	1,270			
394	Tools & Work Equipment	1,300,880	2.37%	30,831			
395	Laboratory Equipment	85,753	3.16%	2,710			
396001	Power Operated Equipment-Short Life	69,613	1.65%	1,149			
396002	Power Operated Equipment-Long Life	85,631	2.32%	1,987			
397	Communication Equipment	645,644	4.19%	27,052			

AQUILA, INC.  
AQUILA NETWORKS-KANSAS GAS OPERATIONS  
ANNUALIZED DEPRECIATION ADJUSTMENT  
AS OF JUNE 30, 2006

8-Dec-2006

398	Misc Equipment	30,436	4.45%	1,354			
399	Other Tangible Property	-	0.00%	-			
	Total General Plant	5,909,434		198,286	178,209	20,077	General
	TOTAL DIRECT DEPRECIATION EXPENSE	150,829,063		3,095,132	3,082,248	12,884	

(direct plant includes acct 106097)

<u>Acct No.</u>	<u>Year End Plant In Service</u>	<u>Rate</u>	<u>Annualized Depr</u>	<u>Actual Depr</u>	<u>Depr Adjmt</u>	
<u>Allocated Plant</u>						
<u>UED</u>						
	Organizational Costs	12,125	0.00%	-	-	fully amortized
<u>IBU Allocated Plant</u>						
<u>CB Meter Shop</u>						
374	Land	18,543	0.00%	-		
387	Distr-other equipment	825	0.57%	5	18	(13) Distr
390	Structures & Improvements-own	388,784	0.69%	2,683	8,008	(5,325) Gen
391	Office Furniture	10,866	6.07%	660	295	365 Gen
391.1	Computer equipment	5,167	19.39%	1,002	975	27 Gen
392	Transportation equipment	-	0.00%	-		
394	Tools/Shop/Garage equipment	169,398	4.59%	7,775	4,841	2,934 Gen
395	Lab Equipment	37,570	5.77%	2,169	1,197	972 Gen
396	Power Operated Equipment	-	0.00%	-		
	Total CB Meter Shop for Iowa	631,153		14,294	15,334	(1,040)
<u>PND_GEN</u>						
378	Meas/Reg Equipment	9,017	1.88%	170	242	(72) Distr
387	Other Equipment	9,121	0.57%	52	164	(112) Distr
394	Tools, Shop, Garage equipment	7,546	4.59%	346	614	(268) Gen
395	Lab Equipment	-	5.77%	-	5	(5) Gen
397	Communication equipment	20,277	22.71%	4,605	2,179	2,426 Gen
	Total PND_GEN	45,961		5,173	3,204	1,969
approved in KS 7-03 (Corporate Rates)						
<u>UCU/ESF Allocated Plant</u>						
389	Land and Land Rights	44,401	0.00%	-		
390	Structures & Improvements	4,266,410	2.36%	100,687		
390	Leasehold Improvements	396,508	0.00%	32,618	actual amortization	
391001	Office Furniture & Equipment	1,120,267	5.57%	62,399		
391003	Computer Hardware	1,550,930	29.59%	458,920		
391004	Computer Software	11,989,683	12.75%	1,528,685		
391005	Computer Systems Development	3,004,015	17.34%	520,896		
392	Transportation Equipment-Medium Trucks	-	37.46%	-		
394	Tools and Work Equipment	23,144	6.93%	1,604		
395	Laboratory Equipment	4,519	12.87%	582		
397	Communication equipment	194,202	14.36%	27,887		
398	Miscellaneous equipment	42,769	14.75%	6,308		
	Total ESF Allocated Plant	22,636,848		2,740,586	2,212,988	527,598 Gen
	Total Allocated Plant	23,326,087		2,760,053	2,231,526	528,527
		-		2,760,053	2,231,526	528,527
	<b>Total Direct and Allocated Plant &amp; Expense</b>	<b>174,155,150</b>		<b>5,855,185</b>	<b>5,313,774</b>	<b>541,411</b>
	Depreciation expense			5,782,058	5,240,647	541,411
	Amortization expense			73,127	73,127	-
	Total			5,855,185	5,313,774	541,411

Kansas Gas Operations  
 Adjustment to Amortize the Deferred Depreciation Reversal for Corp Assets  
 As of June 2006

**FAS 71 Depreciation Expense Reversal Summary**  
**As of 06/30/2006**

Sum of Accum Depr Amount			Account 119300	Annual Amt if Amortized over 3 years
Business Unit	Plant Account	Plant Account Description	Total	
PND Kansas	390001	Building/Structures Owned	(1,520.11)	(506.70)
	390051	Building/Structures Leased	0.16	0.05
	391001	Office Furniture & Equip.	(6,705.77)	(2,235.26)
	391003	Computer Hardware	81,702.79	27,234.26
	391004	Computer Software	55,328.95	18,442.98
	391005	Computer System Development	63,594.84	21,198.28
	392004	Transportation - Med Truck	126.35	42.12
	394000	Tools/Shop/Garage	35.85	11.95
	395000	Lab Equipment	173.60	57.87
	397000	Communication Equipment	4,517.76	1,505.92
	398000	Miscellaneous Equipment	1,610.63	536.88
PND Kansas Total			198,865.05	66,288.35
Grand Total			198,865.05	

Increase Depreciation Expense

true balance  
 on Gen Ledger

Increase Accum Depreciation

**All plant accounts are in General Plant**

	GLBU	From Prod Dept ict	CodeBlock	Plant Account	Plant Account Description	Depr Ex Amount	Accum Depr Amount	Chrg Dept Account
as	PND	103	6149	394000	Tools/Shop/Garage	(6.08)	6.08	119300
as	PND	103	6149	390001	Building/Structures Owned	253.45	(253.45)	119300
as	PND	103	6149	391001	Office Furniture & Equip.	1,151.55	(1,151.55)	119300
as	PND	103	6149	391003	Computer Hardware	(14,402.38)	14,402.38	119300
as	PND	103	6149	391005	Computer System Development	(10,796.54)	10,796.54	119300
as	PND	103	6149	391004	Computer Software	(9,628.60)	9,628.60	119300
as	PND	103	6149	397000	Communication Equipment	(1,014.75)	1,014.75	119300
as	PND	103	6149	398000	Miscellaneous Equipment	(274.39)	274.39	119300
as	PND	103	6149	392004	Transportation - Med Truck	(31.59)	31.59	119300
as	PND	103	6149	395000	Lab Equipment	(29.68)	29.68	119300
as	PND	103	6149	394000	Tools/Shop/Garage	(6.07)	6.07	119300
as	PND	103	6149	390051	Building/Structures Leased	(0.16)	0.16	119300
as	PND	103	6149	390001	Building/Structures Owned	253.40	(253.40)	119300
as	PND	103	6149	391001	Office Furniture & Equip.	1,150.34	(1,150.34)	119300
as	PND	103	6149	391003	Computer Hardware	(14,357.54)	14,357.54	119300
as	PND	103	6149	391005	Computer System Development	(10,796.54)	10,796.54	119300
as	PND	103	6149	391004	Computer Software	(9,797.03)	9,797.03	119300
as	PND	103	6149	397000	Communication Equipment	(1,014.75)	1,014.75	119300
as	PND	103	6149	398000	Miscellaneous Equipment	(274.39)	274.39	119300
as	PND	103	6149	392004	Transportation - Med Truck	(31.59)	31.59	119300
as	PND	103	6149	395000	Lab Equipment	(29.68)	29.68	119300
as	PND	103	6149	394000	Tools/Shop/Garage	(6.07)	6.07	119300
as	PND	103	6149	390001	Building/Structures Owned	254.94	(254.94)	119300
as	PND	103	6149	391001	Office Furniture & Equip.	1,169.35	(1,169.35)	119300



GLBU	From Prod Dept	CodeBlock	Plant Account	Plant Account Description	Depr Ex Amount	Accum Depr Amount	Chrg Dept	Account
as PND	103	6149	394000	Tools/Shop/Garage	(6.08)	6.08	119300	119300
as PND	103	6149	390001	Building/Structures Owned	253.45	(253.45)	119300	119300
as PND	103	6149	391001	Office Furniture & Equip.	1,151.55	(1,151.55)	119300	119300
as PND	103	6149	391003	Computer Hardware	(14,402.38)	14,402.38	119300	119300
as PND	103	6149	391005	Computer System Development	(10,796.54)	10,796.54	119300	119300
as PND	103	6149	391004	Computer Software	(9,628.60)	9,628.60	119300	119300
as PND	103	6149	397000	Communication Equipment	(1,014.75)	1,014.75	119300	119300
as PND	103	6149	398000	Miscellaneous Equipment	(274.39)	274.39	119300	119300
as PND	103	6149	392004	Transportation - Med Truck	(31.59)	31.59	119300	119300
as PND	103	6149	395000	Lab Equipment	(29.68)	29.68	119300	119300
as PND	103	6149	394000	Tools/Shop/Garage	(6.07)	6.07	119300	119300
as PND	103	6149	390051	Building/Structures Leased	(0.16)	0.16	119300	119300
as PND	103	6149	390001	Building/Structures Owned	253.40	(253.40)	119300	119300
as PND	103	6149	391001	Office Furniture & Equip.	1,150.34	(1,150.34)	119300	119300
as PND	103	6149	391003	Computer Hardware	(14,357.54)	14,357.54	119300	119300
as PND	103	6149	391005	Computer System Development	(10,796.54)	10,796.54	119300	119300
as PND	103	6149	391004	Computer Software	(9,797.03)	9,797.03	119300	119300
as PND	103	6149	397000	Communication Equipment	(1,014.75)	1,014.75	119300	119300
as PND	103	6149	398000	Miscellaneous Equipment	(274.39)	274.39	119300	119300
as PND	103	6149	392004	Transportation - Med Truck	(31.59)	31.59	119300	119300
as PND	103	6149	395000	Lab Equipment	(29.68)	29.68	119300	119300
as PND	103	6149	394000	Tools/Shop/Garage	(6.07)	6.07	119300	119300
as PND	103	6149	390001	Building/Structures Owned	254.94	(254.94)	119300	119300
as PND	103	6149	391001	Office Furniture & Equip.	1,169.35	(1,169.35)	119300	119300

AQUILA, INC.  
AQUILA NETWORKS-KGO  
DOCKET NO. 07-AQLG-431-RTS  
CITIZENS' UTILITY RATEPAYER BOARD  
DATA REQUEST NO. CURB-7

DATE OF REQUEST: 11/28/06  
DATE RESPONSE DUE: 12/12/06  
REQUESTOR: Citizens' Utility Ratepayer Board  
AUDITOR: David Springe  
ANSWERED BY: Ann Stichler  
WITNESS: Rich Petersen  
DATE RESPONDED: December 8, 2006  
SUBJECT: Gas Storage  
REFERENCE: Section 3, Schedule 2, page 1

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REQUEST:

Regarding Section 3, Schedule 2, page 1, please provide a) the monthly balance (\$) for gas storage for each of the past sixty months and b) the volume of gas in storage for each month.

RESPONSE: Please see the attached electronic file for the requested monthly balances.

ATTACHMENT: CURB-7 Gas Storage by Month.xls

Verification of Response

I have read the foregoing Data Request and Answer(s) thereto and find answer(s) to be true, accurate, full and complete and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Citizens' Utility Ratepayer Board any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Data Request.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

Aquila Networks - Kansas Gas Operations  
 Kansas Rate Case Test Year Ended June 30, 2006  
 Gas Storage by Month (Volumes)  
 2002

CURB-7  
 ALS  
 11-Dec-06

	KMI 164104	KS Portion KN	NNG 164102*	KS Portion NNG	WNG 164107	KS Portion WNG	Total
January 02	285,838	27,212	5,540,055	460,933	1,074,474	467,235	955,379
February 02	174,802	16,641	4,542,392	377,927	657,939	286,105	680,673
March 02	113,064	10,764	1,028,316	85,556	331,493	144,150	240,469
April 02	17,114	1,629	-	-	148,928	64,761	66,391
May 02	81,378	7,747	-	-	131,151	57,031	64,778
June 02	130,206	12,396	-	-	297,617	129,419	141,814
July 02	128,648	12,247	1,422,487	118,351	604,576	262,900	393,498
August 02	147,880	14,078	2,963,363	246,552	871,066	378,783	639,413
September 02	273,286	26,017	4,670,797	388,610	1,111,210	483,210	897,837
October 02	347,761	33,107	6,001,692	499,341	1,290,235	561,059	1,093,506
November 02	352,001	33,510	7,320,014	609,025	1,383,750	601,724	1,244,259
December 02	347,834	33,114	6,727,604	559,737	1,360,531	591,627	1,184,477

Aquila Networks - Kansas Gas Operations  
 Kansas Rate Case Test Year Ended June 30, 2006  
 Gas Storage by Month (Volumes)  
 2003

CURB-7  
 ALS  
 11-Dec-06

	KN 164104	KGO Portion 9.52%	NNG 164102*	KGO Portion 6.44%	WNG 164107**	KGO Portion 43.485%	Centerpoint 164118***	KGO Portion 100.00%	Total
January 03	395,224	37,625	5,368,902	345,757	1,131,606	492,079	-	-	875,461
February 03	258,812	24,639	3,258,077	209,820	625,229	271,881	-	-	506,340
March 03	188,080	17,905	1,951,816	125,697	134,016	58,277	-	-	201,879
April 03	277,330	26,402	1,743,255	112,266	210,478	91,526	-	-	230,194
May 03	95,710	9,112	-	-	216,743	94,251	-	-	103,362
June 03	70,734	6,734	-	-	434,824	189,083	-	-	195,817
July 03	168,376	16,029	1,797,503	115,759	643,844	279,976	-	-	411,764
August 03	101,013	9,616	3,435,509	221,247	962,033	418,340	-	-	649,203
September 03	121,525	11,569	4,517,321	290,915	1,108,377	481,978	-	-	784,462
October 03	348,178	33,147	5,911,937	380,729	1,287,892	560,040	352,762	352,762	1,326,677
November 03	307,972	29,319	7,315,275	471,104	1,436,883	624,829	387,930	387,930	1,513,181
December 03	323,490	30,796	6,482,168	417,452	1,222,439	531,578	299,867	299,867	1,279,692

Aquila Networks - Kansas Gas Operations  
 Kansas Rate Case Test Year Ended June 30, 2006  
 Gas Storage by Month (Volumes)  
 2004

CURB-7  
 ALS  
 11-Dec-06

	KN	KGO Portion	NING	KGO Portion	Allocable	KGO Portion	Direct	KGO Portion	Centerpoint	KGO Portion	Total
	164104	9.52%	164102	5.88%	WNG	164107	WNG	43.485%	164118	100.00%	Total
January 04	361,021	34,369	5,773,931	339,507	1,072,406	466,336	-	-	313,130	313,130	1,153,342
February 04	316,352	30,117	3,447,240	202,698	830,770	361,260	-	-	306,564	306,564	900,639
March 04	254,165	24,197	2,098,331	123,382	433,873	188,670	-	-	188,991	188,991	525,239
April 04	92,295	8,786	1,106,420	65,057	-	-	190,505	190,505	214,613	214,613	478,962
May 04	12,646	1,204	-	-	-	-	112,390	112,390	224,882	224,882	338,476
June 04	44,563	4,242	-	-	-	-	169,028	169,028	206,333	206,333	379,603
July 04	69,551	6,621	1,731,011	101,783	-	-	305,876	305,876	220,504	220,504	634,785
August 04	194,468	18,513	3,544,861	208,438	-	-	414,895	414,895	278,470	278,470	920,316
September 04	282,557	26,899	5,281,479	310,551	-	-	518,023	518,023	298,689	298,689	1,154,162
October 04	327,291	31,158	6,857,409	403,216	-	-	622,473	622,473	353,451	353,451	1,410,298
November 04	373,920	35,597	8,185,052	481,281	-	-	674,519	674,519	391,005	391,005	1,582,402
December 04	366,113	34,854	7,480,211	439,836	-	-	637,483	637,483	381,314	381,314	1,493,487

Aquila Networks - Kansas Gas Operations  
 Kansas Rate Case Test Year Ended June 30, 2006  
 Gas Storage by Month (Volumes)  
 2005

CURB-7  
 ALS  
 11-Dec-06

	KN	KGO Portion	NNG	KGO Portion	(BU GSS) WNG	KGO Portion	(BU PND) WNG	KGO Portion	Centerpoint	KGO Portion	Total
	164104	9.52%	164102	5.88%	164107*	100.00%	164107**	100.00%	164118	100.00%	
January 05	350,176	33,337	5,593,254	328,883	548,705	548,705	-	-	344,287	344,287	1,255,212
February 05	242,159	23,054	4,140,362	243,453	-	-	412,811	412,811	190,584	190,584	869,902
March 05	235,501	22,420	2,578,572	151,620	-	-	370,102	370,102	162,741	162,741	706,883
April 05	207,766	19,779	1,134,657	66,718	-	-	280,431	280,431	36,002	36,002	402,930
May 05	121,280	11,546	589,379	34,655	-	-	209,715	209,715	36,516	36,516	292,432
June 05	48,489	4,616	468,720	27,561	-	-	177,958	177,958	110,163	110,163	320,298
July 05	193,331	18,405	2,321,050	136,478	-	-	328,102	328,102	175,082	175,082	658,067
August 05	162,078	15,430	4,139,930	243,428	-	-	506,783	506,783	236,590	236,590	1,002,231
September 05	279,871	26,644	5,686,900	334,390	-	-	522,216	522,216	311,859	311,859	1,195,108
October 05	398,090	37,898	7,329,876	430,997	-	-	611,910	611,910	346,648	346,648	1,427,453
November 05	335,789	31,967	7,990,740	469,856	-	-	587,450	587,450	373,030	373,030	1,462,303
December 05	317,002	30,179	7,302,358	429,379	-	-	652,950	652,950	342,440	342,440	1,454,947

Aquila Networks - Kansas Gas Operations  
 Kansas Rate Case Test Year Ended June 30, 2006  
 Gas Storage by Month (**Volumes**)  
 2006

CURB-7  
 ALS  
 11-Dec-06

	KN 164104	NNG 164102	WNG 164107	Centerpoint 164118	Total
January 06	17,003	295,610	449,266	280,689	1,042,568
February 06	27,021	289,968	676,428	384,748	1,378,165
March 06	6,634	132,843	491,967	250,592	882,036
April 06	(18,601)	15,932	444,806	174,425	616,562
May 06	8,862	21,265	514,125	236,625	780,877
June 06	10,676	8,647	539,638	212,400	771,361
July 06	13,671	84,495	595,361	238,987	932,514
August 06	18,271	342,573	610,637	268,187	1,239,668
September 06	32,253	524,814	634,177	279,619	1,470,863
October 06	56,393	820,940	634,464	319,398	1,831,195

Aquila Networks - Kansas Gas Operations  
 Kansas Rate Case Test Year Ended June 30, 2006  
 Gas Storage by Month (\$) 2002

CURB-7  
 ALS  
 11-Dec-06

	KN 164104	KS Portion KN	NNG 164102	KS Portion NNG	WNG 164107	KS Portion WNG	Total
January 02	773,281	73,616	17,269,050	1,436,785	5,395,860	2,346,390	3,856,791
February 02	237,004	22,563	14,191,306	1,180,717	3,321,141	1,444,198	2,647,478
March 02	49,858	4,746	3,249,009	270,318	1,685,211	732,814	1,007,878
April 02	55,988	5,330	-	-	766,940	333,504	338,834
May 02	150,396	14,318	-	-	670,095	291,391	305,709
June 02	405,077	38,563	-	-	1,202,359	522,846	561,409
July 02	391,578	37,278	4,685,349	389,821	2,134,313	928,106	1,355,205
August 02	429,484	40,887	9,236,240	768,455	2,913,726	1,267,034	2,076,376
September 02	745,599	70,981	14,095,794	1,172,770	3,597,051	1,564,178	2,807,929
October 02	892,102	84,928	18,210,179	1,515,087	4,121,942	1,792,426	3,392,441
November 02	921,461	87,723	23,377,522	1,945,010	4,441,901	1,931,561	3,964,294
December 02	949,466	90,389	21,506,405	1,789,333	4,405,770	1,915,849	3,795,571



Aquila Networks - Kansas Gas Operations  
 Kansas Rate Case Test Year Ended June 30, 2006  
 Gas Storage by Month (\$)  
 2003

CURB-7  
 ALS  
 11-Dec-06

	KN 164104	KGO Portion 9.52%	NNG 164102*	KGO Portion 6.44%	WNG 164107**	KGO Portion 43.485%	Centerpoint 164118***	KGO Portion 100.00%	Total
January 03	1,195,887	113,848	17,185,618	1,106,754	3,693,596	1,606,160	-	-	2,826,762
February 03	796,067	75,786	10,449,889	672,973	2,054,024	893,192	-	-	1,641,951
March 03	594,569	56,603	6,278,486	404,334	442,377	192,368	-	-	653,305
April 03	1,023,246	97,413	5,642,389	363,370	1,056,396	459,374	-	-	920,157
May 03	355,780	33,870	-	-	1,094,526	475,955	-	-	509,825
June 03	274,686	26,150	-	-	2,212,276	962,008	-	-	988,158
July 03	798,975	76,062	10,206,654	657,309	3,438,705	1,495,321	-	-	2,228,692
August 03	484,269	46,102	19,059,112	1,227,407	5,192,697	2,258,044	-	-	3,531,554
September 03	572,838	54,534	24,119,401	1,553,289	5,943,204	2,584,402	-	-	4,192,226
October 03	1,470,984	140,038	31,127,081	2,004,584	6,909,707	3,004,686	1,726,118	1,726,118	6,875,426
November 03	1,270,768	120,977	37,515,500	2,415,998	7,646,405	3,325,039	1,878,465	1,878,465	7,740,480
December 03	1,390,251	132,352	33,269,734	2,142,571	6,537,103	2,842,659	1,452,040	1,452,040	6,569,622

Aquila Networks - Kansas Gas Operations  
 Kansas Rate Case Test Year Ended June 30, 2006  
 Gas Storage by Month (\$) 2004

	KN 164104	KGO Portion 9.52%	NNG 164102*	KGO Portion 5.88%	Allocable WNG 164107**	KGO Portion 43.485%	Direct WNG 164107***	KGO Portion 100.00%	Centerpoint 164118	KGO Portion 100.00%
January 04	1,587,530	151,133	29,644,456	1,743,094	5,798,580	2,521,513	-	-	1,332,039	1,332,039
February 04	1,412,120	134,434	17,728,366	1,042,428	4,520,633	1,965,797	-	-	1,479,789	1,479,789
March 04	1,157,894	110,232	10,815,142	635,930	2,351,431	1,022,520	-	-	912,263	912,263
April 04	424,152	40,379	5,729,145	336,874	-	-	1,037,704	1,037,704	1,031,870	1,031,870
May 04	69,461	6,613	(5)	(0)	-	-	614,654	614,654	1,083,112	1,083,112
June 04	223,388	21,267	(5)	(0)	-	-	942,768	942,768	993,773	993,773
July 04	398,206	37,909	10,731,014	630,984	-	-	1,837,432	1,837,432	1,078,379	1,078,379
August 04	1,143,342	108,846	21,579,697	1,268,886	-	-	2,518,020	2,518,020	1,414,582	1,414,582
September 04	1,650,414	157,119	31,734,623	1,865,996	-	-	3,151,156	3,151,156	1,530,083	1,530,083
October 04	1,851,981	176,309	39,527,191	2,324,199	-	-	3,693,705	3,693,705	1,792,639	1,792,639
November 04	2,079,116	197,932	46,331,189	2,724,274	-	-	3,972,137	3,972,137	1,972,898	1,972,898
December 04	2,097,263	199,659	42,353,463	2,490,384	-	-	3,781,897	3,781,897	1,903,867	1,903,867

CURB-7  
ALS  
11-Dec-06

Total

5,747,778  
4,622,448  
2,680,945  
2,446,827  
1,704,378  
1,957,807  
3,584,704  
5,310,334  
6,704,354  
7,986,851  
8,867,241  
8,375,807

Aquila Networks - Kansas Gas Operations  
 Kansas Rate Case Test Year Ended June 30, 2006  
 Gas Storage by Month (\$) 2005

	KN	KGO Portion 9.52%	NING	KGO Portion 5.88%	(BU GSS) WNG 164107*	KGO Portion 100.00%	(BU PND) WNG 164107**	KGO Portion 100.00%	Centerpoint 164118	KGO Portion 100.00%
January 05	2,064,789	196,568	31,767,368	1,867,921	3,396,326	3,396,326	-	1,739,128	1,739,128	
February 05	1,435,735	136,682	23,603,625	1,387,893	-	-	2,461,067	982,847	982,847	
March 05	1,394,076	132,716	14,860,194	873,779	-	-	2,218,615	839,260	839,260	
April 05	1,226,424	116,756	6,612,955	388,842	-	-	1,690,766	185,663	185,663	
May 05	715,413	68,107	3,405,881	200,266	-	-	1,271,270	189,057	189,057	
June 05	249,102	23,715	2,966,407	174,425	-	-	1,083,737	667,789	667,789	
July 05	1,111,876	105,851	14,025,077	824,675	-	-	2,016,384	1,046,429	1,046,429	
August 05	940,789	89,563	26,059,877	1,532,321	-	-	3,247,237	1,452,689	1,452,689	
September 05	1,759,182	167,474	37,051,691	2,178,639	-	-	3,370,329	1,958,873	1,958,873	
October 05	2,807,441	267,268	52,129,418	3,065,210	-	-	4,150,208	2,256,667	2,256,667	
November 05	2,432,569	231,581	59,421,231	3,493,968	-	-	4,005,311	2,526,423	2,526,423	
December 05	2,269,980	216,102	54,650,394	3,213,443	-	-	4,805,678	2,319,246	2,319,246	

CURB-7  
ALS  
11-Dec-06

Total
7,199,943
4,968,439
4,064,370
2,382,026
1,728,760
1,949,665
3,993,338
6,321,810
7,675,316
9,739,353
10,257,283
10,554,469

Aquila Networks - Kansas Gas Operations  
 Kansas Rate Case Test Year Ended June 30, 2006  
 Gas Storage by Month (\$) 2006

CURB-7  
 ALS  
 11-Dec-06

	KN 164104*	NNG 164102	WNG 164107	Centerpoint 164118	Total
January 06	161,509	2,210,723	3,300,677	1,901,025	7,573,934
February 06	161,509	2,184,968	5,379,744	2,815,917	10,542,138
March 06	(4,926)	1,002,166	3,926,607	1,834,048	6,757,895
April 06	(195,590)	121,293	3,564,627	1,276,592	4,766,922
May 06	66,550	172,616	4,005,892	1,458,527	5,703,585
June 06	80,696	58,370	4,178,917	1,498,746	5,816,729
July 06	96,038	481,244	4,548,442	1,635,669	6,761,393
August 06	121,010	1,898,866	4,637,992	1,788,969	8,446,837
September 06	208,944	3,052,888	4,811,697	1,860,305	9,933,834
October 06	338,521	4,912,309	4,836,204	2,097,785	12,184,819

AQUILA, INC.  
AQUILA NETWORKS-KGO  
DOCKET NO. 07-AQLG-432-RTS  
CITIZENS' UTILITY RATEPAYER BOARD  
DATA REQUEST NO. CURB-9

DATE OF REQUEST: 11/28/06  
DATE RESPONSE DUE: 12/12/06  
REQUESTOR: Citizens' Utility Ratepayer Board  
AUDITOR: David Springe  
ANSWERED BY: Pam Ferguson  
WITNESS: Rich Petersen  
DATE RESPONDED: 11/29/06  
SUBJECT: Prepayments  
REFERENCE: Section 3, Schedule 2, page 1

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REQUEST:

Regarding Section 3, Schedule 2, page 1, please provide the monthly balance for prepayments for each of the past sixty months.

RESPONSE:

Attached is an excel file that contains the monthly balances for prepayments.

ATTACHMENT:

Excel file CURB-9 KS Prepayments

Verification of Response

I have read the foregoing Data Request and Answer(s) thereto and find answer(s) to be true, accurate, full and complete and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Citizens' Utility Ratepayer Board any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Data Request.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

Aquila Networks - KGO  
State of Kansas  
Prepayments  
CURB-9

13 Mo ended December 31, 2003	2,562,584.95
13 Mo ended December 31, 2004	1,725,193.09
13 Mo ended June 30, 2005	1,528,347.83
13 Mo ended December 31, 2005	1,438,931.05
13 Mo ended June 30, 2006	1,312,320.55



Aquila Networks - KGO  
 Kansas 13 Month Average Ending June 30, 2006  
 Prepayments  
 CURB-9

	Prepaid Insurance I65002	Prepaid Pension Pnd 165006	Prepaid Pension Ucu 165006	Prepaid Gas Pnd 165001	Small World Ucu 165999	Misc Ucu 165999	Misc Pnd 165999	Total
June 05	359,390.83	917,396.50	105,988.85	0.00	1,474.06	0.00	0.00	1,384,250.24
July 05	309,487.37	886,255.95	107,241.10	0.00	487.50	0.00	0.00	1,303,471.92
Aug 05	250,463.91	848,098.99	102,134.02	0.00	(480.15)	0.00	0.00	1,200,216.77
Sep 05	196,000.45	809,942.03	519,154.45	0.00	2,607.03	0.00	0.00	1,527,703.96
Oct 05	138,496.99	771,785.07	514,047.37	0.00	1,639.37	0.00	0.00	1,425,968.80
Nov 05	85,326.54	733,628.11	508,940.29	0.00	1,229.52	0.00	0.00	1,329,124.46
Dec 05	32,610.93	1,054,735.22	110,202.26	0.00	819.68	0.00	0.00	1,198,368.09
Jan 06	358,425.50	650,941.00	8,206.94	0.00	819.68	0.00	0.00	1,018,393.12
Feb 06	719,639.26	609,809.00	(11,874.39)	0.00	0.00	0.00	0.00	1,317,573.87
Mar 06	709,183.88	568,677.00	(31,955.71)	0.00	0.00	0.00	0.00	1,245,905.17
Apr 06	614,960.88	527,545.00	(52,037.04)	0.00	0.00	0.00	0.00	1,090,468.84
May 06	538,560.94	486,413.00	(72,118.37)	0.00	0.00	0.00	0.00	952,855.57
June 06	475,157.12	445,281.00	(92,199.70)	1,237,627.86	0.00	0.00	0.00	2,065,866.28
	<u>4,787,704.60</u>	<u>9,310,507.87</u>	<u>1,715,730.07</u>	<u>1,237,627.86</u>	<u>8,596.69</u>	<u>0.00</u>	<u>0.00</u>	<u>17,060,167.09</u>
							<b>13 Mo Avg</b>	<b>1,312,320.55</b>

Aquila Networks - KGO  
 Kansas 13 Month Average Ending June 30, 2005  
 Prepayments  
 CURB-9

	Prepaid Insurance 165002	Prepaid Pension Pnd 165006	Prepaid Pension Ucu 165006	Oracle Ucu 165999	Small World Ucu 165999	Misc 165999	Total
June 04	274,072.99	1,398,407.86	166,489.17	8,510.65	13,067.04	0.00	1,860,547.71
July 04	218,449.71	1,214,470.96	152,747.15	6,382.98	12,256.52	0.00	1,604,307.32
Aug 04	177,939.74	1,187,231.70	148,429.05	4,255.32	11,276.30	0.00	1,529,132.11
Sep 04	140,588.49	1,159,992.45	144,110.95	2,127.66	10,296.07	0.00	1,457,115.62
Oct 04	99,387.12	1,132,753.20	139,792.85	0.00	9,315.85	0.00	1,381,249.02
Nov 04	65,596.04	1,105,513.95	135,474.75	0.00	8,335.63	0.00	1,314,920.37
Dec 04	117,845.44	1,078,274.70	131,156.65	0.00	7,355.40	0.00	1,334,632.19
Jan 05	386,179.72	1,051,035.44	126,832.75	0.00	6,375.18	0.00	1,570,423.09
Feb 05	603,783.86	1,023,796.19	122,508.85	0.00	5,394.95	0.00	1,755,483.85
Mar 05	527,341.21	996,556.94	118,184.95	0.00	4,414.73	0.00	1,646,497.83
Apr 05	474,397.75	969,317.69	112,094.70	0.00	3,434.51	0.00	1,559,244.65
May 05	418,414.29	942,078.44	107,770.80	0.00	2,454.28	0.00	1,470,717.81
June 05	359,390.83	917,396.50	105,988.85	0.00	1,474.06	0.00	1,384,250.24
	<u>3,863,387.19</u>	<u>14,176,826.02</u>	<u>1,711,581.47</u>	<u>21,276.61</u>	<u>95,450.52</u>	<u>0.00</u>	<u>19,868,521.81</u>
						<b>13 Mo Avg</b>	<b>1,528,347.83</b>

Aquila Networks - KGO  
 Kansas 13 Month Average Ending December 31, 2005  
 Prepayments  
 CURB-9

	Prepaid Insurance 165002	Prepaid Pension Pnd 165006	Prepaid Pension Ucu 165006	Misc Pnd 165999	Small World Ucu 165999	Misc Ucu 165999	Misc Ucu 165999	Total
Dec 04	117,845.44	1,078,274.70	131,156.65	0.00	7,355.40	0.00	0.00	1,334,632.19
Jan 05	386,179.72	1,051,035.44	126,832.75	0.00	6,375.18	0.00	0.00	1,570,423.09
Feb 05	603,783.86	1,023,796.19	122,508.85	0.00	5,394.95	0.00	0.00	1,755,483.85
Mar 05	527,341.21	996,556.94	118,184.95	0.00	4,414.73	0.00	0.00	1,646,497.83
Apr 05	474,397.75	969,317.69	112,094.70	0.00	3,434.51	0.00	0.00	1,559,244.65
May 05	418,414.29	942,078.44	107,770.80	0.00	2,454.28	0.00	0.00	1,470,717.81
June 05	359,390.83	917,396.50	105,988.85	0.00	1,474.06	0.00	0.00	1,384,250.24
July 05	309,487.37	886,255.95	107,241.10	0.00	487.50	0.00	0.00	1,303,471.92
Aug 05	250,463.91	848,098.99	102,134.02	0.00	(480.15)	0.00	0.00	1,200,216.77
Sep 05	196,000.45	809,942.03	519,154.45	0.00	2,607.03	0.00	0.00	1,527,703.96
Oct 05	138,496.99	771,785.07	514,047.37	0.00	1,639.37	0.00	0.00	1,425,968.80
Nov 05	85,326.54	733,628.11	508,940.29	0.00	1,229.52	0.00	0.00	1,329,124.46
Dec 05	32,610.93	1,054,735.22	110,202.26	0.00	819.68	0.00	0.00	1,198,368.09
	<u>3,899,739.29</u>	<u>12,082,901.27</u>	<u>2,686,257.04</u>	<u>0.00</u>	<u>37,206.06</u>	<u>0.00</u>	<u>0.00</u>	<u>18,706,103.66</u>

	Prepaid Pension Pnd	July - Dec 04	Jan - Jun 05	July - Dec 05	13 Mo Avg
Dec 04	6,872,369.00	6.17%	6.17%	6.09%	1,438,931.05
Jan 05	6,698,760.00	20.38%	20.38%	19.26%	
Feb 05	6,525,151.00	15.69%	15.69%	15.81%	
Mar 05	6,351,542.00	23.69%	23.69%	23.62%	
Apr 05	6,177,933.00	27.42%	27.42%	28.09%	
May 05	6,004,324.00	6.65%	6.65%	7.13%	
June 05	5,847,014.00	100.00%	100.00%	100.00%	
July 05	5,605,667.00				
August 05	5,364,320.00				
Sept 05	5,122,973.00				
Oct 05	4,881,626.00				
Nov 05	4,640,279.00				
Dec 05	6,671,317.00				
	<u>76,763,275.00</u>				

Aquila Networks - KGO  
 Kansas 13 Month Average Ending December 31, 2004  
 Prepayments  
 CURB-9

	Prepaid Insurance 165002	Prepaid Pension Pnd 165006	Prepaid Pension Ucu 165006	Oracle Ucu 165999	Small World Ucu 165999	Attachmate Ucu 165999	Misc	Total
Dec 03	91,057.86	1,440,867.99	341,896.27	21,276.62	18,872.98	(156.88)	0.00	1,913,814.84
Jan 04	226,948.44	1,390,440.64	333,819.65	19,148.95	17,905.33	0.00	0.00	1,988,263.01
Feb 04	410,023.64	1,340,013.29	325,743.04	17,021.29	16,937.67	0.00	0.00	2,109,738.93
Mar 04	377,548.12	1,333,526.98	322,226.06	14,893.63	15,970.01	0.00	0.00	2,064,164.80
Apr 04	331,199.51	1,439,346.78	167,725.34	12,765.97	15,002.36	0.00	0.00	1,966,039.96
May 04	314,176.21	1,403,566.44	161,168.60	10,638.31	14,034.70	0.00	0.00	1,903,584.26
June 04	274,072.99	1,398,407.86	166,489.17	8,510.65	13,067.04	0.00	0.00	1,860,547.71
July 04	218,449.71	1,214,470.96	152,747.15	6,382.98	12,256.52	0.00	0.00	1,604,307.32
Aug 04	177,939.74	1,187,231.70	148,429.05	4,255.32	11,276.30	0.00	0.00	1,529,132.11
Sep 04	140,588.49	1,159,992.45	144,110.95	2,127.66	10,296.07	0.00	0.00	1,457,115.62
Oct 04	99,387.12	1,132,753.20	139,792.85	0.00	9,315.85	0.00	0.00	1,381,249.02
Nov 04	65,596.04	1,105,513.95	135,474.75	0.00	8,335.63	0.00	0.00	1,314,920.37
Dec 04	117,845.44	1,078,274.70	131,156.65	0.00	7,355.40	0.00	0.00	1,334,632.19
	<u>2,844,833.31</u>	<u>16,624,406.94</u>	<u>2,670,779.53</u>	<u>117,021.38</u>	<u>170,625.86</u>	<u>(156.88)</u>	<u>0.00</u>	<u>22,427,510.14</u>

	Pnd	Prepaid Pension		13 Mo Avg	
		July - Dec 04	Jan - Jun 05	13 Mo Avg	
Dec 03	8,154,318.00	5.96%	6.17%		
Jan 04	7,868,934.00	21.08%	20.38%		
Feb 04	7,583,550.00	17.67%	15.69%		
Mar 04	7,546,842.00	20.76%	23.69%		
Apr 04	8,145,709.00	27.53%	27.42%		
May 04	7,943,217.00	7.00%	6.65%		
June 04	7,914,023.00	100.00%	100.00%		
July 04	7,740,414.00				
Aug 04	7,566,805.00				
Sept 04	7,393,196.00				
Oct 04	7,219,587.00				
Nov 04	7,045,978.00				
Dec 04	6,872,369.00				
	<u>98,994,942.00</u>				

Aquila Networks - KGO  
 Kansas 13 Month Average Ending December 31, 2003  
 Prepayments  
 CURB-9

	Prepaid Insurance 165002	Prepaid Pension Pnd 165006	Prepaid Pension Ucu 165006	Oracle Ucu 165999	Small World Ucu 165999	DB2 Connect Ucu 165999	Cis+ Miframe Ucu 165999	Attachmate Ucu 165999	Total
Dec 02	3,932.57	2,036,805.04	332,883.84	230,445.44	115,751.62	937.83	0.00	0.00	2,720,756.34
Jan 03	348,020.96	1,995,612.16	267,601.72	188,510.34	113,840.17	388.32	0.00	2,550.08	2,916,523.75
Feb 03	612,462.05	1,945,228.10	259,533.53	186,183.05	111,928.72	0.00	0.00	2,304.11	3,117,639.56
Mar 03	619,429.31	1,894,844.04	251,465.28	183,855.77	110,017.26	0.00	0.00	2,058.14	3,061,669.80
Apr 03	482,739.22	1,844,459.98	243,397.15	181,528.48	108,105.81	0.00	0.00	1,812.16	2,862,042.80
May 03	437,218.17	1,794,075.92	235,328.96	179,201.19	106,194.36	0.00	0.00	1,566.19	2,753,584.79
June 03	381,924.89	1,743,691.86	227,260.77	176,873.90	104,282.91	0.00	0.00	1,320.22	2,635,354.55
July 03	345,794.79	1,693,307.80	219,192.58	174,546.61	102,371.45	0.00	0.00	1,074.25	2,536,287.48
Aug 03	297,622.72	1,642,923.73	211,124.39	45,665.46	100,460.00	0.00	0.00	828.28	2,298,624.58
Sep 03	249,450.65	1,592,539.67	366,202.18	39,568.33	21,775.95	0.00	0.00	582.30	2,270,119.08
Oct 03	224,122.62	1,542,155.61	358,133.99	33,471.09	20,808.30	0.00	0.00	336.33	2,179,027.94
Nov 03	159,585.77	1,491,295.34	349,972.89	27,373.85	19,840.64	0.00	0.00	90.36	2,048,158.85
Dec 03	91,057.86	1,440,867.99	341,896.27	21,276.62	18,872.98	0.00	0.00	(156.88)	1,913,814.84
	<u>4,253,361.58</u>	<u>22,657,807.24</u>	<u>3,663,993.55</u>	<u>1,668,500.13</u>	<u>1,054,250.17</u>	<u>1,326.15</u>	<u>0.00</u>	<u>14,365.54</u>	<u>33,313,604.36</u>

13 Mo Avg

13 Mo Avg

2,562,584.95

Prepaid Pension Pnd	Prepaid Pension Ucu 165006	Payroll	%
Dec 02	11,577,724.00	3,044	5.96%
Jan 03	11,293,787.00	10,777	21.08%
Feb 03	11,008,648.00	9,031	17.67%
Mar 03	10,723,509.00	10,612	20.76%
Apr 03	10,438,370.00	14,072	27.53%
May 03	10,153,231.00	3,580	7.00%
June 03	9,868,092.00	51,116	100.00%
July 03	9,582,953.00		
Aug 03	9,297,814.00		
Sep 03	9,012,675.00		
Oct 03	8,727,536.00		
Nov 03	8,439,702.00		
Dec 03	8,154,318.00		
	<u>128,278,359.00</u>		

Aquila Networks - KGO  
 Kansas 13 Month Average Ending December 31, 2002  
 Prepayments  
 CURB-9

	Prepaid Insurance 165002	Prepaid Pension Pnd 165006	Prepaid Pension Ucu 165006	Oracle Ucu 165999	Small World Ucu 165999	DB2 Connect Ucu 165999	Cis+ Mframe Ucu 165999	Total
Dec 01	46,917.35	333,290.05	289,264.52	231,148.02	142,291.37	5,744.19	32,145.57	1,080,801.07
Jan 02	44,883.13	357,416.97	333,218.68	261,358.86	136,777.60	6,095.87	29,466.78	1,169,217.89
Feb 02	45,551.86	310,817.41	323,957.63	258,548.55	134,866.15	5,626.96	26,787.98	1,106,156.54
Mar 02	44,133.07	292,600.85	329,830.40	255,738.24	132,954.69	5,158.05	24,109.18	1,084,524.48
Apr 02	39,712.50	274,384.30	326,440.96	252,927.93	131,043.24	4,689.13	21,430.38	1,050,628.44
May 02	35,291.93	256,167.74	323,051.52	250,117.61	129,131.79	4,220.22	17,941.72	1,015,922.53
June 02	33,638.38	237,951.19	319,662.08	247,307.30	127,220.34	3,751.31	16,072.79	985,603.39
July 02	28,378.64	209,789.62	318,844.03	244,496.99	125,308.88	3,282.39	13,393.99	943,494.54
Aug 02	22,952.52	191,573.07	315,454.59	241,686.68	123,397.43	2,813.48	10,715.19	908,592.96
Sep 02	20,682.07	173,356.51	2,552,065.15	238,876.37	121,485.98	2,344.57	8,036.39	3,116,847.04
Oct 02	14,785.28	153,441.89	2,549,141.31	236,066.06	119,574.53	1,875.65	5,357.60	3,080,242.32
Nov 02	8,355.19	135,225.33	2,545,751.87	233,255.75	117,663.07	1,406.74	2,678.80	3,044,336.75
Dec 02	3,836.51	2,034,753.27	332,883.84	230,445.44	115,751.62	937.83	0.00	2,718,608.51
	<u>389,118.43</u>	<u>4,960,768.18</u>	<u>10,859,566.58</u>	<u>3,181,973.80</u>	<u>1,657,466.69</u>	<u>47,946.39</u>	<u>208,136.37</u>	<u>21,304,976.44</u>

	Prepaid Pension Pnd	Payroll	%	13 Mo Avg
Dec 01	1,975,851.66	3,488	6.06%	1,639,925.61
Jan 02	2,033,698.66	11,379	19.76%	
Feb 02	1,768,547.66	10,119	17.57%	
Mar 02	1,664,895.66	13,932	24.20%	
Apr 02	1,561,243.66	14,746	25.61%	
May 02	1,457,591.66	3,855	6.70%	
June 02	1,353,939.66	35	0.06%	
July 02	1,193,700.66	12	0.02%	
Aug 02	1,090,048.66	11	0.02%	
Sep 02	986,396.66	57,577	100.00%	
Oct 02	873,082.66			
Nov 02	769,430.66			
Dec 02	11,577,724.00			
	<u>28,306,151.92</u>			

Aquila Networks - KGO  
 Kansas 13 Month Average Ending December 31, 2001  
 Prepayments  
 CURB-9

	Prepaid Insurance 165002	Prepaid Pension Pnd 165006	Prepaid Pension Ucu 165006	Oracle Ucu 165999	Small World Ucu 165999	DB2 Connect Ucu 165999	Cis+ Mframe Ucu 165999	Total
Dec 00	48,825.69	99,104.50	217,305.00	242,038.00	118,164.00	0.00	0.00	725,437.19
Jan 01	82,002.58	118,619.96	238,624.40	258,197.26	110,051.39	0.00	0.00	807,495.59
Feb 01	90,491.32	138,135.43	243,228.04	255,738.24	108,972.45	0.00	0.00	836,565.48
Mar 01	87,510.60	157,650.89	247,831.69	253,279.22	107,893.52	0.00	0.00	854,165.92
Apr 01	82,980.21	177,166.35	252,435.34	250,820.19	106,814.58	9,026.58	0.00	879,243.25
May 01	77,714.13	196,681.81	257,038.99	248,361.17	105,735.65	8,616.28	0.00	894,148.03
June 01	75,045.30	216,197.28	261,642.64	245,902.15	157,586.63	8,205.98	0.00	964,579.98
July 01	70,223.12	235,712.74	266,246.28	243,443.13	156,507.70	7,795.68	0.00	979,928.65
Aug 01	63,914.07	255,228.20	270,849.93	240,984.11	155,428.76	7,385.38	0.00	993,790.45
Sep 01	102,901.82	274,743.67	275,453.58	238,525.09	154,349.83	6,975.08	0.00	1,052,949.07
Oct 01	56,506.56	294,259.13	280,057.23	236,066.06	153,270.89	6,564.79	32,145.57	1,058,870.23
Nov 01	51,684.38	313,774.59	284,660.88	233,607.04	152,191.95	6,154.49	32,145.57	1,074,218.90
Dec 01	46,917.35	333,290.05	289,264.52	231,148.02	142,291.37	5,744.19	32,145.57	1,080,801.07
	936,717.13	2,810,564.61	3,384,638.52	3,178,109.68	1,729,258.72	66,468.45	96,436.71	12,202,193.82

	Prepaid Pension Pnd	Payroll	%	13 Mo Avg
Dec 00	587,523.66	2,083	6.07%	938,630.29
Jan 01	703,217.66	7,406	21.58%	
Feb 01	818,911.66	5,790	16.87%	
Mar 01	934,605.66	7,611	22.17%	
Apr 01	1,050,299.66	8,959	26.10%	
May 01	1,165,993.66	2,412	7.03%	
Jun 01	1,281,687.66	37	0.11%	
Jul 01	1,397,381.66	11	0.03%	
Aug 01	1,513,075.66	16	0.05%	
Sep 01	1,628,769.66			
Oct 01	1,744,463.66			
Nov 01	1,860,157.66			
Dec 01	1,975,851.66			
	16,661,939.58	34,325	100.00%	

AQUILA, INC.  
AQUILA NETWORKS-KGO  
DOCKET NO. 07-AQLG-431-RTS  
CITIZENS' UTILITY RATEPAYER BOARD  
DATA REQUEST NO. CURB-15

DATE OF REQUEST: 11/28/06  
DATE RESPONSE DUE: 12/12/06  
REQUESTOR: Citizens' Utility Ratepayer Board  
AUDITOR: David Springe  
ANSWERED BY: Kim Winslow  
WITNESS: Kim Winslow  
DATE RESPONDED: December 4, 2006  
SUBJECT: Annualized Customers  
REFERENCE: Income Statement

---

REQUEST:

Did the Company include an adjustment to reflect annualized customers at the end of the test period? If yes, please identify where this adjustment has been made. If no, then please explain why no such adjustment was made.

RESPONSE:

No, I considered it unnecessary. In order to reflect annualized customers at the end of the test year period, the Company's rate base and expenses would need to be in sync with such an adjustment. The Company's plant in service is based on year end balances; however other rate base items, such as materials and supplies and gas storage, are based on a 13 month average. In addition, there was no customer annualization adjustment in the Company's prior case.

An adjustment to annualize numbers of customers is usually problematic because numbers of customers normally fluctuate from month to month. For example, the number of residential gas customers is seasonal. Thus, annualized number of customers is not equal to the number of customers billed during the final month of the test year. In this case (test year ended June 30, 2006), the number of residential customers served in June is lower than in December.

ATTACHMENT:

None.



AQUILA, INC.  
AQUILA NETWORKS-KGO  
DOCKET NO. 07-AQLG-431-RTS  
CITIZENS' UTILITY RATEPAYER BOARD  
DATA REQUEST NO. CURB-26

DATE OF REQUEST: 11/28/06  
DATE RESPONSE DUE: 12/12/06  
REQUESTOR: Citizens' Utility Ratepayer Board  
AUDITOR: David Springe  
ANSWERED BY: Ann Stichler  
WITNESS: Rich Petersen  
DATE RESPONDED: December 8, 2006  
SUBJECT: Salary and Wage Increases  
REFERENCE: Union and Non-Union Employees

---

REQUEST:

Please provide the percentage of salary and wage increases granted to employees in each of the past five years, as well as the projected increases estimated in the filing. If applicable, please provide this information separately for union and non-union personnel.

RESPONSE: The following percentages represent the average merit increases granted to Total Aquila Networks and Corporate non-union employees:

2002	3.29%
2003	2.93%
2004	3.41%
2005	3.19%
2006	3.10%

Please see the attached file for union increases granted during the past five years.

The projected increases estimated in the filing were as follows: 1) 3% for non-union employees; 2) 3.21% for Direct KGO union employees; 3) 3% for Call Center union employees; and, 4) an average of 3% for various Meter Shop qualified employees.

ATTACHMENT: CURB-26 Union Increases.xls

<b>Union #</b>	<b>Union Name</b>	<b>Effective Date</b>	<b>% Change</b>
Union 11	Kansas Public Service (CWA Local #6407)	1/1/2002	3%
Union 25	Peoples Natural Gas-Omaha (IBEW Local #244)	3/17/2002	3.10%

Source: Denise Hoenshell (Aquila HR Dept)

Union #	Union	Contract Expires	Effective Date in 2003	Effective Date in 2004	Effective Date in 2005	Effective Date in 2006
28	Iowa IBEW #204	4/27/2007	no union contract in 2003; contract ratified April 28, 2004 no increases	04/28/04 2.95%	04/28/05 2%	04/28/06 2%
11	Kansas CWA #6407	12/31/2008	01/01/03 All ee's except meter readers 2% Meter readers 1%	01/01/04 All ee's except meter readers 2.5% Meter readers 1%	01/01/05 All ee's except meter readers 3% Meter readers 1%	01/01/06 3.50%
25	Nebraska IBEW #244	12/31/2007	01/01/03 3%	01/01/04 3%	01/01/05 Field 2.85% Call Center 3%	01/01/06 Field 2.75% Call Center 3%

1) Through agreement with the Union, employees progressed through a pay grade scale in 6-month increments. During this process were employees who received a 2% raise in April and a 3.3% raise in October (effective 10/28). This wage structure was in effect until the employees reached the top of that pay grade. Once at the top of the pay grade, they then only received the annual general wage increase in April.

AQUILA, INC.  
AQUILA NETWORKS-KGO  
DOCKET NO. 07-AQLG-432-RTS  
CITIZENS' UTILITY RATEPAYER BOARD  
DATA REQUEST NO. CURB-33

DATE OF REQUEST: 11/28/06  
DATE RESPONSE DUE: 12/12/06  
REQUESTOR: Citizens' Utility Ratepayer Board  
AUDITOR: David Springe  
ANSWERED BY: Jerl Banning/Kelly Bradley  
WITNESS: Rich Petersen  
DATE RESPONDED: 12/08/06  
SUBJECT: Employee variable compensation expense adj.  
REFERENCE: Adj. No. 14

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REQUEST:

Regarding the revised employee variable compensation expense adjustment shown in Section 3, Schedule 2, page 18 (Adjustment No. 14), please:

- a) state if this is a new program,
- b) provide a complete description of the program,
- c) provide information about the program that was distributed to employees,
- d) describe how this program is different from other incentive compensation programs that are in place.

RESPONSE:

- a) This is not a new variable compensation program. The employee target incentive opportunities were increased from the 2005 plan. See attachment CURB-33\_2005 vs 2006 targets
- b) See attachment CURB-33\_2006\_vcplandocument
- c) See attachment CURB-33\_2006\_vcpresentation and the employee communication in attachment CURB-33\_2006\_vcInfonet
- d) This is the only variable compensation plan established for employees. Neither union employees nor top executives are eligible for the plan. The plan is based on annual measures of Corporate, State and Individuals goals.

ATTACHMENT:

CURB-33\_2005 vs 2006 targets  
CURB-33\_2006\_vcplandocument  
CURB-33\_2006\_vcpresentation  
CURB-33\_2006\_vcInfonet

# Variable comp target opportunities rise in '06

April 6, 2006 – Aquila senior leaders and the Board of Directors approved a 2006 Annual Variable Compensation Plan for U.S. non-union employees in February. Formal communications for the 2006 variable compensation began in mid-March.

In an effort to better recognize employee dedication to the business and to bring target opportunities closer to market, the targets for each variable compensation band will increase by 50 percent over the 2005 targets (table).

VC Band	Description	'05 Target*	'06 Target*
Band A	Non-exempt	2%	3%
Band B	Professionals	4%	6%
Band C	Senior professionals and management	6%	9%
Band D	Leader of a major function	8%	12%

*\*Targets reflect a percentage of base salary plus overtime*

Also new this year, employees who are severed under the Workforce Transition Plan or transferred to a successor in interest will receive a prorated variable compensation payout. Details are in the [2006 Variable Compensation Presentation](#).

Actual amounts earned will be tied to corporate-wide performance on goals related to customer service, reliability, safety, effective use of capital and the reduction of the ongoing cost of service, as well as individual and state performance.

More details will be available from your supervisors and Human Resources managers in coming weeks. Variable compensation information is posted on the [Compensation Home Page](#).

Aquila senior executives and Everest employees are not eligible for the 2006 Variable Compensation Plan.

Have information about Aquila events or activities that you'd like to share in InfoNet Online? Send it to [Mike Glynn](#) or [Brandee Smith](#), Aquila, 20 West Ninth, Kansas City, Mo. 64105.

Feedback: [Corporate Communications](#)

Last modified: 08/21/06 09:33 AM



AQUILA, INC.  
AQUILA NETWORKS-KGO  
DOCKET NO. 07-AQLG-431-RTS  
CITIZENS' UTILITY RATEPAYER BOARD  
DATA REQUEST NO. CURB-78

DATE OF REQUEST: 11/28/06  
DATE RESPONSE DUE: 12/12/06  
REQUESTOR: Citizens' Utility Ratepayer Board  
AUDITOR: David Springe  
ANSWERED BY: Becky Tangeman  
WITNESS: Rich Petersen  
DATE RESPONDED: 12/07/06  
SUBJECT: Capital Structure  
REFERENCE: Section 7, Schedule 1, page 1

---

REQUEST:

Regarding the 6/30/06 capital structure shown in Section 7, Schedule 1, page 1, please confirm that this capital structure is only a subset of the total Aquila capital structure. If this is correct, please update this capital structure to reflect the Aquila, total company, capital structure a) at June 30, 2006 and b) for the latest date available.

RESPONSE:

The capital structure shown in Section 7, Schedule 1, page 1 is only a portion of the total Aquila capital structure. Attached is an Excel file that shows Total Aquila capital structure for June 30, 2006 and for September 30, 2006.

ATTACHMENT:

Excel file: Aquila Networks-KGO CURB 78

Verification of Response

I have read the foregoing Data Request and Answer(s) thereto and find answer(s) to be true, accurate, full and complete and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Citizens' Utility Ratepayer Board any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Data Request.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

**AQUILA NETWORKS - CURB DR 78**

**TOTAL AQUILA**

**CAPITALIZATION**

**AS OF JUNE 30, 2006 & AS OF SEPTEMBER 30, 2006**

**(Rounded to 000's)**

**CURB-78**

	Amount	% of Capitalization	Weighted Average Cost of Capital	Rate of Return
<b>6/30/2006</b>				
Long Term Debt	1,615,438	58.306%	10.580%	6.169%
Equity	1,155,200	41.694%	12.000%	5.003%
Total Capitalization	<u>2,770,638</u>	<u>100.000%</u>		<u>11.172%</u>

	Amount	% of Capitalization	Weighted Average Cost of Capital	Rate of Return
<b>9/30/06</b>				
Long Term Debt	1,405,130	52.484%	10.530%	5.527%
Equity	1,272,100	47.516%	12.000%	5.702%
Total Capitalization	<u>2,677,230</u>	<u>100.000%</u>		<u>11.229%</u>

source: equity from 10Q, ltd from attached schedules  
rate of return from KS requested return

Aquila, Inc.  
 Weighted Average Cost of Debt  
 June 30, 2006  
 CURB-78

	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	AMOUNT OUTSTANDING	RELATIVE ISSUANCE COSTS	NET PROCEEDS	ANNUAL INTEREST	COST OF MONEY
<b>LONG-TERM DEBT SERIES @ 6-30-06</b>								
Convertible Subordinated Debentures	7/24/1986	7/1/2011	6.625%	1,997,001	104,896	1,892,105	132,301	6.992%
Wamego, KS Pollution Control Bonds	3/1/1996	3/1/2026	3.764%	7,300,000	422,982	6,877,018	274,772	3.996%
Senior Notes, 9.0% Series	11/25/1991	11/15/2021	9.000%	5,000,000	100,610	4,899,390	450,000	9.185%
Senior Notes, 8.2% Series	1/29/1992	1/15/2007	8.200%	14,596,000	1,464,422	13,131,578	1,196,872	9.114%
Senior Notes, 8.0% Series	3/3/1993	3/1/2023	8.000%	51,500,000	816,791	50,683,209	4,120,000	8.129%
Environmental Improvement Bonds	5/26/1993	5/1/2028	3.982%	5,000,000	111,563	4,888,437	199,100	4.073%
Sanwa Bus CC	12/9/1995	12/9/2009	6.990%	2,840,445	12,139	2,828,306	198,547	7.020%
Senior Notes, 6.7% Series	10/17/1996	10/15/2006	6.700%	1,410,000	9,398	1,400,602	94,470	6.745%
Senior Notes, 8.27% Series	3/31/1999	11/15/2021	8.270%	80,850,000	2,203,749	78,646,251	6,686,295	8.502%
Senior Notes, 7.625% Series	11/15/1999	11/15/2009	7.625%	68,489,000	1,036,149	67,452,851	5,222,286	7.742%
SJLP FMB	11/25/1991	2/1/2021	9.440%	16,875,000	498,490	16,376,510	1,593,000	9.727%
SJLP Unsecured MTN	12/6/1993	12/1/2023	7.170%	7,000,000	382,259	6,617,741	501,900	7.584%
SJLP Unsecured MTN	11/30/1993	11/30/2023	7.330%	3,000,000	163,606	2,836,394	219,900	7.753%
SJLP Unsecured MTN	11/30/1993	11/29/2013	7.160%	6,000,000	327,159	5,672,841	429,600	7.573%
SJLP Unsecured MTN	11/30/1993	11/29/2013	7.130%	1,000,000	54,526	945,474	71,300	7.541%
SJLP Unsecured Pollution Control Bonds	6/4/1995	2/1/2013	5.850%	5,600,000	913,838	4,686,162	327,600	6.991%
Senior Notes, 7.95% Series (downgrade 9.95%)	2/1/2001	2/1/2011	9.950%	137,310,000	1,033,098	136,276,902	13,662,345	10.025%
Senior Notes, 11.875% Series (downgrade 14.875%)	7/3/2002	7/1/2012	14.875%	500,000,000	9,365,205	490,634,795	74,375,000	15.159%
QUIBS	2/28/2002	3/1/2032	7.875%	287,500,000	9,432,634	278,067,366	22,640,625	8.142%
Mandatorily Convertible Senior Notes (PIES)	8/24/2004	9/15/2007	6.750%	2,598,875	80,601	2,518,274	175,424	6.966%
Term Loan	9/20/2004	9/19/2009	10.920%	210,000,000	5,574,378	204,425,622	22,932,000	11.218%
MZ Partners	12/1/2004	1/2/2010	4.75%	1,350,954	17,468	1,343,486	64,645	4.812%
MZ Partners Nebraska	6/9/1994	7/1/2009	7.88%	1,211,093	21,249	1,189,844	95,374	8.016%
UCFC 7.75% Senior Notes	6/20/2001	6/15/2011	7.750%	197,000,000	17,097,149	179,902,851	15,267,500	8.487%
<b>Total Long Term Debt</b>				<u>1,615,438,368</u>		<u>1,564,194,010</u>	<u>170,930,857</u>	

ltd ave interest rate = 10.58%  
 Total annualized interest expense divided by total ltd balance

**Note:** On August 31, 2005, Aquila, Inc. issued a \$300M Credit Facility related to latan. As of June 30, 2006, this facility has not been drawn upon, therefore there is no Long-Term Debt outstanding.



**AQUILA INC**  
**COST OF DEBT**  
**AS OF 9/30/06**  
**CURB-78**

**LONG-TERM DEBT SERIES @ 9-30-06**

	DATE OF ISSUANCE	DATE OF MATURITY	INTEREST RATE	AMOUNT OUTSTANDING	RELATIVE ISSUANCE COSTS	NET PROCEEDS	ANNUAL INTEREST	COST OF MONEY
Convertible Subordinated Debentures	7/24/1986	7/1/2011	6.625%	1,992,001	104,634	1,887,367	131,970	6.992%
Wamego, KS Pollution Control Bonds	3/1/1996	3/1/2026	3.627%	7,300,000	422,982	6,877,018	264,771	3.850%
Senior Notes, 9.0% Series	11/15/1991	11/15/2021	9.000%	5,000,000	100,610	4,899,390	450,000	9.185%
Senior Notes, 8.2% Series	1/29/1992	1/15/2007	8.200%	14,596,000	1,464,422	13,131,578	1,196,872	9.114%
Senior Notes, 8.0% Series	3/3/1993	3/1/2023	8.000%	51,500,000	816,791	50,683,209	4,120,000	8.129%
Environmental Improvement Bonds	5/26/1993	5/1/2028	3.740%	5,000,000	111,563	4,888,437	187,000	3.825%
Sanwa Bus CC	12/9/1995	12/9/2009	6.990%	2,659,606	11,366	2,648,240	185,906	7.020%
Senior Notes, 6.7% Series	10/17/1996	10/15/2006	6.700%	1,410,000	9,398	1,400,602	94,470	6.745%
Senior Notes, 8.27% Series	3/31/1999	11/15/2021	8.270%	80,850,000	2,203,749	78,646,251	6,686,295	8.502%
Senior Notes, 7.625% Series	11/15/1999	11/15/2009	7.625%	68,489,000	1,036,149	67,452,851	5,222,286	7.742%
SJLP FMB	11/25/1991	2/1/2021	9.440%	16,875,000	498,490	16,376,510	1,593,000	9.727%
SJLP Unsecured MTN	12/6/1993	12/1/2023	7.170%	7,000,000	382,259	6,617,741	501,900	7.584%
SJLP Unsecured MTN	11/30/1993	11/30/2023	7.330%	3,000,000	163,606	2,836,394	219,900	7.753%
SJLP Unsecured MTN	11/30/1993	11/29/2013	7.160%	6,000,000	327,159	5,672,841	429,600	7.573%
SJLP Unsecured MTN	11/30/1993	11/29/2013	7.130%	1,000,000	54,526	945,474	71,300	7.541%
SJLP Unsecured Pollution Control Bonds	6/4/1995	2/1/2013	5.850%	5,600,000	913,838	4,686,162	327,600	6.991%
Senior Notes, 7.95% Series (downgrade 9.95%)	2/1/2001	2/1/2011	9.950%	137,310,000	1,033,098	136,276,902	13,662,345	10.025%
Senior Notes, 11.875% Series (downgrade 14.875%)	7/3/2002	7/1/2012	14.875%	500,000,000	9,365,205	490,634,795	74,375,000	15.159%
QUIBS	2/28/2002	3/1/2032	7.875%	287,500,000	9,432,634	278,067,366	22,640,625	8.142%
Mandatorily Convertible Senior Notes (PIES)	8/24/2004	9/15/2007	6.750%	2,598,875	80,601	2,518,274	175,424	6.966%
MZ Partners	12/1/2004	1/2/2010	4.75%	1,318,412	16,922	1,301,490	62,625	4.812%
MZ Partners Nebraska	6/9/1994	7/1/2009	7.88%	1,130,841	19,841	1,111,000	89,054	8.016%
UCFC 7.75% Senior Notes	6/20/2001	6/15/2011	7.750%	197,000,000	17,097,149	179,902,851	15,267,500	8.487%
<b>Total Long Term Debt</b>				<u>1,405,129,735</u>		<u>1,359,462,745</u>	<u>147,955,443</u>	

ltd ave interest rate = 10.53%

Total annualized interest expense divided by total ltd balance

**Note:**

On August 31, 2005, Aquila, Inc. issued a \$300M Credit Facility related to latan. As of September 30, 2006, this facility has not been drawn upon, therefore there is no Long-Term Debt outstanding.

AQUILA, INC.  
AQUILA NETWORKS-KGO  
DOCKET NO. 07-AQLG-432-RTS  
CITIZENS' UTILITY RATEPAYER BOARD  
DATA REQUEST NO. CURB-80

DATE OF REQUEST: 11/28/06  
DATE RESPONSE DUE: 12/12/06  
REQUESTOR: Citizens' Utility Ratepayer Board  
AUDITOR: David Springe  
ANSWERED BY: Matt Daunis  
WITNESS: Matt Daunis  
DATE RESPONDED: 12/8/06  
SUBJECT: Mr. Daunis' testimony  
REFERENCE: Efficiency programs - page 9, lines 1-10

---

REQUEST:

Please provide a complete description of how the Company plans to measure the effectiveness of the efficiency programs included in its filing, including a) the types of reports to be provided, b) the frequency of reporting, c) how results will be measured, and d) what specific objectives are anticipated.

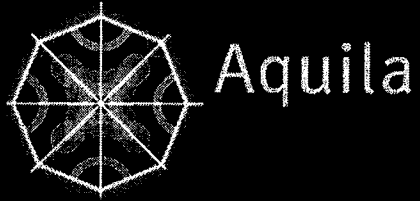
RESPONSE:

Aquila will provide reports on an annual basis. Attached is a recent report of the Company's programs in Iowa that illustrates the type of report that will be provided.

Refer to Exhibit MED-2 for the anticipated savings from the programs as well as the evaluation plans.

ATTACHMENT:

Aquila - Iowa Energy Efficiency Status Report 2005



Aquila

*Curb-80*

**Aquila – Iowa  
Energy Efficiency Status Report  
2005**

*Prepared for:*  
Iowa Utilities Board

*April 28, 2006*

***Prepared by:***  
**Aquila Networks**

K:\2006 Projects\2006-03 (Aquila) Evaluations\Management Task A (Reporting)\2005 Status Report 042806.doc

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# I. Introduction

Aquila operates a suite of programs for its residential, commercial, and industrial consumers in Iowa. These programs are designed to encourage the adoption of high-efficiency gas technologies and behaviors. As requested by the Iowa Utility Board (IUB), Aquila respectfully submits this status report for the program year 2005. In this report, Aquila will:

- Summarize program participation, expenditures, and impacts
- Document adaptive management strategies over the course of the reporting period
- Demonstrate the overall cost effectiveness of specific programs and the overall program portfolio

The various programs offered by Aquila to Iowa customers during 2005 are listed in Table I.1.

**Table I.1: Program Offerings**

	Program
Residential	
Residential Heating	Furnace Replacement
	Envelope Measures Retrofit
	Water Heating
	Setback Thermostats & Maintenance of Furnaces
	Innovative Space & Water Heating Technologies
Residential New Construction	Performance Based Incentives for High-Efficiency Construction
Residential Audit	Site Visits & Low Cost Measures
School-Based Energy Education	Curriculum Materials & Low Cost Measures
Commercial & Industrial	
Commercial & Industrial	Small Commercial Audits
	C&I Prescriptive Rebates
	C&I Custom Rebates
Special Programs	
Low-Income	Weatherization
	Energy Education
	Habitat for Humanity (New Construction)
	Multi-Family Efficiency Improvements
Other	Trees
Other	Energy Center

While spending was higher than budget for the program year, participation and impacts greatly exceeded goals as shown in Figure I.1.

**Figure I.1: 2005 Program Results**

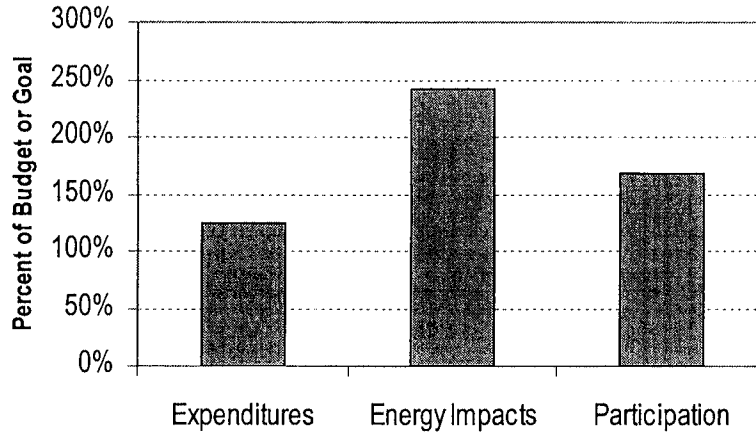


Table I.2 lists compares the Aquila Energy Efficiency Plan goals for 2005 to actual expenditures, impacts and participation. Program expenditures, impacts and participation all exceeded projected budgets and goals as interest in programs was high given industry-wide concerns about increased natural gas prices. Budgets have increased by 2.6% over the 2004 levels as provided for in Aquila’s Energy Efficiency Plan. Participation and impact goals have increased by 2.2%.

**Table I.2: 2005 Program Goals and Performance**

	Budget or Goal	Actual	% Budget or Goal Achieved
Expenditures	\$2,705,722	\$3,355,809	124%
Energy Impacts	77,226	186,885	242%
Demand Impacts	942	2,318	246%
Participation	7,645	12,815	168%

Table I.3 shows the overall energy and demand savings by program, while Table I.4 shows the expenditure by program.

**Table I.3: 2005 Energy Savings (MCF) by Program**

Program	Savings			Peak Savings		
	Goal (MCF)	Actual (MCF)	As Percent of Goal	Annual Goal	To Date	As Percent of Goal
Furnace Replacement	19,832	28,476	144%	291	422	145%
Envelope Measures Retrofit	5,375	26,558	494%	80	396	495%
Water Heater Replacement	1,069	635	59%	3	6	200%
Innovative Space & Water Heating Technologies	1,027	786	77%	13	8	62%
Setback Thermostat & Furnace Maintenance	12,145	35,861	295%	179	420	235%
Residential New Construction	7,659	4,899	64%	98	80	82%
Residential Energy Audits	2,215	7,039	318%	6	84.2	1403%
School-Based Energy Education	907	3,520	388%	9	35	389%
C/I Prescriptive Rebate	16,346	8,304	51%	121	123	101%
C/I Custom Rebate	4,540	64,697	1425%	45	647	1438%
Low-Income Weatherization	2,137	2,137	100%	21	21	100%
Low-Income Energy Education	3,813	3,813	100%	60	60	100%
Multi-Family Efficiency Improvement Program	161	161	100%	16	16	100%
<b>Total</b>	<b>77,226</b>	<b>186,885</b>	<b>242%</b>	<b>942</b>	<b>2,318</b>	<b>246%</b>

**Table I.4: 2005 Expenditures by Program**

Program	Annual Budget	Actual Expenditures	2005 Expenditures as a Percent of Budget
Furnace Replacement	\$610,470	\$716,771	117%
Envelope Measures Retrofit	\$195,453	\$1,012,540	518%
Water Heater Replacement	\$33,858	\$23,303	69%
Innovative Space & Water Heating Technologies	\$39,245	\$42,379	108%
Setback Thermostat & Furnace Maintenance	\$86,184	\$194,857	226%
Residential New Construction	\$364,230	\$235,562	65%
Residential Energy Audits	\$129,276	\$150,951	117%
School Based Energy Education	\$48,222	\$42,000	87%
Small Commercial Energy Audits	\$102,600	\$18,501	18%
C/I Prescriptive Rebate	\$123,120	\$91,675	74%
C/I Custom Rebate	\$138,510	\$131,891	95%
Low-Income Weatherization	\$422,827	\$426,306	101%
Low-Income Energy Education	\$48,233	\$39,341	82%
Habitat for Humanity	\$29,754	\$1,181	4%
Multi-Family Efficiency Improvement Program	\$47,487	\$3,269	7%
Iowa Energy Center & Center for Global Environmental Research	\$172,368	\$111,846	65%
Tree Planting Program	\$113,886	\$113,436	100%
<b>Total</b>	<b>\$2,705,722</b>	<b>\$3,355,809</b>	<b>124%</b>



Table I.5 shows participation by program.

**Table I.5: 2005 Participation by Program**

Program	Participation Goals	Annual Participation	2005 Participation as Percent of Goal
Furnace Replacement	2,044	2,640	129%
Envelope Measures Retrofit	358	1,310	366%
Water Heater Replacement	256	223	87%
Innovative Space & Water Heating Technologies	97	127	131%
Setback Thermostat & Furnace Maintenance	1,073	3,781	352%
Residential New Construction	204	142	70%
Residential Energy Audits	818	2,143	262%
School-Based Energy Education	1,022	840	82%
C/I Energy Audits	179	41	23%
C/I Prescriptive Rebate	358	373	104%
C/I Custom Rebate	66	25	38%
Low-Income Weatherization	180	180	100%
Low-Income Energy Education	990	990	100%
<b>Total</b>	<b>7,645</b>	<b>12,815</b>	<b>168%</b>

Overall program cost-effectiveness is shown in Table I.6. We measure program cost effectiveness from the following perspectives:

- Societal (SOC)
- Utility (UCT)
- Rate Impact (RIM)
- Participant (PCT)

**Table I.6: Program Portfolio Cost Effectiveness**

Test	Total Discounted Costs	Total Discounted Benefits	Net Present Value	Benefit/Cost Ratio
SOC	\$5,566,888	\$12,417,688	\$6,850,801	2.23
UCT	\$3,053,789	\$9,436,859	\$6,383,070	3.09
RIM	\$10,972,488	\$9,436,859	(\$1,535,629)	0.86
PCT	\$2,272,727	\$7,889,275	\$5,616,548	3.47

See Appendix A for a summary of the avoided costs and discount rates used for the analysis conducted for this report.

The year 2005 was an extremely successful program year. As described in the subsequent sections, Aquila:

- Responded to customer needs and concerns about natural gas prices

- Delivered cost-effective savings to both residential and business customers
- Established relationships with key trade allies
- Facilitated coordination with other Iowa utilities to offer low-income multi-family efficiency improvements and education efforts
- Served over 12,000 Iowa homes and nearly 400 businesses
- Generated almost \$7 million in net benefits from a societal perspective

Areas of focus for program year 2006 will include:

- Continued expansion of the Residential New Construction program
- Increased participation in the Small Commercial and Industrial Audit program
- Continued development and increased activity in the low-income multi-family and education initiatives
- Continued success in implementation of other initiatives.

AQUILA, INC.  
AQUILA NETWORKS-KGO  
DOCKET NO. 07-AQLG-431-RTS  
CITIZENS' UTILITY RATEPAYER BOARD  
DATA REQUEST NO. CURB-93

DATE OF REQUEST: 02/01/07  
DATE RESPONSE DUE: 02/15/07  
REQUESTOR: Citizens' Utility Ratepayer Board  
AUDITOR: David Springe  
ANSWERED BY: Rich Petersen  
WITNESS: Terry R. Thomas  
DATE RESPONDED: 02/14/07  
SUBJECT: Projected Capital Structure  
REFERENCE:

---

REQUEST:

What is the Company's projected capital structure for Aquila, total company, once the WPK properties are sold? Please provide all supporting workpapers and calculations with your response.

RESPONSE: Aquila's capital structure is dependent on the final execution of the debt reduction and credit improvement strategies with a forecasted range at the end of 2007 of a) 42.9% to 46.9% Debt and b) 57.1% to 53.1% Equity. However, for rate case purposes Aquila still proposes to use the divisional capital structure of 50% Debt and 50% Equity.

ATTACHMENT: None

Verification of Response

I have read the foregoing Data Request and Answer(s) thereto and find answer(s) to be true, accurate, full and complete and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Citizens' Utility Ratepayer Board any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Data Request.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

AQUILA, INC.  
AQUILA NETWORKS-KGO  
DOCKET NO. 07-AQLG-431-RTS  
CITIZENS' UTILITY RATEPAYER BOARD  
DATA REQUEST NO. CURB-94

DATE OF REQUEST: 02/01/07  
DATE RESPONSE DUE: 02/15/07  
REQUESTOR: Citizens' Utility Ratepayer Board  
AUDITOR: David Springe  
ANSWERED BY: Jeff Thomas  
WITNESS: Richard Petersen  
DATE RESPONDED: 02/07/2007  
SUBJECT: 2007 Budget  
REFERENCE: FAS 87 and FAS 106

---

REQUEST:

Is it correct that the 2007 budget is the basis for the FAS 87 and FAS 106 costs included in the Company's filing? If so, please describe how the budget was developed and provide all assumptions and supporting workpapers for the budgeted amount. If the budget was not used to develop the Company's claim, then please explain how the amount of the claim was developed and provide all supporting workpapers and calculations.

RESPONSE:

The 2007 Budget was used for the FAS 87 Pension Adjustment. The totals are based on the projections by Business Unit provided by Hewitt Associates LLC. See Adjustment 7 Pension Expense for the calculation of the 2007 budget amount charged to Aquila-KGO.

The FAS 106 amount was based on the projected 2006 annual expenditures. The 2006 amount was then inflated by 14.8%, which was also the percentage used for active employee medical expenses. See Adjustment 9 Health Care and Retiree Medical for the calculation of the 2007 projected amount charged to Aquila-KGO.

Hewitt has now finalized the actual 2007 expense for FAS 106 costs. The estimates indicate a reduction of \$(86,376.68) for the FAS 106 expense as originally filed in the rate case. See the attached schedule for Hewitt's expense by business unit and the amount allocated to Aquila-KGO.

ATTACHMENT:

Excel File: CURB 94 FAS 87 and FAS 106.xls

Verification of Response

I have read the foregoing Data Request and Answer(s) thereto and find answer(s) to be true, accurate, full and complete and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Citizens' Utility Ratepayer Board any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Data Request.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

2007 FAS 106 Expense

GL BU	Total 2007 FAS 106 Expense	Allocated from AQLCP	Allocated from NETCO	Total 2007 FAS 106
AQLCP	162,964.00			
NETCO	1,012,239.00			
PNKSG	204,941.00	11,570.44	106,285.10	322,796.54
Regulated %	93.8%	93.8%	93.8%	
Regulated Total	<b>192,234.66</b>	<b>10,853.07</b>	<b>99,695.42</b>	<b>302,783.15</b>
			Test Period	391,856.42
			Adjustment	(89,073.27)
			Previous Adj	(2,696.59)
			Net Adjustment	(86,376.68)

AQCLP Allocation Percents  
PNKSG 7.1%

Netco Allocation Percents  
PNKSG 10.5%



**FAS 132 Disclosure**  
**Postretirement Medical, Dental and Life Insurance Plan 2006 Disclosure and 2007 Expense**

**A Allocation of 2007 Net Periodic Postretirement Benefit Cost**

Business Unit	Service Cost	Interest Cost	Expected Return on Assets	Prior Service Cost Amortization	Transition Obligation Amortization	(Gain) / Loss Amortization	Regulatory Adjustment	Net Periodic Postretirement Benefit Expense
1. AEC	\$ 5,405	\$ 15,506	\$ 0	\$ 35,596	\$ 479	\$ (24,010)	\$ 0	\$ 32,976
2. AECC	0	0	0	0	0	0	0	0
3. AEM	0	0	0	0	0	0	0	0
4. AFLP	0	0	0	0	0	0	0	0
5. ANCC	0	0	0	0	0	0	0	0
6. APCP	0	0	0	0	0	0	0	0
7. AQUOP	95,065	78,607	(5,941)	55,973	8,070	(68,810)	0	167,964
8. AQP	0	0	0	0	0	0	0	0
9. ARM	0	0	0	0	0	0	0	0
10. AUSTR	0	0	0	0	0	(69)	0	(69)
11. ECGEN	0	0	0	0	0	0	0	0
12. ELRET	124,654	0	0	0	0	59,771	0	184,425
13. GASRT	179	22,768	0	340	18	16,097	0	39,401
14. MEP	0	0	0	0	0	0	0	0
15. MPMOE	218,730	473,475	(306,385)	482,556	233,265	(58,601)	(118,635)	924,405
16. MPMOG	0	0	0	0	0	0	0	0
17. MUMIG	0	0	0	0	0	0	0	0
18. NETCO	294,834	307,597	(22,990)	358,034	18,432	(68,492)	0	1,012,238
19. NMMNG	0	0	0	0	0	0	0	0
20. PNCOG	23,007	42,165	0	33,671	18,981	883	0	118,707
21. PNCHQ	0	27,522	0	20,783	11,716	862	0	60,882
22. PNIAG	95,657	211,755	(144,782)	210,819	118,595	(86,273)	0	405,771
23. PNKSG	37,910	139,203	(104,618)	88,085	48,753	(27,492)	0	204,944
24. PNMNG	0	0	0	0	0	0	0	0
25. PNNEG	132,941	374,311	0	399,446	224,600	(78,113)	0	1,053,185
26. PNTXG	0	0	0	0	0	(0)	0	(0)
27. SIMOE	90,228	393,319	(620,220)	152,261	12	(154,866)	500,919	361,653
28. SIMOG	0	0	0	0	0	0	0	0
29. TRNSU	756	3,400	0	981	140	(617)	0	4,660
30. UCS	0	0	0	421	60	(1,214)	0	(733)
31. WPCOE	106,135	365,273	0	201,654	181,744	(19,772)	0	835,033
32. WPKSE	0	0	0	0	0	0	0	0
33. WVP	0	0	0	0	0	0	0	0
34. Kansas	110,269	510,344	0	242,709	246,100	21,666	0	1,131,089
35. Michigan	0	0	0	0	0	0	0	0
36. Minnesota	0	0	0	0	0	0	0	0
37. Missouri Gas, non-SJD	0	0	0	0	0	0	0	0
38. Missouri Gas, SJD	0	0	0	0	0	0	0	0
39. Total	\$ 1,231,116	\$ 3,089,998	\$ (1,204,936)	\$ 2,283,349	\$ 1,110,785	\$ (361,066)	\$ 382,284	\$ 6,531,530

Based on Average Future Service of: 12.0

Aqua Inc.

FAS 132 Disclosure

Postretirement Medical, Dental and Life Insurance Plan 2006 Disclosure and 2007 Expense



AQUILA, INC.  
AQUILA NETWORKS-KGO  
DOCKET NO.  
KANSAS CORPORATION COMMISSION  
DATA REQUEST NO.KCC-51

DATE OF REQUEST: 9/11/06  
DATE RESPONSE DUE: 11/01/06  
REQUESTOR: Kansas Corporation Commission  
AUDITOR: George Rohrer  
ANSWERED BY: Jeff Thomas  
DATE RESPONDED: 10/30/2006  
SUBJECT: Employee Benefits  
REFERENCE: Income Statement

REQUEST:

Please provide a list of all benefits offered to employees. Indicate which classes of employees are eligible; the annual cost of each benefit incurred in the test year; whether the cost of each benefit is charged above the line; and provide a copy of Applicant's policies concerning eligibility.

RESPONSE:

Aquila provided the following benefits in the June 2006 test year. The amounts listed are the amounts charged to the Kansas Gas Operations. The Country Club Dues were charged to FERC account 426400 and not included in the test period expenses. The remaining amounts listed are the amounts charge to FERC account 926000 and are included in the test period expenses:

Benefit	Cost in TYE June 2006	Eligibility	Policy	Description
Country Club Dues	\$1,927	CEO, Certain levels of executives	No formal plan document	Payment of country club dues
Tax and/or estate planning	\$2,515	Certain levels of executives	No formal plan document	Reimbursement to executives for tax and/or financial planning up to a certain dollar amount
Executive physical	\$8,096	Executives	No formal plan document. Description attached.	Annual comprehensive physical for executives paid for by the company
Lump Sum Perquisite Payment	\$13,748	Certain levels of executives	No formal plan document.	Lump sum perquisite payment for certain levels of executives to be used for business related expenses.

ATTACHMENT:

KCC-51 Exec Physical Overview.Doc

Verification of Response

I have read the foregoing Information Request and answer(s) thereto and find answer(s) to be true, accurate, full and complete and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Commission Staff any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Information Request.

Signed:

Meg McGill

Date:

10/30/06

Cardiovascular Consultants and St. Luke's Health System are pleased to introduce you to our Executive Health Management Program. This program is provided as a special benefit to you through Aquila. Attached you will find a summary of our covered services available to you through the Executive Program.

To begin the scheduling process we will mail a packet of information to you that must be completed and mailed back. Once we have received your completed packet, we will contact you within five working days to discuss the first available dates for scheduling. Expect up to a minimum of two months, dependant on the number of exams elected, for first availability. Scheduling cannot begin until this office receives your completed packet.

If you would like to enroll or are already enrolled in our program, and would like us to proceed with sending your packet, please complete the general information listed at the bottom of this page and mail to:

**Executive Health Management**  
**Attn: Stacy Hall**  
**4330 Wornall Road**  
**Plaza II, Suite 2000**  
**Kansas City, MO 64111**

If you have any questions or wish to contact us by phone, please don't hesitate to call **Stacy Hall** at **816-303-3398** or email Stacy at [shall@cc-pc.com](mailto:shall@cc-pc.com). We look forward to assisting in your personal preventive health efforts.

**General Information**  
*(PLEASE PRINT LEGIBLY)*

**Name:** \_\_\_\_\_

**Previously Enrolled:** YES \_\_\_\_\_ NO \_\_\_\_\_

**Company:** Aquila

**Home/Work address where packet should be mailed:**

\_\_\_\_\_  
\_\_\_\_\_

**City:** \_\_\_\_\_ **State:** \_\_\_\_\_ **Zip:** \_\_\_\_\_

**Work phone #:** \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

**Home phone #:** \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

**Email Address:** \_\_\_\_\_ *(Optional) (This may be used in the future regarding annual notices; and to send you any updated information from any of the consults you may receive through this program.)*

# Executive Health Management Covered Services

## Standard

- Consult with Dr. Richard Moe to include: Chest x-ray, Electrocardiogram, treadmill test, and physical exam.
- Carotid / Femoral screening ( this is a non-invasive test to evaluate the presence of arteriosclerosis in the arteries supplying your brain and extremities-legs). *This test will be omitted if you choose to have a cardioscan as one of your optional testing.*
- Blood and Urine testing to include: Blood chemistries, complete blood count, lipid profile, urinalysis, PSA (at appropriate intervals), thyroid function test, hsCRP (high sensitivity C reactive protien)
- Consult with a nurse or Dr. Moe regarding food diary and lipid profile

## Optional

- ENT (as indicated for hearing and other problems)
- Pulmonary function tests
- Dermatology
- Fitness Assessment, including strength & flexibility and exercise prescription
- Eye examination
- Stress Management consult with stress management specialist (PHD)
- Pap Smear/Pelvic exam
- Mammogram
- Cardioscan Calcium Scoring exam

## Immunizations

- Flu Shot (in season)
- Pneumovax (every 5-7 years)
- Hepatitis (3 shot series)
- Tetanus (every 10 years)

AQUILA, INC.  
AQUILA NETWORKS-KGO  
DOCKET NO. 07-AQLG-431-RTS  
KANSAS CORPORATION COMMISSION  
DATA REQUEST NO. KCC-87

DATE OF REQUEST: 11/17/06  
DATE RESPONSE DUE: 11/29/06  
REQUESTOR: Kansas Corporation Commission  
AUDITOR: George Rohrer  
ANSWERED BY: Terry Thomas  
WITNESS: Terry Thomas  
DATE RESPONDED: 11/30/06  
SUBJECT: Adj. No. 19 - KS Electric Asset Sale  
REFERENCE: Income Statement

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REQUEST:

1. Please provide the detailed support including calculations which support the \$32,000 vehicle loading expense for account 902 included in this adjustment.
2. In regard to the hiring of two natural gas meter readers:
  - a. Have the meter readers been hired? If yes, when were they hired, what is their starting date, and what is their starting salary?
  - b. If the answer to (a) is no, has Aquila been advertising for these positions or when is Aquila planning on beginning to advertise for these new positions, and on what date is Aquila planning on hiring these new meter readers?

RESPONSE:

1. The added vehicle expense should be \$19,800 instead of the \$32,000. The \$19,800 is calculated as 18,000 miles \* \$.55 \* 2 vehicles. The \$.55 per mile is the anticipated loading rate for the class of vehicle that the meter readers will be utilizing.
- 2a. No, the meter readers have not been hired.
- 2b. Aquila does not plan to begin the process to hire additional meter readers until the Kansas Electric operations sale is substantially complete. It is anticipated that positions will be advertised after the beginning of the year and positions will be filled by March 31, 2007.

**CERTIFICATE OF SERVICE**

07-AQLG-431-RTS

I, the undersigned, hereby certify that a true and correct copy of the above and foregoing document was placed in the United States mail, postage prepaid, or hand-delivered this 19th day of March, 2007, to the following:

JAMES G. FLAHERTY, ATTORNEY  
ANDERSON & BYRD, L.L.P.  
216 SOUTH HICKORY  
PO BOX 17  
OTTAWA, KS 66067  
Fax: 785-242-1279  
jflaherty@abrffh.com

\* JON R. EMPSON, SR VP REGULATORY  
LEGISLATIVE & GAS SUPPLY  
AQUILA, INC.  
D/B/A AQUILA NETWORKS - WPK / AQUILA NETWORK.  
- KGO  
1815 CAPITOL AVENUE  
OMAHA, NE 68102  
jon.empson@aquila.com

\* LARRY HEADLEY  
AQUILA, INC.  
D/B/A AQUILA NETWORKS - WPK / AQUILA NETWORKS  
- KGO  
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jhinkel@wichita.gov

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\* BRIAN KALCIC, PRINCIPAL  
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KANSAS CORPORATION COMMISSION  
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\*\*\*\* Hand Deliver \*\*\*\*

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\*\*\*\* Hand Deliver \*\*\*\*

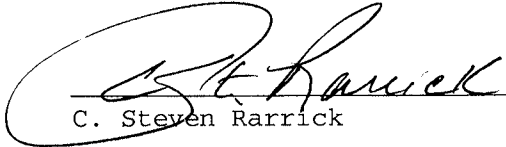
MICHAEL LENNEN, ATTORNEY  
MORRIS LAING EVANS BROCK & KENNEDY CHTD  
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Fax: 316-262-5991  
mlennen@morrislaing.com

\* DAVID BANKS, ENERGY MANAGER  
UNIFIED SCHOOL DISTRICT 259  
SCHOOL SERVICE CENTER COMPLEX  
3850 N HYDRAULIC  
WICHITA, KS 67219-3399  
Fax: 316-973-2150  
dbanks@usd259.net

**CERTIFICATE OF SERVICE**

07-AQLG-431-RTS

\* SARAH J LOQUIST, ASSISTANT GENERAL COUNSEL  
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C. Steven Rarrick

\* Denotes those receiving the Confidential  
version