2005.06.14 16:40:13 Kanaga CORRORATION COMMISSION /s/SUBJECORRORATION COMMISSION

JUN 1 4 2005

Susan Taliffy Docker Room

BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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)	Docket No. 05-CONS-222-CMSC
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JOINT STATUS REPORT

COME NOW ONEOK Field Services Company ("OFS") and Aquila, Inc. ("Aquila") and, pursuant to Paragraph 7 of the Commission's Prehearing Conference Order issued in this Docket on April 15, 2005, jointly submit to the Commission the following status report as to the parties' progress in resolving the issues raised by Aquila's complaint herein:

1. A meeting of the parties to discuss possible solutions to the issues in this Docket was held at Aquila's corporate offices, 20 W. 9th Street, Kansas City, Missouri, on May 19, 2005. Participating in the meeting as representatives of OFS were Larry Fischer, Tom Chitwood, Bill Haliburton and Brian Boulter, and participating in the meeting on behalf of Aquila were Chuck Loomis, Larry Headley, Randy Dyer and Gary Wise. The following discussions and/or agreements occurred at this meeting:

- a. OFS advised that it does not plan to discontinue service of natural gas supply to Aquila's commercial and/or irrigation customers at the present time, although the circumstances of individual customers may dictate discontinuation of service based on information obtained in the future.
- b. The parties discussed the issue of appropriate levels of hydrogen sulfide contamination that would compel disconnection of various types of customers, but there was no agreement reached as to these levels.
- c. OFS proposed a survey of each of Aquila's customer locations, to determine the location of the meter, location of equipment, identify the type of material used for fuel lines, the location of enclosed spaces, etc., to assist in determining areas of the parties' respective concerns. The parties agreed that the survey would be undertaken by OFS, with input from Aquila. Assuming OFS timely provides the form survey to Aquila and Aquila timely provides comments back to OFS allowing the parties to agree to the form, OFS agreed to have the survey completed by July 31, 2005.
- d. The parties discussed the circumstances surrounding OFS's previous decisions to disconnect service to customers. For future use, OFS suggested that a "decision tree" be developed to utilize in the decision-making process for the ability to safely deliver gas. The parties agreed that OFS would develop a draft "decision tree" to be submitted to Aquila for its review and comment.
- e. The parties discussed the issue of the costs associated with converting Aquila's residential customers to an alternative fuel source. Aquila disagreed with the

suggestion of OFS that the issues surrounding Aquila's residential customers had been resolved.

- f. OFS agreed to request Northern Natural Gas Pipeline Company to make available to Aquila the same telemetry data relating to hydrogen sulfide levels in natural gas to which OFS has access.
- g. The parties advised each other that data requests would be sent in the near future.
- h. Aquila advised that it had identified one irrigation meter being utilized for domestic use that has not been disconnected. The parties discussed that OFS will need to follow the recently enacted legislation (House Bill No. 2263), to disconnect this customer.
- i. There was discussion as to the odorant pots containing odorant that will need to be discarded. A majority of the odorant pots are located at various residential customers' residences. Aquila advised that it cannot use the odorant, because it is contaminated. The parties agreed that OFS will assume the responsibility for proper disposal of the odorant. Bill Haliburton will coordinate with Gary Wise in this regard.
- j. OFS agreed to provide Aquila with timely, updated low pressure lists for Aquila's use in its annual communication letters to customers, pursuant to the Commission's rules and regulations.
- k. OFS advised that it is currently experiencing pressures near zero on the suction side of its compressors OFS also advised that it has in place cathodic protection and corrosion inhibitor programs. These items were discussed by the parties, but there was no agreement as to what action, if any, should be taken regarding these items.

- 2. The parties believe that progress has been made in this Docket, such that they do not recommend that the Commission adopt a formal procedural schedule in this Docket at this time. However, the parties recommend that another joint status report be filed with the Commission on or before August 15, 2005, which will allow the parties time to utilize in their discussions the survey of Aquila's customers which is to be completed by July 31, 2005, and if further progress is not being made by that date in settling the issues in this Docket, a procedural schedule for adoption by the Commission will be recommended in connection with that report.
- 3. On June 1, 2005, OFS and Aquila agreed to jointly request that the Commission extend the due date of this Joint Status Report until June 10, 2005. At the suggestion of KCC General Counsel, OFS and Aquila formally make within this Joint Status Report their request that the Commission approve the extension of the due date until June 10, 2005.

WHEREFORE, the parties respectfully request that the Commission issue an order extending until June 10, 2005, the due date of this Joint Status Report, and accepting this Joint Status Report and approving it as evidencing satisfactory progress of the parties toward reaching settlement of the issues in this Docket, and approving the parties' joint recommendation that a further Joint Status Report be filed with the Commission on or before August 15, 2005, and, if necessary and appropriate, recommending to the Commission a procedural schedule to be adopted and followed in this Docket.

Respectfully submitted,

By:

W. Robert Alderson (#6629)

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ATTORNEY FOR COMPLAINANT, AQUILA, INC.

By:

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ATTORNEY FOR ONEOK FIELD SERVICES COMPANY

VERIFICATION

STATE OF KANSAS)
COUNTY OF SHAWNEE) ss:)
0	rst duly sworn, on oath state that I am an attorney for
<u> </u>	ny, that I am authorized to execute and verify the
foregoing Joint Status Report or	n behalf of ONEOK Field Services Company, and know
the contents thereof, and that	the facts set forth therein are true and correct to the
best of my knowledge and believe	ef.

ONEOK FIELD SERVICES COMPANY

By:

John R. Wine, Jr., Esq.

The foregoing Joint Status Report was subscribed and sworn to before me this 14th day of June, 2005.

Brenda M Schvener Notary Public

My Appointment Expires:

4/24/2008

BRENDA M. SCHIRMER
Notary Public - State of Kansas
My Appt. Expires 4/24/2008

VERIFICATION

STATE OF KANSAS)
)ss
COUNTY OF SHAWNEE)

I, W. Robert Alderson, being first duly sworn, on oath state that I am an attorney for Aquila, Inc., that I am authorized to execute and verify the foregoing Joint Status Report on behalf of Aquila, Inc., and know the contents thereof, and that the facts set forth therein are true and correct to the best of my knowledge and belief.

AQUILA, INC.

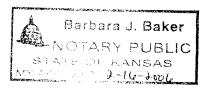
W. Robert Alderson, Esq.

The foregoing Joint Status Report was subscribed and sworn to before me this 14th day of June, 2005.

Rotary Public Cakes

My Appointment Expires:

2-16-2006



CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the above and foregoing pleading has been faxed, hand-delivered and/or mailed, First Class, postage prepaid, this 14th day of June, 2005, to:

Don Low **Director Utility Operations** Kansas Corporation Commission 1500 S.W. Arrowhead Road Topeka, Kansas 66604-4027

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W. Robert Alderson