

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: AQUILA, INC., d/b/a AQUILA NETWORKS	DOCKET NO. TF-06-80 (RPU-05-2)
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ORDER APPROVING COMPLIANCE TARIFF

(Issued March 17, 2006)

On March 1, 2006, the Utilities Board (Board) issued an order approving a non-unanimous settlement agreement filed by Aquila, Inc., d/b/a Aquila Networks (Aquila), and the Consumer Advocate Division of the Department of Justice (Consumer Advocate) on September 9, 2005, that resolved all revenue requirement issues in the natural gas rate case filed by Aquila in Docket No. RPU-05-2. The Board's March 1, 2006, order also resolved a rate design issue and rejected a non-unanimous settlement between the same parties concerning a proposed Capital Additions Tracker. The revenue settlement agreement allowed Aquila to increase its annual Iowa natural gas revenues by \$2,600,576 and provided that the increase would be adjusted to reflect the actual amount of Aquila's rate case expense for this docket, amortized over a three-year period.

In the March 1, 2006, order, the Board directed Aquila to file a compliance tariff to implement the approved rates in a manner consistent with the rate design decision. On March 7, 2006, Aquila filed a proposed compliance tariff, identified as TF-06-80. On March 16, 2006, Aquila filed revised tariff sheets reflecting updated

rate case expenses and some grammatical corrections. Consumer Advocate has indicated it has no objections to the compliance tariffs as revised.

The Board has reviewed the proposed compliance tariff, as revised, and finds that the proposed rates and other changes accurately reflect the Board's order. The Board will approve the compliance tariff, as revised, to be effective March 17, 2006.

IT IS THEREFORE ORDERED:

The compliance tariff filed by Aquila, Inc., d/b/a Aquila Networks, on March 7, 2006, with revisions on March 16, 2006, is approved to be effective March 17, 2006.

UTILITIES BOARD

/s/ John R. Norris

/s/ Diane Munns

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Curtis W. Stamp

Dated at Des Moines, Iowa, this 17th day of March, 2006.