

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

<p>IN RE:</p> <p>AQUILA, INC., d/b/a AQUILA NETWORKS, BLACK HILLS CORPORATION, AND BLACK HILLS/IOWA GAS UTILITY COMPANY, LLC</p>	<p>DOCKET NO. SPU-07-12</p>
----------------------------------------------------------------------------------------------------------------------------------	-----------------------------

ORDER DOCKETING PROPOSAL FOR REORGANIZATION AND REQUEST FOR PERMISSION TO DISCONTINUE SERVICE

(Issued April 12, 2007)

On April 4, 2007, Aquila, Inc., d/b/a Aquila Networks (Aquila), Black Hills Corporation (Black Hills), and Black Hills/Iowa Gas Utility Company, LLC (Black Hills/Iowa), filed a joint proposal for reorganization pursuant to Iowa Code §§ 476.76 and 476.77 (2007) and 199 IAC 32, along with an application for permission for Aquila to discontinue providing utility service in Iowa pursuant to Iowa Code § 476.20(1) and 199 IAC 7.1(6). The filing is the result of the Asset Purchase Agreement dated February 6, 2007, entered into by and among Aquila, Black Hills, Great Plains Energy Incorporated, and Gregory Acquisition Corporation. The proposal for reorganization and application for permission to discontinue service has been identified as Docket No. SPU-07-12.

Iowa Code § 476.77 provides that a public utility reorganization shall not take place if the Board disapproves and that those proposing the reorganization must

establish that the reorganization is not contrary to the interests of the public utility's ratepayers and the public interest. The Board has an initial 90 days to consider the proposal for reorganization and may extend the deadline for an additional 90 days, for good cause shown.

Subrule 7.1(6) requires the Board to act on a request to discontinue service within 30 days of filing or docket the request for further investigation. Since the discontinuance of service will not take place until the Board has reviewed the proposal for reorganization, the Board will docket the request for further investigation and will address the request by Aquila to discontinue service in the final order concerning the proposal for reorganization.

The Board finds there is good cause to extend the review of this matter an additional 90 days to October 1, 2007. This will allow sufficient time for parties to obtain the information necessary to address all of the issues. The schedule will be established so the Board can issue the order as soon after the initial 90 days as is possible.

IT IS THEREFORE ORDERED:

1. The application for Board review of the proposal for reorganization filed by Aquila, Inc., d/b/a Aquila Networks, Black Hills Corporation, and Black Hills/Iowa Gas Utility Company, LLC, and for permission for Aquila, Inc., d/b/a Aquila Networks, to discontinue providing utility service in Iowa is docketed for further review pursuant to Iowa Code §§ 476.20, 476.76, and 476.77 and 199 IAC 32.

2. Applications to intervene in this proceeding shall be filed on or before April 23, 2007.

3. The following procedural schedule is established:

a. The Consumer Advocate Division of the Department of Justice and any intervenors shall file prepared direct testimony, with the underlying workpapers and exhibits, on or before June 4, 2007. If a party references a data request in its prepared testimony, the data request shall be filed as an exhibit.

b. Aquila, Inc., d/b/a Aquila Networks, Black Hills Corporation, and Black Hills/Iowa Gas Utility Company, LLC, shall file rebuttal testimony, with underlying workpapers and exhibits, on or before June 15, 2007.

c. A hearing shall be held beginning at 9 a.m. on June 27, 2007, for the purpose of receiving testimony and the cross-examination of all testimony. The hearing shall be held in the Utilities Board Hearing Room, 350 Maple Street, Des Moines, Iowa. The parties shall appear one-half hour prior to the time of the hearing for the purpose of marking exhibits. Persons with disabilities requiring assistive services or devices to observe or participate should contact the Utilities Board at (515) 281-5256 in advance of the scheduled date to request that appropriate arrangements be made.

d. Parties may file simultaneous briefs on or before July 13, 2007.

4. In the absence of objection, all underlying workpapers shall become a part of the evidentiary record of these proceedings at the time the related testimony and exhibits are entered into the record.

UTILITIES BOARD

/s/ John R. Norris

/s/ Curtis W. Stamp

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

Dated at Des Moines, Iowa, this 12th day of April, 2007.