

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 CANCELING HEARING

(Issued July 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 (BH Iowa Gas), 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. On April 12, 2007, the Utilities Board (Board) issued an order docketing the proposal for reorganization and application to discontinue service and establishing a procedural schedule.

On June 22, 2007, Aquila, Black Hills, BH Iowa Gas, and the Consumer Advocate Division of the Department of Justice (Settling Parties) filed a Settlement Agreement purporting to resolve all of the issues related to the proposal for

reorganization. On June 25, 2007, the Board issued an order canceling the June 27, 2007, hearing and scheduling a tentative hearing on the Settlement Agreement for July 25, 2007. On June 29, 2007, the Board issued an order requesting additional information from the Settling Parties.

On July 9, 2007, the Settling Parties filed responses to the June 29, 2007, order. The Board has reviewed the responses and has no additional questions for the Settling Parties and will cancel the hearing set for July 25, 2007. The Board will issue a final order once it has had the opportunity to complete its review of the terms of the Settlement Agreement and the responses to the June 29, 2007, order.

IT IS THEREFORE ORDERED:

The hearing scheduled for July 25, 2007, is canceled.

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 July, 2007.