

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

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IN RE:  AQUILA, INC., d/b/a AQUILA NETWORKS	DOCKET NO. RPU-08-3
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**ORDER SHORTENING TIME TO RESPOND TO MOTION TO DISMISS**

(Issued July 17, 2008)

On June 2, 2008, Aquila, Inc., d/b/a Aquila Networks (Aquila), filed with the Utilities Board (Board) a proposed gas tariff pursuant to Iowa Code chapter 476 (2007) designed to increase Iowa gas rates to produce a permanent annual revenue increase of approximately \$13,560,000, or an overall annual revenue increase of 7.63 percent. The tariff has been identified as TF-08-83. On June 30, 2008, the Board issued an order docketing TF-08-83 and establishing a procedural schedule and a hearing date in Docket No. RPU-08-3 to consider the proposed general rate increase.

On July 16, 2008, the Consumer Advocate Division of the Department of Justice (Consumer Advocate) filed a motion to dismiss Docket No. RPU-08-3, stating that the acquisition of Aquila by Black Hills Corporation (Black Hills) is now complete and Aquila as a company no longer exists. Consumer Advocate argues that the completion of the acquisition raises issues related to capital structure and cost of equity, cost and cost savings resulting from the acquisition, costs and cost savings to be assigned from Black Hills to the Iowa operations, the number of employees and

their responsibilities under Black Hills ownership, and similar issues. Consumer Advocate requests the Board dismiss the current general rate case filing and require that Black Hills file a rate case based upon a full year of operation. This would require a 2009 test year.

Rule 199 IAC 7.12(17A,476) provides for responses to motions to be filed within 14 days unless otherwise ordered by the Board. The Board will shorten the time for response to Consumer Advocate's motion to dismiss since the Board has established a procedural schedule and has scheduled consumer comment hearings in this docket. The shortened time will provide the Board the opportunity to address the issues raised by the motion in a timely manner.

**IT IS THEREFORE ORDERED:**

Aquila, Inc., d/b/a Aquila Networks, n/k/a Black Hills Corporation, and any intervenors shall file responses to the motion to dismiss filed by the Consumer Advocate Division of the Department of Justice on or before July 25, 2008.

**UTILITIES BOARD**

/s/ John R. Norris

/s/ Krista K. Tanner

ATTEST:

/s/ Judi K. Cooper  
Executive Secretary

/s/ Darrell Hanson

Dated at Des Moines, Iowa, this 17<sup>th</sup> day of July, 2008.