BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of The Empire District Electric Company)	
of Joplin, Missouri for Authority to File Tariff)	File No. ER-2010-0130
Increasing Rates for Electric Service Provided to)	
Customers in the Missouri Service Area of the Company)	

CITY OF JOPLIN'S STATEMENT OF POSITION

COMES NOW the City of Joplin, by and through counsel, and states its position on Issue VIII, Regulatory Plan Additional Amortizations, as follows:

- 1. By Stipulation and Agreement in Case EO-2005-0263, which was approved by the Missouri Public Service Commission, Empire entered into an agreement to pursue capital expenditures for scrubbers at the IATAN I generating facility; to the IATAN II generating facility; scrubbers at the Asbury generating station; and a combustion turbine at the Riverton generating station. The Stipulation and Agreement was also to "provide Empire the opportunity to maintain its debt at investment grade rating during the period of the construction expenditures contained in this Agreement." Empire stated that it understood "that it is responsible to take prudent and reasonable actions to maintain Empire's debt at investment grade level and avoid actions that result in a downgrade." Empire also agreed that "rate schedules will be filed with the Commission on December 1, 2009, or six (6) months prior to the commercial operation date of IATAN II, whichever is later."
- 2. Empire violated its regulatory amortization plan by filing this case as the IATAN II rate case, when it knew or should have known that such filing was premature.
- 3. Empire incurred considerable expense to amend its bond indenture to permit it to pay dividends in excess of its earnings.

- 4. Empire paid dividends in excess of its earnings in calendar years 2007, 2008 and 2009, recklessly diverting cash which could have and should have been used to reduce its debt requirements, and thus preserve its credit rating as it agreed to do in its regulatory plan Stipulation and Agreement.
- 5. The Commission should deny Empire a regulatory amortization in this case, or modify the calculation of the regulatory amortization as though Empire had acted consistent with its Agreements in the regulatory plan.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that true copies of the foregoing City of Joplin's Statement of Position were sent to each of the following parties of record via electronic transmission this 28th day of April, 2010:

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