

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 13th day
of May, 2008.

In the Matter of The Empire District Electric)	
Company of Joplin, Missouri for Authority)	
to File Tariffs Increasing Rates for Electric)	<u>Case No. ER-2008-0093</u>
Service Provided to Customers in the Missouri)	Tariff File No. YE-2008-0205
Service Area of the Company.)	

**ORDER SCHEDULING TRUE-UP HEARING
AND DIRECTING FILING**

Issue Date: May 13, 2008

Effective Date: May 13, 2008

On October 1, 2007, The Empire District Electric Company submitted to the Missouri Public Service Commission certain proposed tariff sheets to implement a general rate increase for retail electric service to customers in its Missouri service area. On October 3, 2007, the Commission suspended the proposed tariff sheets until August 28, 2008. In its October 3rd suspension order, the Commission also reserved the dates of June 9-10, 2008, for a possible true-up hearing.

The Commission's Staff proposed utilizing a test year ending June 30, 2007, in this case with a test year update period ending December 31, 2007. Staff further stated that it did not believe a true-up would be necessary in this case if its test year and update recommendation was adopted.

At the November 5, 2007 prehearing conference every party stated that they supported the test-year and update recommendation proposed by Staff. In its

November 16, 2007 Order Concerning Test Year and True-up and Adopting Procedural Schedule the Commission adopted the test year and update recommendation proposed by Staff, and supported by all parties. Specifically, the Commission adopted the test year ending June 30, 2007, with a test year update period ending December 31, 2007, and canceled the true-up hearing.

The following issue was included in the List of Issues and Witnesses and Order of Cross-Examination jointly filed by the parties on May 5, 2008:

Rate Base Issues:

1. Asbury SCR: Should Empire's Asbury SCR equipment plant addition be included in Empire's rate base in this case? If yes, should it be included through an adjustment to Empire's revenue requirement or through a true-up procedure? If the Asbury SCR equipment is not included in Empire's rate base in this case, should any future emission revenue associated with that equipment flow through the FAC?

During the evidentiary hearing Staff stated that it would not object to the inclusion of the Asbury SCR project in Empire's rate base if it is accomplished as part of a true-up rather than as an "isolated adjustment" to Empire's revenue requirement. Also during the hearing, Empire stated that it was willing to have the Commission consider whether to include the Asbury CSR project in rate base as part of a true-up of its revenue, expense, rate base and rate of return components. All other parties stated that they would not oppose utilizing a true-up audit with an ending date of February 29, 2008.

To allow the Commission to consider the appropriateness of including the Asbury SCR project in rate base, given that the Asbury CSR project was not placed in service until on, or about, February 29, 2008, the Commission shall order a true-up of Empire's case through that date.

IT IS ORDERED THAT:

1. A true-up hearing is scheduled for June 19-20, 2008, beginning at 10:00 a.m. The hearing will be held in Room 310 in the offices of the Missouri Public Service Commission, Governor Office Building, 200 Madison Street, Jefferson City, Missouri. The hearing will be held in a building that meets accessibility standards required by the Americans with Disabilities Act. If you need additional accommodations to participate in this hearing, please call the Public Service Commission's Hotline at 1-800-392-4211 (voice) or Relay Missouri at 711 before the hearing.
2. The parties shall jointly file proposed dates for filing direct and rebuttal true-up testimony on or before May 23, 2008.
3. The parties shall file a List of Issues, List of Witnesses, and Order of Cross-Examination for the true-up hearing no later than June 12, 2008.
4. This order shall become effective on May 13, 2008.

BY THE COMMISSION



Colleen M. Dale
Secretary

(S E A L)

Davis, Chm., Murray, Clayton,
Jarrett, and Gunn, CC., concur.

Voss, Regulatory Law Judge