STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 3rd day of May, 2007.

In the Matter of The Empire District Electric Company's Tariff Sheets Designed to Revise Its Missouri Commercial and Industrial Facility Rebate Program

Case No. ET-2007-0375 Tariff No. JE-2007-0722

ORDER APPROVING TARIFF SHEETS

Issue Date: May 3, 2007 Effective Date: May 7, 2007

On April 5, 2007, The Empire District Electric Company filed tariff sheets designed to revise its Commercial & Industrial Rebate Program in the Promotional Practices area of the tariff. The program was approved through a Stipulation and Agreement in Case No. EO-2005-0263. The tariff sheets have an effective date of May 7, 2007.

On April 30, 2007, the Staff of the Commission filed its memorandum recommending that the Commission approve the tariff sheets or allow them to go into effect by operation of law. Staff more specifically described the program as being designed to provide rebates to commercial and industrial customers that install, replace or retrofit qualifying electric savings measures including heating ventilation and air conditioning systems, motors, lighting pumps, etc. Staff points out that the Order Approving the Stipulation and Agreement in Case No. EO-2005-0263 suggested and approves of the proposed modifications.

In its memorandum, Staff includes a more detailed description of the proposed changes, which are as follows:

- 1. Change the name of the program from "Missouri Commercial Facility Energy Audit Program" to "Missouri Commercial and Industrial Facility Rebate Program;"
- 2. Add rebates for a portion of the costs of improvements;
- 3. Remove the definition of Potential Energy Saving;
- 4. Add the definition of Prescriptive Rebates;
- 5. Add the definition of Custom Rebates;
- 6. Add that program funds are available on a first-come, first-served basis:
- 7. Remove the restriction that funds are available only once per facility location;
- 8. Clarify that customers with multiple buildings will be eligible for multiple audit rebates;
- 9. Clarify that customers qualifying for prescriptive rebates may also be eligible for custom rebates;
- 10. Modifies the Energy Audit section to reduce the maximum rebate to the lesser of \$300 or 50% of the energy audit cost and require implementation of at least one audit recommendation. The maximum rebate for facilities over 25,000 square feet remains at \$500;
- 11. Increases the maximum annual amount of all rebates to a customer from \$5.000 to \$20.000:
- 12. Adds that a process evaluation could be conducted at the beginning of the third year of implementation;
- 13. Adds a table listing the annual funds available for each program year.

In its memorandum, Staff adds that the company is not delinquent on any assessment or the filing of its 2006 annual report.

Based on Staff's recommendation, the Commission finds that the tariff is lawful and should be approved.

IT IS ORDERED THAT:

1. The following tariff, filed on April 5, 2007, and assigned Tariff No. JE-2007-0722, is approved to become effective on May 7, 2007:

P.S.C. MO. No. 5, Section 4

2nd Revised Sheet No. 8a, Canceling 1st Revised Sheet No. 8a
Original Sheet No. 8a.1
3rd Revised Sheet No. 8b, Canceling 2nd Revised Sheet No. 8b

- 2. This order shall become effective on May 7, 2007.
- 3. This case may be closed on May 8, 2007.

BY THE COMMISSION

Colleen M. Dale Secretary

(SEAL)

Davis, Chm., Murray, Gaw, Clayton, and Appling, CC., concur.

Jones, Senior Regulatory Law Judge