BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Tariff Filing of The) Empire District Electric Company to) Implement a General Rate Increase for) Retail Electric Service Provided to) Customers in its Missouri Service Area)

<u>Case No. ER-2004-0570</u> File No. YE-2005-0730 File No. YE-2005-0731

STAFF RECOMMENDATION

COMES NOW the Staff ("Staff") of the Missouri Public Service Commission ("Commission"), and respectfully states as follows:

1. Pursuant to the Commission's March 10, 2005 Report And Order in this proceeding, on March 17, 2005, The Empire District Electric Company ("Empire" or "Company") filed twenty-five (25) proposed tariff sheets bearing an effective date of April 16, 2005. The tariff sheets reflect changes designed to produce a permanent increase in gross annual electric revenues, excluding fees and taxes, of approximately \$25.7 million, and an additional \$8.2 million annual Interim Energy Charge that is subject to refund. The effective date of the Report And Order is March 27, 2005.

2. Also on March 17, 2005, Empire filed a Motion For Expedited Consideration And Approval Of Tariff Sheets Filed In Compliance With Commission Order On Less Than Thirty Days' Notice ("Motion"). Section 393.140(11) RSMo 2000 authorizes the Commission, for good cause shown, to permit the tariff sheets to become effective with less than 30 days' notice. In its Motion, the Company requested that the proposed electric tariff sheets be made effective on March 27, 2005, the operation-of-law date, in order that the tariff sheets might become effective immediately upon the expiration of the full suspension period permitted under the law.

Empire argued that to do otherwise would be unlawful and inconsistent with past Commission practice.

3. As indicated in the attached Memorandum (Appendix A), following its review of the proposed tariff sheets, the Staff has concluded that they are in compliance with the aforementioned Report And Order, and further, the Staff believes that good cause exists to allow this tariff change to take effect on less than thirty days' notice.

4. The Staff therefore recommends that the following tariff sheets be approved.

P.S.C. Mo. No. 5, Section A

20th Revised Sheet No. 1, Canceling 19th Revised Sheet No. 1

P.S.C. MO. NO. 5, SECTION 1

12th Revised Sheet No. 1, Canceling 11th Revised Sheet No. 1 9th Revised Sheet No. 2, Canceling 8th Revised Sheet No. 2

P.S.C. Mo. No. 5, Section 2

11th Revised Sheet No. 1, Canceling 10th Revised Sheet No. 1 11th Revised Sheet No. 2, Canceling 10th Revised Sheet No. 2 11th Revised Sheet No. 3, Canceling 10th Revised Sheet No. 3 12th Revised Sheet No. 4, Canceling 11th Revised Sheet No. 4 11th Revised Sheet No. 5, Canceling 10th Revised Sheet No. 5 11th Revised Sheet No. 6, Canceling 10th Revised Sheet No. 6 11th Revised Sheet No. 7, Canceling 10th Revised Sheet No. 7 7th Revised Sheet No. 9, Canceling 6th Revised Sheet No. 9 5th Revised Sheet No. 13, Canceling 5th Revised Sheet No. 13

P.S.C. Mo. No. 5, Section 3

12th Revised Sheet No. 1, Canceling 11th Revised Sheet No. 1 16th Revised Sheet No. 2, Canceling 15th Revised Sheet No. 2 11th Revised Sheet No. 3, Canceling 10th Revised Sheet No. 3 11th Revised Sheet No. 4, Canceling 10th Revised Sheet No. 4 3rd Revised Sheet No. 5, Canceling 2nd Revised Sheet No. 5 1st Revised Sheet No. 6, Canceling Original Sheet No. 6 Original Sheet No. 7 Original Sheet No. 8 Original Sheet No. 9 P.S.C. Mo. No. 5, Section 4

2nd Revised Sheet No. 8, Canceling 1st Revised Sheet No. 8 4th Revised Sheet No. 17, Canceling 3rd Revised Sheet No. 17

P.S.C. Mo. No. 5, Section 5 4th Revised Sheet No. 18, Canceling 3rd Revised Sheet No. 18

WHEREFORE, for the reasons set forth in the attached Memorandum, the Staff recommends that the Commission issue an Order approving the tariff sheets identified herein, to become effective on March 27, 2005 for good cause shown pursuant to Section 393.140(11) RSMo 2000.

Respectfully submitted,

DANA K. JOYCE General Counsel

/s/ Dennis L. Frey

Dennis L. Frey Senior Counsel Missouri Bar No. 44697

Attorney for the Staff of the Missouri Public Service Commission P. O. Box 360 Jefferson City, MO 65102 (573) 751-8700 (Telephone) (573) 751-9285 (Fax) e-mail: <u>dennyfrey@psc.state.mo.us</u>

Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to all counsel of record this 18th day of March, 2005.

/s/ Dennis L. Frey

MEMORANDUM

- Missouri Public Service Commission Official Case File TO: Case No. ER-2004-0570, File Nos. YE-2005-0730 and YE-2005-0731 The Empire District Electric Company
- James Watkins, Manager, Economic Analysis, Project Coordinator FROM: Mack McDuffey, Rate & Tariff Examiner II

nergy Department / Date

Department / Date General Counsel's Office / Date 3-18-05

- Staff Recommendation For Approval of Tariff Sheets Filed To Comply With The SUBJECT: Commission's REPORT AND ORDER Issued March 10, 2005
- March 18, 2005 DATE:

On March 17, 2005, The Empire District Electric Company (EDE or Company) of Joplin, Missouri, filed with the Commission twenty five (25) tariff sheets with a proposed effective date of April 16, 2005 to reflect the changes in the rates and rules tariff sheets designed to produce a permanent increase in gross annual electric revenues, excluding fees and taxes, of \$25.7 million and an additional \$8.2 million Interim Energy Charge, subject to refund approved by the Commission in its REPORT AND ORDER (Order) issued March 10, 2005, effective March 27, 2005. Company concurrently filed its Motion For Expedited Consideration And Approval Of Tariff Sheets Filed In Compliance With Commission Order On Less Than Thirty Days' Notice (Motion for Expedited Consideration) requesting that the proposed electric tariff sheets become effective on March 27, 2005 in order to allow the tariff sheets to become effective within the full suspension period permitted under the law.

Order paragraph 2 of the Commission's Report and Order states: "That Empire District Electric Company may file proposed electric service tariff sheets in compliance with this Report and Order."

The Staff believes that good cause exists to allow this tariff change to take effect on less than thirtydays notice in order for the tariff sheets to become effective on the operation of law date of this case.

The Missouri Public Service Commission Energy Department Staff (Staff) has reviewed the filed tariff sheets, and is of the opinion that they were filed in a timely manner and are in compliance with the Commission's Order. Staff therefore recommends that the Commission issue an order approving the following proposed tariff sheets, as filed on March 17, 2005, to become effective on March 27, 2005, for good cause:

P.S.C. Mo. No. 5, Section A

20th Revised Sheet No. 1, Canceling 19th Revised Sheet No. 1

Appendix A

MO PSC CASE NO. ER-2004-0570 OFFICIAL CASE FILE MEMORANDUM Page 2 of 2

P.S.C. Mo. No. 5, Section 1

12th Revised Sheet No. 1, Canceling 11th Revised Sheet No. 1 9th Revised Sheet No. 2, Canceling 8th Revised Sheet No. 2

P.S.C. Mo. No. 5, Section 2

11th Revised Sheet No. 1, Canceling 10th Revised Sheet No. 1 11th Revised Sheet No. 2, Canceling 10th Revised Sheet No. 2 11th Revised Sheet No. 3, Canceling 10th Revised Sheet No. 3 12th Revised Sheet No. 4, Canceling 11th Revised Sheet No. 4 11th Revised Sheet No. 5, Canceling 10th Revised Sheet No. 5 11th Revised Sheet No. 6, Canceling 10th Revised Sheet No. 6 11th Revised Sheet No. 7, Canceling 10th Revised Sheet No. 7 7th Revised Sheet No. 9, Canceling 6th Revised Sheet No. 9 5th Revised Sheet No. 13, Canceling 5th Revised Sheet No. 13

P.S.C. Mo. No. 5, Section 3

12th Revised Sheet No. 1, Canceling 11th Revised Sheet No. 1 16th Revised Sheet No. 2, Canceling 15th Revised Sheet No. 2 11th Revised Sheet No. 3, Canceling 10th Revised Sheet No. 3 11th Revised Sheet No. 4, Canceling 10th Revised Sheet No. 4 3rd Revised Sheet No. 5, Canceling 2nd Revised Sheet No. 5 1st Revised Sheet No. 6, Canceling Original Sheet No. 6 Original Sheet No. 7 Original Sheet No. 8 Original Sheet No. 9

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

2nd Revised Sheet No. 8, Canceling 1st Revised Sheet No. 8 4th Revised Sheet No. 17, Canceling 3rd Revised Sheet No. 17

P.S.C. Mo. No. 5, Section 5 4th Revised Sheet No. 18, Canceling 3rd Revised Sheet No. 18

The Staff has verified that this Company has filed its annual report and is not delinquent on any assessment. Staff is not aware of any other matter before the Commission that affects or is affected by this filing. The following electric cases involving EDE are before the Commission at this time:¹

EO-2005-0263	EO-2005-0275	ER-2004-0570
EO-2003-0203	EO-2003-0275	LIC 2001 0070

¹This Company may provide other types of utility services in Missouri; however, only electric cases are listed.