BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of The Empire District Electric Company for Authority to File Tariffs Increasing Rates for Electric Service Provided to Customers in the Company's Missouri Service Area

Case No. ER-2014-0351

RESPONSE TO JOINT MOTION FOR CLARIFICATION

COMES NOW the Midwest Energy Consumers Group ("MECG"), and for its Response to the Joint Motion for Clarification filed by Staff and Empire District Electric Company, respectfully states as follows:

1. On June 26, 2015, Staff and Empire filed their Joint Motion seeking clarification of the Commission's Report and Order. In the Joint Motion, Staff and Empire recognize that the Commission has ordered the elimination of 25% of the residential subsidy. Staff and Empire, however, ask for clarification as to the classes that would receive the off-setting revenue neutral decreases.

2. In this case, the Commission was <u>not</u> asked to decide which class cost of service study appropriately allocated fixed production costs. Instead, given the proximity of the results under both the Staff and MECG methodologies, MECG pointed out that the Commission could simply makes its decision without making specific findings regarding the appropriate class cost of service study.¹ With this in mind, and without conceding the

¹ See, Initial Brief of MECG at page 10. ("Given the consistency of the results, MECG maintains that the Commission does not need to decide which class cost of service methodology is most appropriate."). This is also consistent with the Commission's decision in the Ameren case where confronted with class cost of service studies with similar results. "Also, because the results of the A&E [MECG] and BIP [Staff] studies are similar, the Commission does not need to decide which particular study is most appropriate." *Report and Order*, Case No. ER-2014-0258, issued April 29, 2015, at page 71.

appropriateness of Staff's class cost of service methodology, MECG does not object to the Commission's ordered 25% shifts being applied to the results of Staff's study.

3. On June 15, 2015, Staff and Empire filed their Joint Response to the Commission's June 11, 2015 Order seeking additional information. That Joint Response reflected revenue neutral decreases to the Large Power (LP), Total Electric Building (TEB), and General Power (GP). As noted in footnote 2 to the immediate Joint Motion for Clarification, the Joint Response did not contemplate "an affirmative reduction to these (Lighting and Feed Mill) classes."

4. It is MECG's belief that the Commission relied on the information contained in the June 15 Joint Response of Staff and Empire, and agreed to by MECG. As such, consistent with that pleading, MECG believes that revenue neutral decreases should be realized by the Large Power, Total Electric Building and General Power classes. In addition, consistent with that Joint Response, MECG agrees that all other parties (except residential), should be held constant and receive the average increase.

Respectfully submitted,

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ATTORNEY FOR THE MIDWEST ENERGY CONSUMERS GROUP

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing pleading by email, facsimile or First Class United States Mail to all parties by their attorneys of record as provided by the Secretary of the Commission.

Dirochmall

David L. Woodsmall

Dated: June 30, 2015