# MINIMUM FILING REQUIREMENTS

THE EMPIRE DISTRICT ELECTRIC COMPANY

ER-2014-0351

## The Empire District Electric Company

#### **Statement of Missouri Revenue Increase Request**

The amount of annual revenue, from Missouri electric customers, which would result from the application of the proposed rates in this case, would be \$24,319,353 more than the annual revenue under existing rates. This would represent an overall increase of 5.54% for Missouri jurisdictional revenues.

4 CSR-240-3.030 (3)(B)(1)

### Explanation of Why Rate Relief is Needed

To recover investment in the Company's Asbury environmental retrofit; to recover increased RTO transmission fees; to recover increase in property taxes; to recover costs from new long term maintenance contract for the Company's Riverton 12 gas fired generating unit.

4 CSR-240-3.030 (3)(B)(7)

| Barry County      | Greene County (cont,) | Lawrence County (cont.) | Newton County (cont.) |  |  |  |  |
|-------------------|-----------------------|-------------------------|-----------------------|--|--|--|--|
| Butterfield       | Walnut Grove          | Halltown                | Silver Creek          |  |  |  |  |
| Purdy             | Willard               | Hoberg                  | Stark City            |  |  |  |  |
|                   |                       | Marionville             | Stella                |  |  |  |  |
| Barton County     | Hickory County        | Miller                  | Wentworth             |  |  |  |  |
| Golden City       | Cross Timbers         | Phelps *                |                       |  |  |  |  |
| Kenoma *          | Hermitage             | Pierce City             | Polk County           |  |  |  |  |
|                   | Preston               | Stotts City             | Aldrich               |  |  |  |  |
| Cedar County      | Weaubleau             | Verona                  | Bolivar               |  |  |  |  |
| Caplinger Mills * | Wheatland             |                         | Brighton*             |  |  |  |  |
| Stockton          |                       | McDonald County         | Dunnegan*             |  |  |  |  |
|                   | Jasper County         | Anderson                | Fair Play             |  |  |  |  |
| Christian County  | Airport Drive         | Ginger Blue             | Flemington            |  |  |  |  |
| Billings          | Alba                  | Goodman                 | Halfway               |  |  |  |  |
| Clever            | Asbury                | Lanagan                 | Humansville           |  |  |  |  |
| Fremont Hills     | Avilla                | Noel                    | Morrisville           |  |  |  |  |
| Ozark             | Brooklyn Heights      | Pineville               | Pleasant Hope         |  |  |  |  |
| Sparta            | Carl Junction         | Southwest City          |                       |  |  |  |  |
|                   | Carterville           |                         | St Clair County       |  |  |  |  |
| Dade County       | Duneweg               | Newton County           | Collins               |  |  |  |  |
| Arcola            | Duquesne              | Cliff Village           | Gerster               |  |  |  |  |
| Everton           | Fidelity              | Dennis Acres            | Vista                 |  |  |  |  |
| Greenfield        | Jasper                | Diamond                 |                       |  |  |  |  |
| South Greenfield  | Joplin                | Fairview                | Stone County          |  |  |  |  |
|                   | LaRussell             | Fort Crowder *          | Branson West          |  |  |  |  |
| Dallas County     | Neck City             | Granby                  | Galena                |  |  |  |  |
| Buffalo           | Oronogo               | Leawood                 | Hurley                |  |  |  |  |
| Louisburg         | Purcell               | Loma Linda              | Reeds Spring          |  |  |  |  |
| Urbana            | Reeds                 | Neosho                  |                       |  |  |  |  |
|                   | Sarcoxie              | Newtonia                | Taney County          |  |  |  |  |
| Greene County     | Waco                  | Redings Mill            | Branson               |  |  |  |  |
| Ash Grove         | Webb City             | Ritchey                 | Forsyth               |  |  |  |  |
| Bois D'Arc *      |                       | Saginaw                 | Forsyth Sub*          |  |  |  |  |
| Fair Grove        | Lawrence County       | Seneca                  | Hollister             |  |  |  |  |
| Republic          | Aurora                | Shoal Creek Drive       | Mount Branson*        |  |  |  |  |
| Strafford         | Freistatt             | Shoal Creek Estates     | Powersite *           |  |  |  |  |

### **Missouri Counties and Communities Affected**

\* Not Incorporated

4 CSR-240-3.030 (3)(B)(2)

## Empire District Electric Company ER-2014-0351 4 CSR-240-3.030 (3)(B) 3, 4, and 5

|                               | (3)          |               |    |              |    |            |    |               |    |            |          | (5)          | (4) & (5)  |                  | (4)      |           |
|-------------------------------|--------------|---------------|----|--------------|----|------------|----|---------------|----|------------|----------|--------------|------------|------------------|----------|-----------|
|                               |              |               |    |              |    |            |    |               |    |            |          | Proposed Avg |            | Proposed         |          |           |
|                               | Avg No.      | Total         |    | Total        |    | Average \$ |    | Proposed Prop |    | roposed \$ | Proposed |              | Proposed   | Monthly Increase |          | Increase  |
| MO Rate Schedules             | of Customers | kWh Sales     | R  | Rate Revenue |    | per kWh    |    | Rate Revenue  |    | per kWh    |          | te Increase  | % Increase | per Customer     |          | per kWh   |
| Residential - RES             | 125,629      | 1,700,248,668 | \$ | 200,356,205  | \$ | 0.1178     | \$ | 215,891,967   | \$ | 0.1270     | \$       | 15,535,762   | 7.75%      | \$               | 10.31    | \$ 0.0091 |
| Commercial - CB               | 17,630       | 312,439,452   | \$ | 41,479,537   | \$ | 0.1328     | \$ | 44,382,535    | \$ | 0.1421     | \$       | 2,902,998    | 7.00%      | \$               | 13.72    | \$ 0.0093 |
| Small Heating - SH            | 3,075        | 90,036,157    | \$ | 10,077,393   | \$ | 0.1119     | \$ | 10,791,306    | \$ | 0.1199     | \$       | 713,913      | 7.08%      | \$               | 19.35    | \$ 0.0079 |
| General Power -GP             | 1,657        | 849,457,342   | \$ | 83,057,567   | \$ | 0.0978     | \$ | 84,314,060    | \$ | 0.0993     | \$       | 1,256,493    | 1.51%      | \$               | 63.19    | \$ 0.0015 |
| Special Transmission - ST     | 1            | 59,793,049    | \$ | 3,319,615    | \$ | 0.0555     | \$ | 3,365,615     | \$ | 0.0563     | \$       | 46,000       | 1.39%      | \$               | 3,833.33 | \$ 0.0008 |
| Total Electric Building - TEB | 924          | 368,399,990   | \$ | 36,325,029   | \$ | 0.0986     | \$ | 36,872,380    | \$ | 0.1001     | \$       | 547,351      | 1.51%      | \$               | 49.36    | \$ 0.0015 |
| Feed Mill - PFM               | 8            | 461,883       | \$ | 82,808       | \$ | 0.1793     | \$ | 83,998        | \$ | 0.1819     | \$       | 1,190        | 1.44%      | \$               | 12.40    | \$ 0.0026 |
| Large Power - LP              | 38           | 704,569,425   | \$ | 55,514,655   | \$ | 0.0788     | \$ | 58,830,300    | \$ | 0.0835     | \$       | 3,315,645    | 5.97%      | \$               | 7,271.15 | \$ 0.0047 |
| Traffic signals - MS          | 1            | 132,827       | \$ | 13,762       | \$ | 0.1036     | \$ | 13,762        | \$ | 0.1036     | \$       | -            | 0.00%      | \$               | -        | \$-       |
| Municipal Lighting - SPL      | 6            | 18,239,576    | \$ | 2,264,411    | \$ | 0.1241     | \$ | 2,264,411     | \$ | 0.1241     | \$       | -            | 0.00%      | \$               | -        | \$-       |
| Private Lighting - PL         | 299          | 13,590,522    | \$ | 4,345,220    | \$ | 0.3197     | \$ | 4,345,220     | \$ | 0.3197     | \$       | -            | 0.00%      | \$               | -        | \$-       |
| Special Lighting - LS         | 135          | 659,094       | \$ | 120,077      | \$ | 0.1822     | \$ | 120,077       | \$ | 0.1822     | \$       | -            | 0.00%      | \$               | -        | \$-       |
| TOTALS                        | 149,403      | 4,118,027,985 | \$ | 436,956,279  |    |            | \$ | 461,275,632   |    |            | \$       | 24,319,353   | 5.57%      |                  |          |           |





## FOR IMMEDIATE RELEASE

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# THE EMPIRE DISTRICT ELECTRIC COMPANY FILES FOR NEW MISSOURI ELECTRIC RATES

JOPLIN, MO – August 29, 2014 – The Empire District Electric Company (NYSE:EDE) announced today it has filed a request with the Missouri Public Service Commission (MPSC) for changes in rates for its Missouri electric customers. The Company is seeking an annual increase in base rate revenues of approximately \$24.3 million, or about 5.5 percent. If approved by the MPSC, a residential customer using 1,000 kilowatt hours would see a monthly increase of about \$9.87, which reflects the finding of a cost of service study.

The most significant factor driving the need for a rate increase is the cost associated with the installation of the Air Quality Control System (AQCS) at the Asbury Power Plant. Additional factors include increased operating costs, a new maintenance contract covering the Riverton 12 gas fired generating unit, the increase in Regional Transmission Organization charges and increases in property taxes.

In making the announcement, Brad Beecher, president and CEO, stated, "The AQCS we are installing at the Asbury Power Plant carries a cost of between \$112 and \$130 million and includes a scrubber, fabric filter, and powder activated carbon injection system. This will allow the plant to meet the Environmental Protection Agency (EPA) rules on air quality, namely the Mercury Air Toxic Standards."

(more)

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Beecher continued, "Several factors did allow us to hold down the size of our request. These include savings experienced through the Southwest Power Pool Integrated Marketplace that began March 1, 2014, lower debt cost and a reduction in expenses related to vegetation management."

The Company is also asking to continue the use of the Fuel Adjustment Clause (FAC). The continuation of the FAC will allow the Company to adjust customers' bills twice each year, on June 1 and December 1, based on the varying costs of fuel used to generate electricity at the Company's generating units and electric energy the Company purchases on behalf of its customers.

After today's filing, the MPSC will perform an audit of Empire's operations, hold public hearings, and hold an evidentiary hearing.

Based in Joplin, Missouri, The Empire District Electric Company (NYSE: EDE) is an investorowned, regulated utility providing electric, natural gas (through its wholly owned subsidiary The Empire District Gas Company), and water service, with approximately 217,000 customers in Missouri, Kansas, Oklahoma, and Arkansas. A subsidiary of the company provides fiber optic services. For more information regarding Empire, visit www.empiredistrict.com.

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Certain matters discussed in this press release are "forward-looking statements" intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. Such statements address future plans, objectives, expectations, and events or conditions concerning various matters. Actual results in each case could differ materially from those currently anticipated in such statements, by reason of the factors noted in our filings with the SEC, including the most recent Form 10-K and Form 10-Q.