BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Empire District Electric Company of Joplin, Missouri, Tariffs Increasing Rates for Electric Service Provided to Customers in the Missouri Service Area of the Company	)))))	Case No. ER-2012-0345

MOTION FOR LEAVE TO FILE
SUPPLEMENTAL REBUTTAL TESTIMONY

The Empire District Electric Company ("Empire" or "Company"), by and through the undersigned counsel, hereby moves the Missouri Public Service Commission ("Commission") for authority to file supplemental rebuttal testimony of the Company's witness W. Scott Keith. In support of its motion, Empire respectfully states as follows:

1. In accordance with the Commission's August 6, 2012, *Order Setting Procedural Schedule, Establishing Test Year, Establishing Other Procedural Requirements, and Adopting Proposed Customer Notice with Modifications* ("Procedural Order"), Empire filed prepared rebuttal testimony of ten witnesses, including Mr. Keith, on January 16, 2013.

2. After his rebuttal testimony was filed, Mr. Keith discovered that he had inadvertently failed to address in that testimony the Commission Staff's proposal to establish a new base level of costs for the Iatan Common Plant portion of the tracker mechanism, which was approved by the Commission in Case No. ER-2011-0004, for operations and maintenance costs related to Iatan 2, Iatan Common Plant, and Plum Point.

3. To remedy that omission, Mr. Keith has prepared brief supplemental rebuttal testimony, approximately three and one-half pages in length, addressing that single issue. A copy of Mr. Keith's proposed supplemental rebuttal testimony is attached to this motion as Exhibit 1, and is incorporated herein by reference.

4. Since the date specified in the Procedural Order for filing rebuttal testimony has passed, Empire seeks the Commission's leave to late-file Mr. Keith's prepared supplemental rebuttal testimony.

Because the scope of that testimony is limited to the single issue identified in the preceding paragraph and also because the supplemental testimony is being filed only about a week after the filing date prescribed in the Procedural Order, Empire does not believe any party will be prejudiced or unduly burdened if the Commission grants the Company's motion. Empire further believes that granting the motion will not cause any delay in processing this case in accordance with the remainder of the schedule prescribed in the Procedural Order.

5. Prior to its filing, Empire advised all parties to the case of the Company's intent to file this motion. The Commission Staff, the Office of the Public Counsel, the Missouri Department of Natural Resources, and Southern Union Company have indicated, and have authorized Empire's counsel to represent to the Commission, that those parties do not oppose the Company's motion.

WHEREFORE, for the reasons stated in this motion, Empire asks the Commission to grant the Company's motion and issue an order authorizing Empire to file the supplemental rebuttal testimony of W. Scott Keith.

Respectfully submitted,

BRYDON, SWEARENGEN & ENGLAND P.C.

By:

/s/ L. Russell Mitten
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ATTORNEYS FOR THE EMPIRE DISTRICT ELECTRIC COMPANY

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 on this 24th day of January, 2013.

/s/ L. Russell Mitten

Exhibit 1

Exhibit No.:
Issue: Iatan Common Tracker Base
Witness: W. Scott Keith
Type of Exhibit: Supplemental Rebuttal Testimony
Sponsoring Party: Empire District Electric
Case No. ER-2012-0345
Date Testimony Prepared: January 2013

Before the Public Service Commission

of the State of Missouri

Supplemental Rebuttal Testimony

of

W. Scott Keith

January 2013

SERVICES YOU COUNT ON

SUPPLEMENTAL REBUTTAL TESTIMONY
OF
W. SCOTT KEITH
THE EMPIRE DISTRICT ELECTRIC COMPANY
BEFORE THE
MISSOURI PUBLIC SERVICE COMMISSION
CASE NO. ER-2012-0345

INTRODUCTION

Q. STATE YOUR NAME AND ADDRESS PLEASE.

A. My name is W. Scott Keith and my business address is 602 South Joplin Avenue, Joplin, Missouri.

POSITION

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am employed by The Empire District Electric Company ("Empire" or "Company") as the Director of Planning and Regulatory. I have held this position since August 1, 2005.

Q. ARE YOU THE SAME W. SCOTT KEITH THAT EARLIER PREPARED AND FILED DIRECT AND REBUTTAL TESTIMONY IN THIS RATE CASE BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION ("COMMISSION") ON BEHALF OF EMPIRE?

A. Yes.

PURPOSE

Q. WHAT IS THE PURPOSE OF YOUR SUPPLEMENTAL REBUTTAL TESTIMONY?

A. My supplemental rebuttal testimony will discuss the Staff's proposal to establish a

new base level of $2.4 million for the Iatan Common cost tracker mechanism (see page 110, lines 23 through 25 of Staff Report – Cost of Service Revenue Requirement ("Staff Report")).

IATAN O&M TRACKER

Q. WHAT IS THE ISSUE INVOLVING THE NEW IATAN COMMON TRACKER BASE PROPOSED BY STAFF AT PAGE 110 OF THE STAFF REPORT?

A. The Staff has proposed that the base cost associated with the Iatan tracker be increased from zero, the Iatan Common base cost established in Case No. ER-2011-0004, to $2.4 million.

Q. DO YOU AGREE WITH THE STAFF'S POSITON IN THIS AREA?

A. No. The Staff's proposed increase of $2.4 million in Iatan base tracker costs is incorrect and will result in an under-recovery of $2.4 million in Iatan Common operation and maintenance costs in the base electric rates coming out of this case.

Q. WHY?

A. The Staff has not adjusted, or in this instance increased, the Iatan Common operation and maintenance expense levels in the Staff's case to reflect this level of annual operation and maintenance expense on Iatan Common facilities.

Q. WHAT LEVEL OF IATAN COMMON OPERATION AND MAINTENANCE EXPENSES HAS THE STAFF INCLUDED IN ITS CASE?

A. The Staff's base case includes zero operation and maintenance expenses for the Iatan Common facilities, not the $2.4 million that would be needed to establish a new Iatan tracker base.

Q. HOW DID THE STAFF CASE RESULT IN ZERO OPERATION AND MAINTENANCE EXPENSES FOR THE IATAN COMMON FACILITIES?

A. The Staff's base case assumed that all of the Iatan Common operation and maintenance expenses actually incurred for the test year, $2.4 million, were deferred as part of the Staff's Iatan O&M tracker asset. This tracker asset was then amortized over a three-year period. This left the ongoing Iatan Common operation and maintenance expense levels in the test year at zero in the Staff case. Thus, the base rates coming out of this case include zero for Iatan Common operating cost recovery.

Q. HOW WOULD THE NEW IATAN COMMON BASE OF $2.4 MILLION PROPOSED BY STAFF IMPACT FUTURE IATAN COMMON OPERATING COST RECOVERY?

A. It assumes that Empire's base electric rates include the recovery of $2.4 million in Iatan Common operation and maintenance costs, which is incorrect.

Q. HOW DOES THIS IMPACT FUTURE COST DEFERRALS IN THE TRACKING MECHANISM?

A. It would distort future cost deferrals under the tracking mechanism and deny Empire the recovery of $2.4 million in Iatan Common operating costs.

Q. SHOULD THE BASE LEVEL OF IATAN COMMON OPERATING COST BE CHANGED IN THIS CASE?

A. No. The base cost in the Iatan tracking mechanism should not be changed in this case unless a corresponding adjustment is made to the level of Iatan operation and maintenance expenses included in base electric rates.

Q. DOES THIS CONCLUDE YOUR SUPPLEMENTAL REBUTTAL TESTIMONY?

A. Yes.

AFFIDAVIT OF W. SCOTT KEITH

STATE OF MISSOURI)
) ss
COUNTY OF JASPER)

On the 23rd day of January 2013, before me appeared W. Scott Keith, to me personally known, who, being by me first duly sworn, states that he is the Director of Planning and Regulatory of The Empire District Electric Company and acknowledges that he has read the above and foregoing document and believes that the statements therein are true and correct to the best of his information, knowledge and belief.

W. Scott Keith

Subscribed and sworn to before me this 23rd day of January, 2013.

ANGELA M. CLOVEN
Notary Public - Notary Seal
State of Missouri
Commissioned for Jasper County
My Commission Expires: November 01, 2015
Commission Number: 11262659

Notary Public

My commission expires: 11/01/15.