

FILED

NOV 14 2001

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

Missouri Public
Service Commission

In the matter of the Application of)	
The Empire District Electric Compa-)	
ny for authority to file tariffs)	Case No. ER-2001-299 ¹
reflecting increased charges for)	Case No. ET-2002-210
electric service within its Mis-)	
souri service area)	

**INTERVENOR PRAXAIR'S COMMENTS
ON EMPIRE DISTRICT'S "ALTERNATIVE SUGGESTION"**

In the interest of brevity, Praxair will not recount the factual background that has brought us to this point in this proceeding.^{1/}

In general, Praxair continues to have the concerns that have been voiced in our initial comments as well as the concerns expressed by others. At the same time, it is obvious that an error has been made -- there seems little or no factual dispute about that -- the concern remains how, and whether, to attempt repair.

That having been said, *if it is possible* to move beyond the concerns originally raised in response to Empire's original Motion, Empire's "alternative suggestion," we understand would (without increasing the overall revenue levels) increase the amount of the permanent (non-fuel) portion of the increase and reduce the subject-to-refund fuel portion. The effect of this

^{1/}We do note that the original rate case, ER-2001-299, has been "closed" and a new ET case opened. To avoid confusion, Praxair has included both matters in the caption of this pleading.

proposal, as we understand it, would be to reduce the amount that would potentially be subject to refund at the end of the fuel refund period and thus, correspondingly, result in a potentially smaller rate reduction at that time -- assuming, of course, that the current levels of fuel costs are maintained. In effect, the error is recognized and recovery is allowed, but in something of a "deferred" or "backended" manner and without additional revenue increases to ratepayers.^{2/}

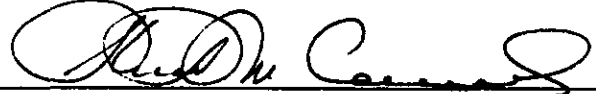
Assuming that we have properly understood the alternative proposal, Praxair's position is that it appears to be a constructive offering. While certainly not resolving the serious concerns that others have raised such as timeliness, single-issue ratemaking and the like, it does propose a mechanism to mitigate a difficult circumstance and as such may merit exploration and further discussion among the parties. Succinctly put, Praxair would not oppose implementing such a proposal, as long as other

^{2/}We recognize readily that this is not a true "deferral."

issues could be resolved to the satisfaction of other interests represented in the case.

Respectfully submitted,

FINNEGAN, CONRAD & PETERSON, L.C.



Stuart W. Conrad Mo. Bar #23966
3100 Broadway, Suite 1209
Kansas City, Missouri 64111
(816) 753-1122
Facsimile (816) 756-0373
Internet: stucon@fcplaw.com
ATTORNEYS FOR PRAXAIR, INC.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document by hand delivery, First Class US Mail or electronic means upon each person designated on the official service list compiled by the Secretary in this proceeding as follows:

Mr. John Coffman
Assistant Public Counsel
Office of the Public Counsel
200 Madison Street
Suite 650
P. O. Box 7800
Jefferson City, MO 65101

Mr. Gary W. Duffy
Brydon, Swearengen & England,
P.C.
312 East Capitol Avenue
Jefferson City, MO 65101

Mr. Dennis Frey
Assistant General Counsel
Missouri Public Service Commission
200 Madison Street
Suite 100
Jefferson City, MO 65101
Dated: November 14, 2001



Stuart W. Conrad, Esq.
An attorney for Praxair Inc.