

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION
JEFFERSON CITY**

April 8, 2002

CASE NO: ER-2002-424

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Presiding Commissioner
Dade County Courthouse
Greenfield, MO 65661

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Presiding Commissioner
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Hermitage, MO 65668

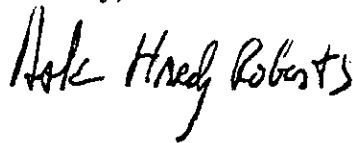
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Osceola, MO 64776
Joe Chowning
Presiding Commissioner
Taney County Courthouse
139 David St./PO Box 1086
Forsyth, MO 65653

Enclosed find certified copy of a NOTICE in the above-numbered case(s).

Sincerely,

A handwritten signature in cursive script that reads "Dale Hardy Roberts".

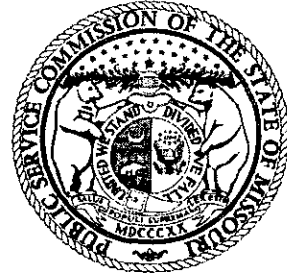
Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

Uncertified Copies:

Notice of *Ex Parte* Contact

TO: Records Department:
All Parties in Case No. **ER-2002-424**
All Commissioners

FROM: Chairman Kelvin Simmons *KLS*
Commissioner Connie Murray *CM*
Commissioner Sheila Lumpe *SL*
Commissioner Steve Gaw *TJ*
Commissioner Bryan Forbis *BF*



DATE: April 5, 2002

On April 5, 2002, we received the attached document from Richard Guffy. The Commission is currently considering the issues discussed in this document in Case No. **ER-2002-424**. **ER-2002-424** is a contested case. The Commission is bound by the same *ex parte* rule as a court of law.

Although communications from members of the public and members of the legislature are always welcome, those communications must be made known to all parties to a contested case so that those parties have the opportunity to respond. According to the Commission's rules (4 CSR 240-4), when a communication (either oral or written) occurs outside the hearing process, any member of the Commission or Regulatory Law Judge who received the communication shall prepare a written report concerning the communication and submit it each member of the Commission and the parties to the case. The report shall identify the person(s) who participated in the *ex parte* communication, the circumstances which resulted in the communication, the substance of the communication, and the relationship of the communication to a particular matter at issue before the Commission.

Therefore, I submit this report pursuant to the rules cited above. This will ensure that any party to this case will have notice of the attached information and a full and fair opportunity to respond to the comments contained therein.

cc: Executive Director
Secretary/Chief Regulatory Law Judge
General Counsel

Michael E. Palmer
Vice President-Commercial Operations
Empire District Electric

4/3/02

Dear Sir;

Last October, when I sent Empire an e-mail about the recent residential rate increase, you answered my e-mail, via regular mail. Why a VP of Commercial Operations is answering a question on a residential rate increase is beyond me. Maybe you people know what you are doing and then again,you may not.

Has Empire Electric no shame? It is just six months since the last rate increase and you are back for two more increases. Data from the Energy Information Administration shows that for the eleven years from 1990 through 2000 the state of Missouri actually had a decrease in the cost per kWh of 4.3%. During that same period Empire Electric had five increases and then in 2001 had the crushing increase of 18.0%, yes with the IEC, it was an 18.0% increase. Now you want another increase in 2002 and another in 2003. This is in league with ENRON's greed. It also seems you should up date your rate increase examples from 750 kWh per month usage to 1100 per month, which your own literature shows as average monthly consumption. It makes those estimated monthly increases more realistic. Don't shade the truth, so to speak.

The rate increase request also has a catch all paragraph that Empire is to be compensated for security costs mandated by the government due to 9/11, and a restructuring of the summer/winter rate structure. Both of these were non specific. How many millions could this cost? You also now have the rates so high that you want to tap the customers that can pay their bills to help pay the bills of those who can't pay. You created that problem, you handle the costs. This type of management reminds me of your bait and switch practices back in 1994 when you excited the switch and eliminated the total electric rate discount. I went total electric due to that discount. I can see you not granting new total electric discounts, but don't renege on your original plan. That is deceit in my books. That goes right along with the deceit of the current attempt to make one-half of the IEC a permanent rate increase. Who really thought that they would ever see any refund at all. I'm sure you have designs on the remaining half. When a utility company get their hands on a \$10 million surcharge, you can bet that you have seen the last of it.

Inept management does not justify punishing the customers in an attempt to keep the stock values up and the dividends stable. This so reeks of a small time ENRON it isn't funny. From the looks of your 2001 earnings, you have some other similarities to ENRON. Since reliable service was mentioned in the press release, I have to comment. As a long-suffering customer, fifteen years, I have to protest the use of the words "reliable service". I have lived all over the U.S. and Canada and have never had such poor service. I now have a personal best time of 2 minutes and 30 seconds to reset the TV, VCR and Microwave, after a power outage. At times I have felt like I lived in rural Mexico. I even had one of your managers tell me one time that he had too many trees and squirrels that created the outages. I guess that Empire is the only electric utility with trees and squirrels.

Very Sincerely yours;



Richard Guffy
962 W Meadowview DR
Nixa, MO 65714

(417) 725 3306

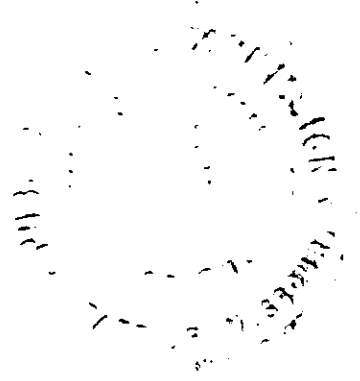
cc/ MPSC: Kelvin L. Simmons, Steve Gaw, Sheila Lumpe, Connie Murray
MOPC: John B Coffman

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and
I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City,
Missouri, this 8th day of April 2002 .



Dale Hardy Roberts

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge