

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of The Empire District Electric)
Company's Application for Variance and)
Clarification Concerning Select Provisions) Case No. EE-2010-0246
of Commission Rules Related to Electric)
Utility Resource Planning.)

**JOINT STATEMENT OF POSITION
AND AGREED LANGUAGE REGARDING ECONOMIC VARIABLES OF
THE EMPIRE DISTRICT ELECTRIC COMPANY AND
THE MISSOURI DEPARTMENT OF NATURAL RESOURCES**

COME NOW The Empire District Electric Company (Empire or Company) and the Missouri Department of Natural Resources (MDNR) and for their Joint Statement of Position and Agreed Language Regarding Economic Variables respectfully state to the Missouri Public Service Commission (Commission or PSC) as follows:

PROCEDURAL BACKGROUND

1. On February 26, 2010, Empire filed an Application requesting certain variances from and clarifications of the PSC's Integrated Resource Planning (IRP) Rule, 4 CSR 240-22.
2. On March 31, 2010, MDNR filed its Response to Empire's application for variance and clarification. In its Response, MDNR recommended that the PSC deny several of Empire's requests for variance. MDNR also recommended that the PSC impose additional IRP requirements on Empire in the area of Load Analysis and Forecasting.
3. On April 9, 2010, Empire filed its Reply setting forth those areas where Empire agreed, did not object, or disagreed with MDNR's Response. One area of disagreement was MDNR's request that the PSC require Empire to use economic variables in conjunction with trend variables in load forecasting/regression analysis.

4. On April 19, 2010, MDNR filed its Response to Empire's Reply which summarized agreement between Empire and MDNR on the following three issues:
- a.) Load Forecasting/Regression Analysis. Empire has no objections to sharing the details of its load forecasting report with MDNR prior to the IRP filing date once it is completed, and this is acceptable to MDNR for purposes of this case.
 - b.) Variance to starting points of the data base used to forecast net system loads and system peak demand. Empire and MDNR agree that Empire's requested variance to starting points of the data base used to forecast net system loads and system peak demand should be granted.
 - c.) Residential subclass data. For purposes of this case, MDNR no longer seeks clarification of the IRP rule to require Empire to provide subclass level data for residential forecasting.

MDNR's pleading also offered alternative language on a fourth issue – the use of economic variables in conjunction with trend variables in load forecasting/regression analysis.

JOINT STATEMENT AND AGREED LANGUAGE ON ECONOMIC VARIABLES

5. After further discussion, Empire and MDNR have agreed to the following with regard to the use of economic variables:

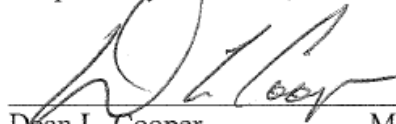
Empire agrees to provide full disclosure of its IRP load forecasting methodology, to include a description of all assumptions, equations and the rationale for any decisions made concerning any adjustments made to the data used to develop the forecast. As one aspect of this disclosure, Empire will describe any assumptions concerning future economic conditions that influenced or were incorporated into the company's specification or assignment of values to variables, coefficients or relationships in the

equations used to forecast load over the 20-year planning horizon. Empire will provide all work papers supporting the IRP load forecast when it is completed. In addition, Empire's IRP load forecast work papers will be provided to MDNR in an electronic format.

Empire and MDNR agree that the Commission should issue an order granting the variances and clarifications requested by Empire with the language above included as a condition.

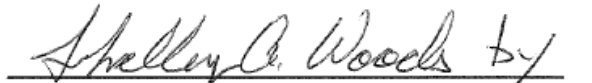
WHEREFORE, Empire and MDNR respectfully request that the Commission issue its order granting a variance and clarification as requested in Empire's Application including the agreed language on economic variables as stated herein.

Respectfully submitted,



Dean L. Cooper Mo. Bar 36592
BRYDON, SWEARENGEN & ENGLAND P.C.
312 East Capitol Avenue
P.O. Box 456
Jefferson City, MO 65102-0456
Telephone: (573) 635-7166
Facsimile: (573) 635-0427
dcooper@brydonlaw.com

CHRIS KOSTER
Attorney General



Shelley A. Woods Mo. Bar 33525
Assistant Attorney General
P.O. Box 899
Jefferson City, MO 65102
Telephone: (573) 751-0052
Facsimile: (573) 751-8796
shelley.woods@ago.mo.gov

CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been sent by electronic mail this 4th day of May, 2010, to:

Sarah L. Kliethermes
Missouri Public Service Commission
Governor Office Building
200 Madison Street
P.O. Box 360
Jefferson City, Missouri 65102
sarah.kliethermes@psc.mo.gov

Lewis Mills
Governor Office Building
200 Madison Street
P.O. Box 7800
Jefferson City, Missouri 65102
lewis.mills@ded.mo.gov

