



Missouri Public Service Commission

Area Code 314
731-3234

January 2, 1987

P.O. BOX 360
JEFFERSON CITY
MISSOURI 65102

FILED

JAN - 2 1987

PUBLIC SERVICE COMMISSION

Commissioners:

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Chairman

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Staff Director

HARVEY G. HUBBS

Secretary

WILLIAM C. HARRELSON

General Counsel

Mr. Daniel J. Redel, Acting Secretary
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

Re: Case No. ER-85-265
In the matter of Arkansas Power & Light Company of Little Rock, Arkansas, for authority to file tariffs increasing rates for electric service provided to customers in the Missouri service area of the Company.

Re: Case No. AO-87-48⁴
In the matter of the investigation of the revenue effects upon Missouri utilities of the Tax Reform Act of 1986.

Dear Mr. Redel:

Enclosed for filing in the above-referenced cases is an original plus fourteen (14) conformed copies of Staff's Response to Intervenors' Motion. Copies of same have been mailed to all parties of record on this date.

Thank you for your continuing cooperation.

Sincerely,

Thomas M. Byrne
Assistant General Counsel

TMB:sld
cc: All parties of record
Enclosures

JAN - 2 1967

PUBLIC SERVICE COMMISSION

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Case No. ER-85-265

In the matter of the investigation of the revenue effects upon Missouri utilities of the Tax Reform Act of 1986.)

Case No. AO-87-48

RESPONSE TO INTERVENORS' MOTION

Comes now the Staff of the Missouri Public Service Commission ("Staff") and states as follows:

1. On December 29, 1986, ASARCO, Inc. and Doe Run Company ("Intervenors") filed in the above-referenced cases a Motion requesting that the Commission reduce the rates of Arkansas Power & Light Company ("Company") effective January 1, 1987, to reflect decreased federal income tax rates. The Intervenors assert that certain language contained in the Company's tariffs and certain admissions contained in the Company's filing in Case No. AO-87-48 indicate that an immediate reduction in the Company's rates is appropriate.

2. At the present time, the Staff is not in a position to either support or oppose this Motion. It is the Staff's intention to develop a position on the issues raised in the Intervenors' motion after the Company has filed its responsive pleading. At that time, it should be clear which of the Intervenors' legal and factual assertions are at issue in this proceeding, and the Staff will be in a better position to render an objective recommendation.

Respectfully submitted,

Thomas M. Byrne

Thomas M. Byrne
Assistant General Counsel

Attorney for the Staff of the
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Missouri
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CERTIFICATE OF SERVICE

I hereby certify that
copies of the foregoing
have been mailed or hand-
delivered to all parties of
record on this 22 day of

January, 1987

Thomas M. Byrne