

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

In the Matter of The Empire District Electric)
Company of Joplin, Missouri for Authority to)
File Tariffs Increasing Rates for Electric Ser-)
vice Provided to Customers in the Missouri)
Service Area of the Company.)

Case No. ER-2011-0004

STAFF'S RESPONSE

COMES NOW the Staff of the Missouri Public Service Commission, by and through Counsel, and for its Response to Empire's ***Motion to Establish Admissibility of Testimony and Exhibits and Motion for Expedited Treatment, Or, In the Alternative, Motion to Extend Filing Deadline***, filed herein on March 21, 2011, states:

1. The Staff does not oppose Empire's request that the Commission admit into the record of this matter certain items regarding the Iatan Project from the record of Case No. ER-2010-0355, more particularly described in Paragraph 7 of Empire's Motion filed herein on March 21, 2011 (those items are herein referred to as the "***Iatan Record***"). Like Empire, Staff does not propose to relitigate issues already litigated in Case No. ER-2010-0355 and set out by Empire in Paragraph 2 of its Motion.

2. However, Staff's ***Iatan Construction Audit and Prudence Review Report ("Empire Audit Report")*** filed on February 23, 2011, in this case includes some issues relating to Empire's participation in the Iatan Project that Staff intends to litigate in this case, as Empire recognizes at Paragraphs 5 and 7 (last sentence) of its Motion. Some of the contents of the ***Iatan Record*** are relevant to those issues.

3. Staff advises the Commission and parties that the ***Empire Audit Report*** is not simply a trued-up version of Staff's ***Iatan Construction Audit and Prudence***

Review Report (“KCPL Audit Report”) filed on November 3, 2010, in Case No. ER-2010-0355 and the *latan Record*.

- a. In some cases, although the rationale for the Staff’s adjustment in the **Empire Audit Report** is the same as the adjustment in the **KCPL Audit Report**, Staff has provided additional information that is not addressed in the *latan Record*.
- b. The **Empire Audit Report** includes Staff’s true-up adjustments from its true-up direct testimony filed in Case No. ER-2010-0355. This information is addressed in the *latan Record*.
- c. The **Empire Audit Report** includes adjustments that Staff did not include in the **KCPL Audit Report**. The Empire cases and KCPL-GMO cases are not identical. For example, the Stipulation and Agreement that the Staff and other parties entered into with Empire regarding the construction audit and prudence review of Iatan 1 AQCS, approved by the Commission in Case No. ER-2010-0130, is different from the Stipulation and Agreement that the Staff and other parties entered into with KCPL and GMO regarding the construction audit and prudence review of Iatan 1 ACQS and approved by the Commission in Case Nos. ER-2009-0089 and ER-2009-0090. There are adjustments in the **Empire Audit Report** that are not addressed in the *latan Record*.
- d. The **Empire Audit Report** is also different from the **KCPL Audit Report** in that the Staff took the opportunity to better organize the document and correct typographical errors.

4. It is not clear to the Staff whether Empire’s pleading seeks relief respecting the filing of all rebuttal testimony on the Iatan Project issues or if it seeks relief only respecting rebuttal testimony relating to KCPL’s prudence but not relating to Empire’s prudence pertaining to the Iatan Project. A one week extension already has been granted by the Commission so this concern of Staff appears to be moot.

5. To the extent that Staff discovers errors or additional pertinent information, Staff reserves the right to supplement or correct the *latan Record*.

WHEREFORE, subject to Staff’s specific and express reservation of the right to fully litigate herein all issues relating to Empire’s participation in the Iatan Project and to

supplement or correct the *latan Record* as appropriate, Staff consents to Empire's Motion.

Respectfully submitted,

s/ Kevin A. Thompson
KEVIN A. THOMPSON
Missouri Bar Number 36288
Chief Staff Counsel

Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102
573-751-6514 (Voice)
573-526-6969 (Fax)
kevin.thompson@psc.mo.gov

Attorney for the Staff of the Missouri Public Service Commission.

Certificate of Service

I hereby certify that a true and correct copy of the foregoing was served, either electronically or by hand delivery or by First Class United States Mail, postage prepaid, on this **24th day of March, 2011**, on the parties of record as set out on the official Service List maintained by the Data Center of the Missouri Public Service Commission for this case.

s/ Kevin A. Thompson