

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

In the Matter of The Empire District Electric            )  
Company for Authority to File Tariffs Increasing        )  
Rates for Electric Service Provided to Customers        )        Case No. ER-2016-0023  
in the Company's Missouri Service Area                 )

**PRELIMINARY LIST OF ISSUES**

COMES NOW The Empire District Electric Company, through counsel, and respectfully submits the parties' preliminary list of issues. Below are all items identified, as of this date, as possible contested issues in this case. The inclusion of an item on this list does not mean the parties are in agreement that the issue should be addressed in this docket. Also, items are included that were not addressed in any party's direct testimony, but were identified as possible issues during the technical conference.

1. Payroll/Healthcare Expense – Incentive Compensation / Acquisition Adjustment
2. Payroll - SERP
3. Rate Case Expense
4. Bad Debt Expense (OPC)
5. Plant Maintenance and Operating Expense - annualization based on combined cycle vs. historical
6. Riverton 12 Tracker Level / what's included
7. Fuel and Purchased Power
  - FAC Component Values
  - Natural Gas Hedging Policy
  - Natural Gas Hedging Losses
  - Prudency of Continuing Natural Gas Hedging
8. Continuation of FAC

9. Materials and Supplies
10. Prepayments
11. Tornado Deferral
12. Accumulated Deferred Income Tax – DTL-NOL
13. Property Tax Assessment Cut-Off
14. Cost of Removal and State Tax Flow Through
15. CAM – whether the issue should be included in the rate case and, if so, what should be the form of the CAM
16. Allocations
  - EDI & Water Allocations
  - A&G Water Expense Determination
17. Energy Efficiency / DSM
18. Weatherization
19. Trackers – rate base treatment (OPC)
  - Vegetation Management
  - May 2011 Tornado Deferrals
  - Carrying Costs – Iatan 1, Iatan 2, Plum Point
  - O&M – Iatan 1, Iatan Common, Plum Point
  - PeopleSoft Cost
  - Pension
  - OPEB
  - SWPA Capacity Loss Reimbursement
20. Capital Structure
21. Return on Equity

22. Revenue Imputation - Praxair Tariff
23. Class Cost of Service, Revenue Allocation, and Rate Design
24. Depreciation Expense
  - Stopped Depreciation
  - Reserve Deficiency
    - Rate Base Treatment
    - Amortization
  - Rate recovery of loss on retirement of plant assets
25. Vegetation Management Expense
26. Iatan 2, Iatan Common, Plum Point O&M Expense
27. Common Stock Issuance Expense

WHEREFORE, The Empire District Electric Company respectfully submits the parties' preliminary list of issues.

Respectfully submitted,

BRYDON, SWEARENGEN & ENGLAND P.C.

By:

/s/ Diana C. Carter

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ATTORNEYS FOR THE EMPIRE  
DISTRICT ELECTRIC COMPANY

**CERTIFICATE OF SERVICE**

I hereby certify that the above and foregoing document was filed in EFIS, notifying all counsel of record of the filing, and that a copy of the same was sent via electronic mail on this 21<sup>st</sup> day of April, 2016, to all counsel of record.

/s/ Diana C. Carter