SCHEDULE MEP-1

STAFF RESPONSE TO EMPIRE DATA REQUESTS

This is a <u>data request</u> from The Empire District Electric Company to Dan Beck in Case No. EO-2008-0043. The request relates to the Rebuttal Testimony of Dan Beck filed on November 9, 2007. Please email your response to <u>duffy@brydonlaw.com</u>.

1. Do you, as the representative of the Staff in this proceeding, agree that the territorial agreement proposed by the parties in this case is in the public interest?

Answer: No, based on the information that Staff has received to date. However, Staff expects that the surrebuttal testimony in this case, which has not yet been filed, should provide additional information that would be relevant to determining the public interest.

- 2. If your answer to question 1 is in the affirmative, please state the reasons why you believe it is in the public interest.

 Answer: See response to 3.
- 3. If your answer to question 1 is in the negative, please state the reasons why you believe it is not in the public interest.

 Answer: While I believe that my entire Rebuttal Testimony lays out my reasoning in this case, I would specifically refer to line 7, page 13 to line 20, page 15 of my Rebuttal Testimony.

In addition, Empire's witness Michael E. Palmer's Direct Testimony, Page 5, lines 13-16, points to certainty of the electric supplier in the face of possible annexation as the reason that this is in the public interest. Staff finds this logic perplexing since annexation of this subdivision would eliminate Ozark's ability to serve new customers in this subdivision and therefore Empire, which is already serving the existing customers in this subdivision, would be the only electric supplier that could serve new customers in the annexed subdivision. Therefore the annexation would provide the certainty of a single supplier with or without the territorial agreement.

4. If your answer to question 1 is neither in the affirmative or the negative, please state the reasons why you are unable to take a position either in support of or in opposition to the proposed territorial agreement.

Answer: See response to 3.

- 5. If you have taken a position in your prepared rebuttal testimony that you either support or oppose the proposed territorial agreement, please provide a reference to the page and line number where that position statement appears.
- Answer: While I believe that my entire Rebuttal Testimony lays out my reasoning in this case and the questions and answers on line 7, page 13 to line 20, page 15 of my Rebuttal Testimony provides more specifics, I would point to lines 6-7, page 14 which states "I do not believe the Applicants have put forth an argument that explains why this Application is in the interest of Empire's customers." However, I would also point to the question and answer at lines 21-23, page 15 of my Rebuttal Testimony where I express my opinion that Empire should better explain the public interest aspects of this Application in its Surrebuttal testimony.
- 6. If you are unable at this time to take a position either in favor of or in opposition to the proposed territorial agreement, please indicate what specific information in the way of facts or data you need in order to be able to take such a position. Please indicate what steps you have taken since this case was filed to obtain this particular information, and specifically when you requested the information, and from whom.

Answer: See response to 1 and 3.