

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

In the Matter of The Empire District Electric)	
Company's Application for Approval of)	
Demand-Side Programs and for Authority to)	Case No. EO-2012-0206
Establish a Demand-Side Programs Investment)	
Mechanism.)	

APPLICATION OF THE EMPIRE DISTRICT ELECTRIC COMPANY

COMES NOW The Empire District Electric Company ("Empire"), by and through counsel, and files this Application for approval of demand-side programs and for authority to establish a Demand Side Management Investment Mechanism ("DSIM") tracker.¹ In this regard, Empire respectfully states as follows to the Missouri Public Service Commission ("Commission"):

1. With this Application, Empire seeks approval, pursuant to RSMo. §393.1075, known as the Missouri Energy Efficiency Investment Act ("MEEIA"), and Commission rules 4 CSR 240-3.163, 4 CSR 240-3.164, 4 CSR 240-20.093, and 4 CSR 240-20.094, of a new Missouri demand-side management ("DSM") portfolio, including four new DSM programs, and for the authority to establish a DSIM tracker. Empire's proposal is set forth in greater detail in the Direct Testimony of W. Scott Keith being filed herein and the report attached thereto as Schedule A. This testimony contains the supporting information required by the MEEIA rules.

2. Empire is a Kansas corporation with its principal office and place of business at 602 Joplin Street, Joplin, Missouri, 64802. Empire is qualified to conduct business and is conducting business in Kansas as well as in the states of Missouri, Arkansas and Oklahoma. Empire is engaged, generally, in the business of generating, purchasing, transmitting, distributing

¹ The Commission's rules provide that the Commission shall approve, approve with modifications acceptable to the utility, or reject a MEEIA application within 120 days of the

and selling electric energy in portions of said states. Empire also provides water service and, through a subsidiary, natural gas distribution service in Missouri. Empire's Missouri operations are subject to the jurisdiction of the Commission as provided by law.

3. A certified copy of Empire's Restated Articles of Incorporation, as amended, as filed in Case No. EF-94-39, is incorporated herein by reference in accordance with Commission rule 4 CSR 240-2.060(1)(G). A certificate from the Missouri Secretary of State that Empire, a foreign corporation, is authorized to do business in Missouri was filed with the Commission in Case No. EM-2000-369 and is incorporated by reference in accordance with Commission rule 4 CSR 240-2.060(1)(G). This information is current and correct. Empire has no pending actions or final unsatisfied judgments or decisions against it from any state or federal agency or court that involve customer service or rates other than the following pending action: Karen J. Brooks, et al. v. The Empire District Electric Company, Jasper County Case No. 11AO-CC00385. Empire's annual report and assessment fees are not overdue.

4. Pursuant to Commission Rule 4 CSR 240-4.020, Empire filed its Notice of Intended Case Filing herein on January 6, 2012. As stated in that Notice, in Case No. EO-2011-0066, Empire agreed to file the subject Application by February 29, 2012. Should the Commission conclude that this proceeding is subject to the 60-day notice filing requirement of 4 CSR 240-4.020, Empire requests a partial waiver of the rule for good cause shown pursuant to 4 CSR 240-4.020(2)(B).

5. RSMo. §393.1075 provides, in part, that the Commission "shall permit electric corporations to implement commission-approved demand-side programs proposed pursuant to this section with a goal of achieving all cost-effective demand-side savings." The statute also

filing of the application. Empire is agreeable to extending this deadline and working with the Commission and the parties to this proceeding on a mutually agreeable procedural schedule.

provides that the Commission “may develop cost recovery mechanisms to further encourage investments in demand-side programs . . .” In Case No. EX-2010-0368, the Commission promulgated four rules designed to implement the MEEIA provisions – 4 CSR 240-3.163, 4 CSR 240-3.164, 4 CSR 240-20.093, and 4 CSR 240-20.094.

6. Empire’s MEEIA request includes all of Empire’s existing DSM programs and four additional DSM programs. The four additional programs are: a residential high efficiency lighting program, a residential home energy comparison program, an Energy Star appliance rebate program, and a refrigerator recycling program. Pursuant to §393.1075 and the Commission’s rules, a detailed description of each proposed demand-side program is included in the report attached as Schedule A to the Direct Testimony of W. Scott Keith.

7. Under Empire’s MEEIA proposal, as outlined in Empire’s MEEIA report, overall DSM program expenditures are expected to increase from the current levels of \$1.5 million per year to \$6.0 million per year in three years.

8. Empire is also requesting Commission approval of a rider to recover DSM program costs and incentives. The DSIM rider is designed to recover actual program costs and incentives incurred during a program year (calendar year). Pursuant to §393.1075 and the Commission’s rules, all details of the DSIM rider, including proposed DSIM tariff sheets, are included in Empire’s MEEIA report attached as Schedule A to the Direct Testimony of W. Scott Keith.

9. Empire’s DSIM proposal is a critical component of the Company’s MEEIA filing. If the Commission does not authorize a DSIM rider that allows recovery of costs and an incentive in a timely manner, Empire will be forced to reexamine the proposed level of DSM investment.

10. Pursuant to 4 CSR 240-20.093(13) and 4 CSR 240-20.094(9), Empire requests

that the Commission grant variances from certain provisions of the MEEIA rules. These requests, and the good cause therefore, are set forth in the Direct Testimony of W. Scott Keith and the report attached thereto.

WHEREFORE, The Empire District Electric Company respectfully requests approval of its proposed demand-side programs and the authority to establish a DSIM tracker. Empire requests such further relief as is just and proper under the circumstances.

BRYDON, SWEARENGEN & ENGLAND P.C.

By: /s/ Diana C. Carter
Diana C. Carter MBE #50527
312 East Capitol Avenue
P.O. Box 456
Jefferson City, MO 65102
Telephone: (573) 635-7166
Facsimile: (573) 634-7431
E-mail: DCarter@BrydonLaw.com

ATTORNEYS FOR THE EMPIRE DISTRICT
ELECTRIC COMPANY

Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail on this 28th day of February, 2012, to all counsel of record.

/s/ Diana C. Carter

VERIFICATION

STATE OF MISSOURI)
) SS
COUNTY OF JASPER)

I, W. Scott Keith, state that I am employed by The Empire District Electric Company ("Empire") as Director of Planning and Regulatory, that I have read the attached documents, that the statements contained therein are true and correct to the best of my information, knowledge and belief, and that I am authorized to make this statement on behalf of Empire.

W. Scott Keith

Subscribed and sworn to before me this 28 day of February, 2012.



Angela M. Cloven
Notary Public

My Commission Expires: 11/01/15