

**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-2014-0351
in the Company’s Missouri Service Area)

**EMPIRE’S REPLY IN SUPPORT OF ITS OBJECTION
TO THE ADMISSION OF MECG’S TESTIMONY**

COMES NOW The Empire District Electric Company (“Empire” or “Company”), by and through counsel, and for its reply in support of its objection to the admission of page 6, lines 1-15, of the Surrebuttal Testimony submitted herein by Midwest Energy Consumers Group (“MECG”) witness Kavita Maini, respectfully states as follows to the Missouri Public Service Commission (“Commission”):

1. Empire does not dispute MECG’s statement in paragraph two of its Response to Objection that “concerns with Empire’s proposal to collect fixed costs through the variable charges in the fuel adjustment charge were clearly stated” in Ms. Maini’s Direct Testimony.

2. In her Direct Testimony, Ms. Maini not only stated her concerns, but, on page 12 of her Direct Testimony, she also suggested a way to address her concerns:

Given this inconsistency and unintended consequences, it dictates that these fixed costs be recovered through base rates.

With their rebuttal testimony, Empire, and the other parties, were then able to respond to Ms. Maini’s concerns and her suggested way to address those concerns.

3. Unfortunately, Ms. Maini then waited until the filing of her Surrebuttal Testimony to make a proposal regarding how to address her concerns in the event the Commission were to accept the direct testimony position of Empire and authorize recovery of transmission costs through the fuel adjustment clause:

Should the Commission allow the Company to include recovery of transmission costs through the FAC, I recommend that Empire establish a \$/KW demand charge for recovery of fixed costs for demand metered customer classes to address the above mentioned concerns.

Since Ms. Maini's alternative proposal was contained, for the first time, in her Surrebuttal Testimony, no other party had the opportunity to present testimony in response to this alternative proposal.

4. Commission Rule 4 CSR 240-2.130(7)(A) provides that direct testimony shall include all testimony "asserting and explaining that party's case-in-chief." By introducing a new proposal regarding the recovery of transmission costs in surrebuttal testimony, MECG violated this rule and denied Empire and the other parties to this proceeding an opportunity to present evidence to counter this proposal and explain the potential impact on Empire's other ratepayers.

WHEREFORE, Empire respectfully requests an order of this Commission denying the admission of page 6, lines 1-15, of MECG witness Maini's Surrebuttal Testimony. Empire requests such additional relief as is just and proper under the circumstances.

Respectfully submitted,

BRYDON, SWEARENGEN & ENGLAND P.C.

By:

/s/ Diana C. Carter
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ATTORNEYS FOR THE EMPIRE
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CERTIFICATE OF SERVICE

I hereby certify that the above and foregoing document was filed in EFIS and that a copy of the same was sent via electronic mail on this 1st day of May, 2015, to all counsel of record.

/s/ Diana C. Carter_____