

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 15th
day of June, 1990.

In the matter of the application of The Empire)
District Electric Company for a waiver of)
4 CSR 240-14 and portions of its electric)
regulations with regard to Gimlin Developments)
Subdivision in Christian County, Missouri.)
CASE NO. EO-90-320

ORDER APPROVING VARIANCE

On May 22, 1990, The Empire District Electric Company (Empire) filed an application with the Commission in which it requested a variance from 4 CSR 240-14 in order to compete with White River Valley Electric Cooperative, Inc. (White River).

On June 4, 1990, White River filed an Application To Intervene. In its application, White River stated that as an electric utility operating in the area serviced by Empire, White River has a direct interest in the instant proceeding. White River further stated that its participation is necessary to ensure that it will not be adversely affected by the authority requested by Empire.

On June 15, 1990, Staff filed a recommendation. Staff recommends approval of the variance. Staff states that the estimated cost to be waived is \$882.00 per lot, while the expected annual revenue from the homes will be \$1,533.00. Staff states any ratemaking determination concerning the construction should be addressed in a general rate proceeding.

The Commission has considered Empire's request and has determined that the waiver will be granted. The Commission has determined that the need to meet unregulated competition provides good cause to waive the tariff charges but any ratemaking treatment will be addressed in a general rate case. The Commission will deny White River's intervention.

IT IS THEREFORE ORDERED:

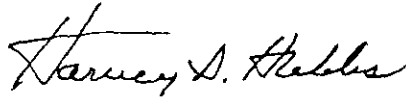
1. That the application to intervene of White River Valley Electric Cooperative, Inc. be hereby denied.

2. That the variance of 4 CSR 240-14 as requested by Empire District Electric Company in this case be hereby granted.

3. That nothing in this order shall be considered as a finding by the Commission of the reasonableness of any expenditures made, nor of the value for ratemaking purposes of any properties herein involved, nor as an acquiescence in the value placed upon any properties by the applicant.

4. That this order shall become effective on the 25th day of June, 1990.

BY THE COMMISSION



Harvey G. Hubbs
Secretary

(S E A L)

Steinmeier, Chm., Mueller, Rauch, McClure
and Letsch-Roderique, CC., Concur.