BEFORE THE PUBLIC SE OF THE STATE O		F/1 E NOV 3 0 2000
In the Matter of The Empire District Electric Company's Tariff Sheets Designed to Implement a General Rate Increase for Retail Electric Service Provided to Customers in the Missouri Service Area of the Company.)) Case No. ER-2001-299)	Connission

REQUEST FOR TRUE-UP AND MOTION TO RESCHEDULE TRUE-UP HEARING

Comes now The Empire District Electric Company ("Empire"), by and through its counsel, and for its request for true-up hearing and motion to reschedule the true-up hearing, respectfully states as follows:

- 1. In its Suspension Order and Notice issued November 16, 2000, the Commission ordered that Empire shall file, on or before November 30, 2000, any request for true-up audit and hearing in a separate pleading concurrent with its test year recommendation.
- 2. As reflected in the prepared direct testimony (p. 4) of Robert B. Fancher filed on November 3, 2000, Empire requests a true-up audit and hearing since the test year as updated will likely not include all of the appropriate costs of the new State Line Combined Cycle Plant, which is scheduled to be operational on June 1, 2001, and to have its costs booked by July 31, 2001. As a result, a true-up audit and hearing should be scheduled in August 2001 for the purpose of examining the costs related to that new generating facility.
- 3. The Commission's order states that the proposal should also specify a complete list of accounts or items of expense, revenues and rate base designed to prevent any mismatch in those areas. Accordingly, Empire proposes that the true-up apply to the following items:

Rate Base:

- 1. Plant in Service, including the fully operational plant additions for which Empire has received an invoice and recorded in the accounts payable system to be paid.
- 2. Accumulated Depreciation.
- 3. Any deferred taxes associated with the true-up items.
- 4. True-up prices for natural gas, coal and oil.
- 5. Effect on cash working capital for true-up items.

Capital Structure:

- 1. Cost of capital structure components.
- 2. Capital structure components.

Income Statement:

- 1. Customer growth revenues.
- 2. Payroll employee levels and current wage rates.
- 3. Fuel and purchase power expense associated with customer growth.
- 4. Fuel and purchase power expense associated with plant addition.
- 5. Depreciation expense.
- 6. Rate case expense.
- 7. Related income tax effects.
- 8. Decrease in purchase power demand charges.

Other Items:

- 1. Allocation factors.
- 4. The Commission has already reserved the week of June 18, 2001, for a true-up hearing in this case. (See, Ordered paragraph 12 of November 16 Order) While the reservation of time for a true-up hearing is appropriate, the dates need to be adjusted to deal with the fact that the costs subject to the true-up will not be booked and available for audit until July 31, 2000. A hearing before that time would not be suitable. Empire has discussed suitable dates for a true-up

hearing with representatives of the Staff of the Commission. The Staff has suggested to Empire that August 22 and 23 are appropriate dates for the Commission to schedule as a true-up hearing. These dates are acceptable to Empire. Therefore, Empire moves that the Commission reschedule the true-up hearing from the week of June 18, 2001 to August 22 and 23, 2001.

WHEREFORE, Empire submits its request for true-up audit and hearing as ordered, and moves that the true-up hearing be rescheduled as prayed for herein.

Respectfully submitted,

Gary W. Duffy

MBE #24905

BRYDON, SWEARENGEN & ENGLAND P.C.

312 East Capitol Avenue

P.O. Box 456

Jefferson City, Missouri 65102-0456

(573) 635-7166

(573) 635-3847 (facsimile)

Email: <u>Duffy@Brydonlaw.com</u>

Certificate of Service

The undersigned certifies that a true and correct copy of the foregoing was served this 30th day of November, 2000, by either hand delivery or placement of same with the United States Postal Service in Jefferson City, Missouri, first class postage prepaid, to the counsel listed below.

Gary W. Duffy

Office of the Public Counsel Governor State Office Building Jefferson City, Missouri

Office of the General Counsel Public Service Commission Governor State Office Building Jefferson City, Missouri

Stuart W. Conrad

Finnegan, Conrad & Peterson L.C. 1209 Penntower Office Center 3100 Broadway Kansas City, Missouri 64111

ED01truupreq/gdmydocs/wp8