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STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 12th
day of August, 1997.

In the matter of The Empire District)	
Electric Company of Joplin, Missouri, for)	
authority to file tariffs increasing)	<u>Case No. ER-97-81</u>
rates for electric service provided to)	
customers in the Missouri service area of)	
the company.)	

ORDER REGARDING MOTION FOR REHEARING

The Commission issued its Report and Order in this matter with an effective operation of law date of July 28, 1997. In that Report and Order, the Commission approved a Unanimous Stipulation and Agreement and set an annual increase in revenue requirement for Empire District Electric Company (EDE) of \$10,589,364. In doing so, the Commission found the following in ordered Paragraph 3:

"3. That in accordance with the above approved Stipulation and Agreement, the State Line Combustion Turbine II did not meet all of the nine specified criteria by the extended cutoff date of June 21, 1997, and the additional revenue requirement, as specified in the Stipulation and Agreement as amended, is \$10,589,346."

On July 25 EDE filed an Application for Rehearing, stating that it requests the Commission schedule a rehearing regarding the status of State Line Combustion Turbine II (SLCT2), and modify its Report and Order by granting EDE an additional \$3,352,013 in revenue requirement. EDE maintains that SLCT2 now meets the specified criteria and seeks to avoid the necessity of filing another rate proceeding by obtaining the additional revenue as the result of SLCT2 being placed in service.

On August 1 the Staff of the Commission (Staff) filed a "Report

on State Line Unit II" in which it stated that SLCT2 successfully completed all in-service criteria as set out in the Stipulation and Agreement by July 28.

The terms and conditions of the Stipulation and Agreement, approved by the Commission and now in effect, govern the status and inclusion of the \$3,352,013 into EDE's revenue requirement. The Commission will grant the request for rehearing only to the extent that it will allow the parties 30 days in which to amend the terms of the agreement, should they so desire, to provide that SLCT2 has met the requirements of the agreement and to specify the additional funds to be included in present revenue requirement as a result. Upon advice by the parties, the Commission will then determine whether an on-the-record presentation is required.

IT IS THEREFORE ORDERED:

1. That the Empire District Electric Company's Application for Rehearing is granted to the limited extent as set out above.

2. That the parties will advise the Commission as to the matters as set out above no later than September 15, 1997.

2. That this order shall become effective on the date hereof.

BY THE COMMISSION



Cecil I. Wright
Executive Secretary

(S E A L)

Zobrist, Chm., Crumpton, Drainer,
Murray, and Lumpe, CC., Concur.

ALJ: Derque