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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 20th day of June, 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 GRANTING MOTION TO MODIFY THE ORDER ESTABLISHING TEST YEAR AND GRANTING A JOINT MOTION FOR AN EXTENSION OF TIME

On August 30, 1996, Empire District Electric Company (EDE) filed tariffs reflecting increased rates for electric service to the Missouri service area of the company designed to produce an annual increase in revenue of 13.81 percent or approximately \$23 million. The proposed tariffs bear an effective date of July 28, 1997. On September 20, 1996 the Commission suspended the proposed tariffs for the statutory period of 11 months. Intervention was granted to two large industrial consumers jointly, those being ICI Explosives USA, Inc. and Praxair, Inc. (ICI/Praxair).

On April 4, 1997, prior to the scheduled evidentiary hearing, a Unanimous Stipulation and Agreement (Stipulation) was filed for Commission approval. Under the terms of that agreement, the Commission was given the option of considering in this docket a lengthy and complex joint recommendation between ICI/Praxair and EDE, attached to the Stipulation as Appendix A. The Commission declined to do this, preferring to open a separate docket styled EO-97-491.

In addition, the Stipulation provides for isolated adjustments to the true-up audit. These adjustments hinge almost entirely on whether State Line Combustion Turbine II (SLCT2) is in service, used and useful on or before May 31.

On May 30 EDE filed a Motion to Modify the Order Establishing Test Year, issued December 13, 1996. The December 13 order established the test year as the twelve months ending September 30, with isolated adjustments through May 31, 1997. EDE states in its motion that it failed to bring SLCT2 in service by the agreed-upon date and requests a modification of the Commission's test year order to extend the date for isolated adjustments to June 21, 1997.

On June 6 EDE and the Staff filed a Joint Notice of Agreement in Principle and Joint Motion for Extension of Time. In that notice and motion the Staff states that they have agreed to the June 21 extension of the adjustment period to allow EDE to satisfy the in-service criteria for the SLCT2 plant.

On June 9 and June 16 the OPC filed responses to both the EDE motion to modify the test year and the joint notice. The OPC states that, while it has been negotiating with EDE regarding the true-up issues, it is unwilling to agree to modify the test year as established in this case.

The Commission has determined that the basis for the failure of EDE to place the SLCT2 plant in-service by the test year adjustment cut-off date of May 31 is reasonable. The Commission will modify its order of December 13, 1996 to extend for a final time the date for isolated adjustments, including adjustments for the SLCT2 plant to June 21, 1997.

## IT IS THEREFORE ORDERED:

- 1. That the Commission's order of December 13, 1996, establishing a cutoff date of May 31, 1997 for isolated adjustments in this case, is hereby modified to extend that cutoff date for isolated adjustments to June 21, 1997.
  - 2. That this order shall become effective on the date hereof.

BY THE COMMISSION

Cecil I. Wright
Executive Secretary

Executive Secr

(S E A L)

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

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