DEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the tariff filing of The)	
Empire District Electric Company)	
to implement a general rate increase for)	Case No. ER-2004-0570
retail electric service provided to customers)	
in its Missouri service area)	

RESPONSE TO REQUEST FOR LOCAL PUBLIC HEARINGS

Comes now The Empire District Electric Company ("Empire" or "Company"), by counsel, and for its Response to the Office of the Public Counsel's ("Public Counsel") Request for Local Public Hearings, respectfully states as follows to the Missouri Public Service Commission ("Commission"):

- 1. On September 24, 2004, the Public Counsel filed its Request for Local Public Hearings wherein it asked that the Commission "schedule the local public hearings in this case during the time frame requested by the parties, or in the alternative, on another date and time that is convenient for the parties" (para. 1).
- 2. Empire has no objection to the Public Counsel's request to schedule local public hearings. However, Empire believes that the Public Counsel's alternative suggestion, to schedule the local public hearings on "another date and time that is convenient for the parties," is the only practical avenue available to the Commission at this time.
- 3. The dates originally suggested by the parties, October 12-14, 2004, are now only approximately 15-17 days away. Local hearings on these dates would not permit Empire to notify its customers through the use of bill inserts as Empire utilizes "cycle" billing and a cycle generally takes thirty (30) days to complete. Additional time would also be

required to prepare and print the notices before they are ready to be inserted in Empire's bills.

4. Should the Commission desire to utilize the October 12-14 dates and order Empire to notify its customers by a special mailing, there are other issues that should be considered. First, Empire has approximately 137,678 Missouri customers. At this late date, it is impossible for Empire to prepare, print, stuff and mail the notices in time for October 12-14, 2004, local public hearings. Second, there is a cost involved with such a special mailing that would necessarily increase the rate case expense to be borne by the ratepayers.

In this regard, Empire estimates that a special mailing of hearing notices to 137,678 customers would cost at a minimum \$63,000. This amount includes the following elements for supplies: Postage - \$0.37; Envelopes - (assuming availability) \$0.0112; and Labels - \$0.0022.

It additionally includes labor costs of approximately \$10,000 for envelope stuffing.

5. In view of the foregoing, Empire believes that it would be in the best interests of all concerned to utilize the second option suggested by the Public Counsel. That is, that the Commission set local hearings for a time and date in the future that will allow Empire the time necessary to utilize its normal billing cycle for customer notices.

Respectfully submitted,

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ATTORNEYS FOR THE EMPIRE DISTRICT ELECTRIC COMPANY

CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the foregoing was, on this $\frac{277}{\text{day}}$ of $\frac{5197}{\text{parties}}$, 2004, sent via electronic mail, U.S. Postage, or hand delivered, to all parties of record.