

MEMORANDUM

TO: Chair Karl Zobrist
Commissioner Kenneth McClure
Commissioner Harold Crumpton
Vice Chair M. Dianne Drainer
Administrative Law Judge Joe Derque

FROM: Roger W. Steiner, Blair Hosford ^{PWS} *[Signature]*

SUBJECT: Empire Rate Case: ER-97-81

DATE: April 16, 1997

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PUBLIC SERVICE COMMISSION

I. Introduction

The purpose of this memorandum is to provide the Commission with additional information concerning various provisions of the Unanimous Stipulation and Agreement (S&A) filed by the parties in Case No. ER-97-81 on April 4, 1997. Among other things, this additional information includes: (1) a summary of the major substantive provisions of the S&A; (2) an explanation of how the recommendations reflected in the S&A compare to the various positions taken by the parties in their prefiled direct testimony; and (3) a quantification of the estimated impact of those recommendations on The Empire District Electric Company's (Empire or Company) customers.

The various components of the S&A are addressed in separate sections including: (A) Revenue Requirement; (B) True-up and Isolated Adjustments; (C) Rate Design, and (D) Other Tariff Issues. Section A provides additional information relating to the \$9.985 million rate increase (plus true-up audit results) proposed in paragraph 1 of the S&A. In addition to

explaining how the proposed increase compares to the specific revenue requirement recommendations made by Empire, the Staff and other parties in their prefiled direct testimony, this section also describes and quantifies the settlement value placed by the Staff on the various issues raised by the parties in their direct testimony. By showing the settlement value of these various issues, it is the Staff's intention to provide the Commission with one alternative revenue requirement basis upon which the Commission can evaluate the reasonableness of the proposed \$9.985 million increase.

Section B explains the procedures agreed among the parties to perform a true-up audit including reflection of isolated adjustments. The true-up audit is expected to result in a further increase to the revenue requirement of approximately \$7 million, if the State Line Combustion Turbine 2 goes into service prior to or on May 31, 1997.

Section C provides additional information relating to the rate design recommendations contained in Paragraph 2 of the S&A. This section quantifies on both a dollar and percentage basis, how the increase in Company revenue requirement will be translated into rates, the impact of these rates on a typical residential customer, and comparisons of the class cost-of-service studies filed by the various parties in this case.

Section D addresses various tariff changes proposed by the parties in the S&A. The changes addressed in this section are proposals to: 1) eliminate the rider for Church and School Service (Rider SC) (See Paragraph 5 of the S&A); and 2) to phase out over two years the "discount" provision on the Municipal Street Lighting tariff (See Paragraph 4 of the S&A).

In developing this memorandum, the Staff has attempted to anticipate the type of information which the Commission may find helpful in evaluating the reasonableness of the

various recommendations set forth in the S&A. However, as stated in Paragraph 14 of the S&A, the Staff also requests that the Commission advise them of any additional information that the Commission may desire from the Staff relating to the matters addressed in the S&A, including any procedures for furnishing such information to the Commission. The Staff will, of course, be prepared at the time the S&A is presented to the Commission to answer any questions the Commission may have regarding the information provided in this memorandum.

II. Executive Summary of the Stipulation and Agreement

- General rate increase of \$9.985 million plus an additional amount to be determined through a true-up audit for the period ending March 31, 1997.
- Rate design which results in an equal percentage increase in firm rates for all customer classes.
- Elimination of the 1/2% discount for municipal street lighting service over the next two years.
- Elimination of the church and school rider.
- The filing of a proposed competitive market research project and pilot open access program by Empire and ICI Explosives, USA, Inc. and Praxair, Inc., (Industrials). This issue is "severable" from the provisions of the S&A regarding revenue requirement, rate design and tariff issues (Paragraphs 1-7 of the S&A). The Staff and The Office of the Public Counsel (OPC) have not committed to support the proposal. The Staff and OPC have requested a hearing on this issue.

III. Explanation of the Stipulation and Agreement

A. Revenue Requirement

As set out in Paragraph 1 of the S&A, the parties have proposed that Empire be authorized to increase its rates by \$9.985 million plus an additional amount to be determined in true-up audit, exclusive of any applicable license, occupation, franchise, gross receipts taxes, or other similar fees or taxes. On a percentage basis, this negotiated amount represents a proposed increase of approximately six percent (6.14%) over the current level of the Company's Missouri jurisdictional revenues prior to the true-up audit.

As in any complex negotiation, there were a wide variety of considerations that ultimately led the parties to reach agreement on the proposed revenue requirement increase of \$9.985 million plus an additional amount to be determined by true-up audit. Because these considerations involve, among other things, subjective judgements regarding the potential cost and benefits of litigation, the strengths and weaknesses of various issues raised by the parties, and the expectations of possible outcomes that may vary significantly from one party to the next, it is extremely difficult, and perhaps even inappropriate, to attempt to reduce such considerations to writing.

However, the Staff understands the Commission's need and desire to be presented with more than just a "black box" settlement that provides no insight into how a particular revenue requirement amount was or could have been derived. To that end, the material presented below provides a description of the major revenue requirement issues raised in the direct testimony of the Staff, together with the quantification of a settlement amount, if any, which the Staff included

in its revenue requirement accounting run with regard to that issue to arrive at the proposed revenue requirement recommendation in the settlement.

It should be noted that while the issue by issue settlement results presented below provide insight into how the Staff developed the proposed settlement number, they do not reflect the views of any other party as to how a particular issue could or should have been most appropriately resolved; nor are they in any way binding on any party in any other or subsequent proceeding. Nevertheless, the quantification of these issues does provide the Commission with a revenue requirement basis necessary to evaluate, based on a variety of potential scenarios, whether the rate increase amount proposed by the parties falls within an overall range of results the Commission believes is reasonable.

The reconciliation that follows begins with the Staff's filed revenue requirement recommendation of \$6.817 million (before true-up, calculated at the mid-range return on equity) based on the test year ending September 30, 1996, as ordered by the Commission. Then, the changes the Staff made to its revenue requirement run to correct errors and oversights, and to respond to additional information provided by Empire in the prehearing conference, are set out in the reconciliation to arrive at the Staff's revenue requirement prior to settlement discussions with the parties (\$7.346 million). It should be noted that all these changes would have been made by the Staff regardless of whether the rate case went to hearing or settled. Finally, the amounts added by the Staff to reflect the positions it was willing to compromise for settlement purposes are listed, to arrive at the stipulated revenue requirement of \$9.985 million (before true-up). All quantifications of changes to Staff's revenue requirement amount as a result of the S&A referenced within this document are calculated off the \$7.346 million number referenced in the

reconciliation. The "initial differences" between the Empire and Staff positions on issues broken out later in this briefing paper may reflect, to some degree, the different ending points on which Empire's direct case (May 1997) and Staff's direct case (September 1996) are based, and accordingly may not reflect true "methodology" differences.

Attached to this memorandum as Schedule 1 is a revenue requirement accounting run showing the Staff's calculation of the stipulated revenue requirement of \$9.985 million in detail. Of course, this revenue requirement run represents only the Staff's view as to how the stipulated revenue requirement was derived, and no other party has agreed to, or acquiesced in, the Staff's position.

STAFF RECONCILIATION TO STIPULATED REVENUE REQUIREMENT

	Summary of Settlement Run (000's omitted)
Staff's Case as Filed (midpoint of ROCE range)	\$6,817
Correction to Staff's Case Prior to Pre-hearing	
FranchiseTax/Unbilled Revenue Adjustment	(2,028)
Payroll	776
Revenue - Normalized Weather	(3)
Rate Base Changes	<u>12</u>
	<u>(1,243)</u>
Staff's Case at the Start of Prehearing	5,574
Corrections:	
New Firm Gas Contract	977
Corrections to Payroll & Incentive Pay	818
Rate Base Changes	(7)
1993 Flood Amortization	4
Operating Revenue - Corrections	129

Ahlstrom Case Amortization	42	
Emergency Action Plan Amortization	3	
WSPP Amortization	4	
Misc Items	60	
Total		<u>1,772</u>
Staff's Case Prior to Settlement Negotiations		7,346
Stipulated Items:		
Rate of Return/Capital Structure	614	
Fuel and Purchased Power Expense	945	
Property Taxes	385	
Firm Gas Transport Costs	155	
Payroll/Incentive Compensation	220	
FERC Charges	140	
Severance Packages	80	
Fuel Inventories	50	
Customer Deposits	50	
Total Stipulated Items		<u>2,639</u>
Total Settlement Amount		<u>\$9,985</u>

OUTLINE OF POSITIONS ON MAJOR ISSUES

1. Rate of Return/Capital Structure

Empire: Filed for 12.5% Return on Common Equity (ROCE), with an additional 100 basis points added to reflect certain management efficiencies and a higher risk for Empire due to its reliance on purchased power.

Staff: Filed ROCE range of 10.50% to 11.25% (10.88% midpoint).

OPC: Filed for 10.75% ROCE.

Staff Settlement Basis: Reflects a 11.15% ROCE.

Adjustment to Staff Revenue Requirement: \$614

Value of Initial Difference Between Empire and Staff: \$8,538

Related Stipulation & Agreement Paragraph: None

2. Fuel and Purchased Power Expense

Empire: Filed for \$64,605 in fuel and purchased power expense (not including demand capacity charges, firm gas transport charges or unit train amounts), based on inclusion of State Line Unit 2 in the loading order, loads thru December 1996, projected unit fuel prices and projected purchased power prices. Other production cost model inputs (heat rates, unit outages, etc.) based on 1991-95 data. Resulted in \$15.08/mwh for fuel costs.

Staff: Included \$60,978 in fuel and purchased power costs (excluding demand capacity charges, firm gas transport charges or unit train amounts), based on September 1996 loads and unit fuel and purchased power prices. Other production cost model inputs (heat rates, unit outages, etc.) based on 1992-96 data. State Line Unit 2 was not included in the loading order. Resulted in \$14.55/mwh in fuel costs.

Staff Settlement Basis: Reflected \$14.78/mwh, multiplied by the Staff's annualized loads.

Adjustment to Staff Revenue Requirement: \$945

Value of Initial Difference Between Empire and Staff: \$3,627

Related Stipulation & Agreement Paragraph: None

3. Property Taxes

Empire: Annualized based on projected plant levels at May 1997.

Staff: Used test year booked property taxes.

Staff Settlement Basis: Use actual paid property taxes for the twelve months ended September 1996.

Adjustment to Staff Revenue Requirement: \$385

Value of Initial Difference Between Staff and Empire: \$1,043

Related Stipulation & Agreement Paragraph: None

4. Firm Gas Transport Costs

Empire: Included the projected fixed costs associated with the firm Williams Natural Gas (Williams) transportation contract in its filing, without any offset for rebrokering unused capacity.

Staff: Reflected rebrokering of 35% of unused capacity under the contract at \$.20/mcf.

Staff Settlement Basis: Included rebrokering of 30% of unused capacity at \$.15/mcf.

Adjustment to Staff Revenue Requirement: \$155

Value of Initial Difference Between Empire and Staff: No initial difference, as rebrokering associated with Williams fixed contract was not reflected in Staff's direct filing.

Related Stipulation & Agreement Paragraph: None

5. Payroll/Incentive Compensation

Empire: During prehearing, sought inclusion of an incentive compensation payment made in February 1997.

Staff: Did not include this payment as it was outside the test year.

Staff Settlement Basis: Included payment in settlement of revenue requirement.

Adjustment to Staff Revenue Requirement: \$220

Value of Initial Difference Between Empire and Staff: No initial difference; was not reflected in either Empire's or Staff's direct filing.

Related Stipulation & Agreement Paragraph: None

6. FERC Charges

Empire: During prehearing, sought inclusion of FERC gas contract restructuring costs on an annualized basis. These charges are related to the new Williams firm gas transportation contract.

Staff: Did not include such charges in its case.

Staff Settlement Basis: Reflected such payments on a monthly basis through September 1997, the point through which these costs are to be paid as specified in FERC tariffs.

Adjustment to Staff Revenue Requirement: \$140

Value of Initial Difference Between Empire and Staff: No initial difference; was not reflected in either Empire's or Staff's direct filings.

Related Stipulation & Agreement Paragraph: None

7. Severance Packages

Empire: Proposed amortizing these Competitive Positioning Process costs over two years.

Staff: Recommended disallowance of severance payments.

Staff Settlement Basis: Amortized these costs over five years.

Adjustment to Staff Revenue Requirement: \$80

Value of Initial Difference Between Empire and Staff: \$392

Related Stipulation & Agreement Paragraph: None

8. Fuel Inventories

Empire: Included 13 month average oil supply at State Line (SL) Units 1 and 2.

Staff: Proposed three-day supply of oil at SL 1 and 2 for winter months, one-day supply for rest of the year.

Staff Settlement Basis: Used 13 month supply for SL 2, and a one-day supply for entire year at SL 1.

Adjustment to Staff Revenue Requirement: \$50

Value of Initial Difference Between Empire and Staff: \$581 (includes differences related to all categories of materials and supplies.)

Related Stipulation & Agreement Paragraph: None

9. Customer Deposits

Empire: Proposed 5% interest rate on customer deposits, to remain fixed until the next rate proceeding.

Staff: Recommended an initial interest rate of 7% (8.25% - 1.25%), to be updated annually to a rate 1.25% below the then-current prime rate.

Staff Settlement Position: Maintained current tariff rate of 9%. The Staff agreed to sever this issue from this case and present it in a generic docket involving all electric companies because the parties were unable to agree on anything other than maintaining the present tariff rates. The Staff intends to file a motion to open such a docket in the near future.

Adjustment to Staff Revenue Requirement: \$50

Value of Initial Difference Between Empire and Staff: \$59

Related Stipulation & Agreement Paragraph: Paragraph No.7

B. True-up and isolated adjustments

The parties have agreed to perform a true-up audit of Empire to update major components of its revenue requirement through March 1997, with possible additional reflection of isolated adjustments through the end of May 1997. The true-up audit results are intended to be added to the stipulated revenue requirement referenced earlier of \$9.985 million, in order to derive Empire's actual revenue requirement to result from this proceeding. A true-up procedure is advisable in this case as major events affecting Empire's revenue requirement are expected to

occur after the filing of the S&A, particularly the planned addition at the end of May 1997 to Empire's system of the State Line Combustion Turbine No. 2 (SLCT2). To the extent such changes occur within a reasonable time frame for the parties and the Commission to consider them, it would be best to have Empire's ongoing rate levels reflect these events.

For purposes of this memorandum, the Staff will discuss the true-up procedures outlined in the S&A in two pieces: 1) the regular true-up through March 1997, and 2) possible isolated adjustments through May 1997.

The regular true-up audit will be performed in late April 1997, and will include all revenue requirement components normally encompassed within a true-up. These items include: plant in service, depreciation reserve, deferred taxes, cash working capital, revenues - customer growth, employee levels and wage rates, fuel and purchased power, rate case expense, depreciation expense, income taxes, capital structure and embedded cost components of rate of return. The true-up will be performed in the manner outlined in the direct testimony of Staff witness David G. Winter, with the exception of the treatment of fuel costs. While Mr. Winter's testimony envisioned that the parties would calculate fuel and purchased power expense through March 1997 using new output results from their production cost models, this S&A provides for a simplified calculation of true-up fuel expense of multiplying the trued-up customer loads by \$14.78/mwh. This approach was deemed preferable in that its use would minimize the potential for true-up issues and disputes between the parties in the area of fuel expense, and still produce a result that would be deemed reasonable by all the parties.

The S&A spells out in detail the procedures to be used to true-up Empire's revenue requirement through March 1997. For example, changes to rate base will be valued for revenue

requirement purposes at 13.11% of the gross dollar change. The 13.11% factor is the Staff's calculation of the stipulated rate of return factored up for income taxes. This factor is subject to adjustment if Empire's rate of return or capital structure changes as a result of being updated through March 1997.

The Staff will file true-up testimony detailing the results of its audit through March 1997. This filing is currently scheduled for May 2, 1997.

The possible reflections of isolated adjustments in the true-up audit are all connected to the scheduled in-service date of SLCT2 at the end of May 1997. Recognizing that the in-service date for SLCT2 is the main driver for the willingness of the parties to consider use of isolated true-up adjustments in this proceeding, the S&A provides that no isolated adjustments will be included in the true-up audit if SLCT2 is not in service by the date of the isolated adjustment cut-off of May 31, 1997. Further, on the basis that some cost components of SLCT2 will be known with more certainty at the end of May 1997 than others in the event that the SLCT2 is declared to be in-service, the parties have agreed to reflect the cost of SLCT2 in the true-up in the following manner.

Most of SLCT2's construction costs will be paid by Empire to its contractor, Westinghouse Corporation, as part of a fixed-price contract. Payments to Westinghouse are due from Empire according to a pre-set schedule, if Westinghouse meets its contractual obligations. Recognizing that the amount of the scheduled Westinghouse payments are to some extent known in advance, the parties have agreed to reflect such payments through May 31, 1997 if Empire can document that such payments were paid in accordance with the contract.

Other SLCT2 construction costs are not set by contract, and may not be reasonably ascertainable in advance of the in-service date. The parties have agreed that such costs will be reflected in the true-up if Empire can provide documentation that such costs have been booked and paid five days prior to the true-up hearing (scheduled for May 23).

In the event SLCT2 is found to be in service by the end of May 1997, depreciation expense and O&M expenses (other than fuel) related to SLCT2 will also be included in the true-up results.

In addition to SLCT2, the parties have agreed to possible inclusion of other isolated adjustments in the true-up if SLCT2 is deemed to be in-service. Some of these adjustments are, in fact, directly related to the planned addition of SLCT2. These other adjustments are: a decrease to Empire's demand capacity charges effective June 1, 1997; certain major transmission projects; and certain State Line Combustion Turbine No. 1 costs that were not allowed in rates in Empire's last rate proceeding, Case No. ER-95-279, due to failure to meet required nitrous oxide emission standards. The parties agree that these additional isolated adjustments will be included in the true-up audit if the related in-service criteria for these items discussed in the direct testimony of Staff witness C. Bruce Deering is met, and documentation of the costs of these items is available to the parties five days prior to the true-up hearings for this case.

Prior to the true-up hearings, the Staff will file its findings with the Commission as to the quantification of true-up isolated adjustments for the Commission's consideration. The findings submitted will include both the amount of Westinghouse contractual payments to be reflected in the true-up results, as well as the actual costs of the other potential isolated adjustments discussed above. The Commission will be provided at that time with two true-up revenue requirements: one to use in the event SLCT2 is ruled to be in-service at May 31, 1997, and the other to use in

the event the unit is found not to be in-service at that date (i.e., no reflection of isolated adjustments in the true-up revenue requirement). If there are any disputes among the parties as to quantification of true-up items or isolated adjustments, they can be heard by the Commission at the true-up hearing.

The parties have agreed to the in-service criteria for SLCT2 outlined in the direct testimony of Staff Witness Deering. Shortly after the end of May, the Staff will provide its findings to the Commission as to the ultimate in-service status of SLCT2. Based upon those findings, the Commission will already have the appropriate revenue requirement amounts to use whether SLCT2 is in-service or not. In the event there is any dispute among the parties as to the in-service status of SLCT2, the Commission would need to determine the appropriate course to follow to resolve any issues.

C. Rate Design

The S&A provides that any revenue increase granted by the Commission as a result of approving the S&A will be recovered by an equal percentage increase in firm rates for all customer classes. The actual rates which will be implemented, if the Commission approves this S&A, cannot be calculated until the results of the true-up audit are known. Schedule 2 shows the affected tariffs and rate components, together with the calculation of the resulting rates, for an assumed \$17,000,000 increase in the Company's revenue requirement (10.44% increase in rates). This schedule displays both the dollar amount by which each rate component is increased and the corresponding percentage increase.

In the direct testimony of James C. Watkins, the Staff proposed to move class revenues closer to the cost of serving each class, as determined in the Staff's class cost-of-service study,

while taking into account the impacts on customer classes. Mr. Watkins' proposal limited the maximum increase to any class (Large Power Service and Special Contract Service) to 15% and proposed an increase to the Residential class of 11.04%, based on an assumed increase in rates of 9.29%. (The Staff's filed revenue requirement recommendation, after reflecting projected true-up audit results).

The Industrials proposed a 10% rate reduction for Praxair and no change for ICI before consideration of the overall increase. The Industrials made no specific recommendations for the other customer classes.

Empire and OPC proposed equal percentage increases for all customer classes in their direct testimony.

Revenue shifts to move Empire's class revenues closer to the cost of serving each class were made in Case Nos. EO-91-74 and ER-94-174, effective April 15, 1994, and again most recently in Case No. ER-95-279, effective November 15, 1995.

The Staff supports the rate design settlement because additional increases to move toward class cost of service at this time could well verge on "rate shock" if the revenue increase granted after true-up is in the estimated range of 10.44% (\$17,000,000).

The Staff has prepared Schedule 3 in order to provide the Commission with meaningful, if only approximate, information on the impact of the rate increase on typical residential electric bills. Schedule 3 shows the dollar amount of the increase and the corresponding percentage increase. Because the rate increase is being applied on an equal percentage basis to each rate component, the impact on each residential customer will be the same, on a percentage basis, as the effect on a typical residential customer. Also shown on Schedule 3 is a comparison of

Empire's typical residential electric bills with the typical residential electric bills for the other regulated Missouri electric utility companies.

Schedule 4 contains two comparisons of the class cost-of-service studies which were filed by the various parties in this case. Since the filed studies used different test years, different revenue requirements, and different customer classes, the Staff has prepared these tables based on the filed studies so that the results are comparable. Schedule 4-1 shows the revenue shifts which would be required on a revenue-neutral basis by each study to achieve equal rates of return for all customer classes. These shifts are shown as a percentage increase/decrease to current revenues. Schedule 4-2 shows the corresponding class revenue shares which would be required by each class cost-of-service study.

Schedule 5 shows the stipulated current Missouri firm rate revenue of \$162,910,038 by class and tariff. In determining the percentage increase to be applied to each rate component, the increase in the Company's revenue requirement, after true-up, will be divided by \$162,910,038.

D. Other Tariff Issues

The S&A provides for the elimination of the rider for Church and School Service (Rider SC). Rider SC allowed schools that used little or no electricity during the summer (June through September) to receive a single bill in September for their entire summer energy use. In the last Empire rate design case (Case No. EO-91-74), the Staff questioned: (1) whether the Company was appropriately administering Rider SC since it appeared that a large number of customers on the rider operated their schools year round, and (2) whether the implementation of an explicit monthly customer charge on the general application tariffs was consistent with the billing of customers on Rider SC, who would pay a single customer charge for the four summer months.

In the S&A in that case, Empire agreed to collect data on the actual energy use of Rider SC customers during the summer months. After collecting this data, Empire found that these customers, without exception, had significant energy usage during each of the summer months and took them off the rider. There are currently no customers on the rider. Elimination of this rider is consistent with the policy that all customers served under a tariff pay the same rates.

The S&A also provides for a two-year phase-out of the provision on the Municipal Street Lighting tariff which relates to additional customer "discounts". The language on the Municipal Street Lighting tariff requires Empire to remit monthly to selected municipalities an amount equal to 0.5% of the annual gross receipts received by Empire from the sales of electricity to the residential and small general service customers who reside within that municipality. This remittance is made to the municipality in the form of a reduction in the municipality's street lighting bill.

This provision in the Municipal Street Lighting tariff is being eliminated as a result of the S&A in Empire's last rate case (Case No. ER-95-279), where Empire agreed to propose the complete elimination of the provision in its next electric rate case filing. Its elimination is consistent with the policy that all customers served under a tariff pay the same rates.

IV. Additional Considerations

The Staff has reviewed Empire's customer service record. From a review of the Staff's records and information provided by Empire, the Staff found that the Company has not experienced a high level of customer complaints in the area of billing or in other areas.

In entering into the S&A, the Staff did not intend to alter existing Commission policies in the settlement of the areas discussed herein.

V. Conclusion

The Staff had a number of goals in its work of this rate case. Those goals included:

1. To determine and obtain a reasonable revenue requirement for the Company;
2. To develop a mechanism where the Company has a reasonable opportunity to recover prudently incurred costs relating to the SLCT2 generation plant.

The Staff believes that the S&A, as explained in this memorandum, and supported by the direct testimony filed in this case, allows the Staff to achieve the above stated goals and results in just and reasonable rates. The Staff recommends that the Commission approve the provisions of the S&A regarding revenue requirement, rate design and tariff issues (Paragraphs 1-7 of the S&A).

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Revenue Requirement

Line	9.49%
	Return

(A)	(B)
1 Net Orig Cost Rate Base (Sch 2)	\$ 358,005,194
2 Rate of Return	9.49%

3 Net Operating Income Requirement	\$ 33,974,693
4 Net Income Available (Sch 9)	\$ 27,901,696

5 Additional NOIBT Needed	\$ 6,072,997
6 Income Tax Requirement (Sch 11)	
7 Required Current Income Tax	\$ 10,777,788
8 Test Year Current Income Tax	\$ 6,264,295

9 Additional Current Tax Required	\$ 3,911,493
10 Required Deferred ITC	\$ 0
11 Test Year Deferred ITC	\$ 0

12 Additional Deferred ITC Required	\$ 0

13 Total Additional Tax Required	\$ 3,911,493

14 Gross Revenue Requirement	\$ 9,984,490

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Rate Base

Line Description		Amount
(A)		(B)
1	Total Plant in Service (Sch 3)	\$ 606,819,754
	Subtract from Total Plant	
2	Depreciation Reserve (Sch 6)	\$ 203,667,743

3	Net Plant in Service	\$ 403,152,011
	Add to Net Plant in Service	
4	Cash Working Capital (Sch 8)	\$ 199,572
5	Materials and Supplies	7,771,681
6	Prepayments	594,180
7	Fuel Stock	3,968,231
	Subtract from Net Plant	
8	Federal Tax Offset 0.1616 %	\$ 14,211
9	State Tax Offset 7.0247 %	97,074
10	City Tax Offset 0.0000 %	0
11	Interest Expense Offset 14.8877 %	1,961,394
12	Amortization of Electric Plant	453,085
13	Customer Advances	118,920
14	Customer Deposits	2,430,756
15	Injuries & Damages Reserve	1,109,163
16	Deferred Income Taxes-Depreciation	51,393,556
17	Pre-1971 Investment Tax Credit	102,322

18	Total Rate Base	\$ 358,005,194
		=====

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Total Plant in Service

Line No	Acct Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
(A)	(B)	(C)	(D)	(E)	(F)	
Intangible Plant						
1	301.000 Organization	\$ 29,940	\$ 0	86.9500	\$ 0 P-1	\$ 26,033
2	302.000 Franchises & Consents	1,079,798	0	86.9500	0 P-2	938,884
3	303.000 Miscellaneous Intangible Plant	701,268	0	86.9500	0 P-3	609,753
4	Total	\$ 1,811,006	\$ 0	\$ 0	\$ 0	\$ 1,574,670
Production - Riverton - Steam						
5	310.200 Land & Land Rights	\$ 393,026	\$ 0	82.1900	\$ 0 P-4	\$ 323,028
6	311.200 Structures & Improvements	6,163,919	69,713	82.1900	0 P-5	5,123,422
7	312.200 Boiler Plant Equipment	19,512,106	2,230	82.1900	0 P-6	16,038,833
8	314.200 Turbogenerator Units	6,388,477	33,474	82.1900	0 P-7	5,278,202
9	315.200 Accessory Electric Equipment	1,314,522	43,499	82.1900	0 P-8	1,116,157
10	316.200 Miscellaneous Power Plant Equipment	851,583	125,392	82.1900	0 P-9	802,976
11	Total	\$ 34,623,633	\$ 274,308	\$ 0	\$ 0	\$ 28,682,618
Production - Asbury - Steam						
12	310.300 Land & Land Rights	\$ 318,654	\$ 0	82.1900	\$ 0 P-10	\$ 261,902
13	311.300 Structures & Improvements	8,600,022	165	82.1900	0 P-11	7,068,494
14	312.300 Boiler Plant Equipment	49,347,522	153,037	82.1900	0 P-12	40,684,509
15	312.700 Unit Train	5,580,296	0	82.1900	0 P-13	4,586,445
16	314.300 Turbogenerator Units	14,461,040	28,741	82.1900	0 P-14	11,909,151
17	315.300 Accessory Electric Equipment	2,253,615	37,644	82.1900	0 P-15	1,883,186
18	316.300 Miscellaneous Power Plant Equipment	1,798,395	22,259	82.1900	0 P-16	1,496,396
19	Total	\$ 82,359,544	\$ 241,846	\$ 0	\$ 0	\$ 67,890,083

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Total Plant in Service

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)	(F)
Production - Iatan - Steam							
20	310.600	Land & Land Rights	\$ 122,418	\$ 0	82.1900	\$ 0 P-17	\$ 100,615
21	311.600	Structures & Improvements	3,606,753	141,772	82.1900	0 P-18	3,080,913
22	312.600	Boiler Plant Equipment	27,695,979	223,337	82.1900	0 P-19	22,946,886
23	312.500	Unit Train	0	0	82.1900	0 P-20	0
24	314.600	Turbogenerator Units	7,664,027	0	82.1900	0 P-21	6,299,064
25	315.600	Accessory Electric Equipment	3,444,179	19,811	82.1900	0 P-22	2,847,053
26	316.600	Miscellaneous Power Plant Equipment	662,161	17,881	82.1900	0 P-23	558,927
27		Total	\$ 43,195,517	\$ 402,801		\$ 0	\$ 35,833,458
Production - Ozark Beach - Hydro							
28	330.300	Land & Land Rights	\$ 224,490	\$ 0	82.1900	\$ 0 P-24	\$ 184,508
29	331.300	Structures & Improvements	362,513	0	82.1900	0 P-25	297,949
30	332.300	Reservoirs, Dams, & Waterways	1,382,285	0	82.1900	0 P-26	1,136,100
31	333.300	Water Wheels, Turbines & Generators	353,037	0	82.1900	0 P-27	290,161
32	334.300	Accessory Electric Equipment	735,383	11,562	82.1900	0 P-28	613,914
33	335.300	Miscellaneous Power Plant Equipment	201,184	752	82.1900	0 P-29	165,971
34		Total	\$ 3,258,892	\$ 12,314		\$ 0	\$ 2,688,603
Production - Riverton - CT							
35	340.200	Land & Land Rights	\$ 0	\$ 0	82.1900	\$ 0 P-30	\$ 0
36	341.200	Structures & Improvements	181,573	0	82.1900	0 P-31	149,235
37	342.200	Fuel Holders, Producers, & Access.	78,806	0	82.1900	0 P-32	64,771
38	343.200	Prime Movers	9,632,620	0	82.1900	0 P-33	7,917,050
39	344.200	Generators	926,850	0	82.1900	0 P-34	761,778
40	345.200	Accessory Electric Equipment	249,400	0	82.1900	0 P-35	204,982
41	346.200	Miscellaneous Power Plant Equipment	83,907	0	82.1900	0 P-36	68,963
42		Total	\$ 11,153,156	\$ 0		\$ 0	\$ 9,166,779

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Total Plant in Service

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)	(F)
Production - Energy Center - CT							
43	340.300	Land & Land Rights	\$ 163,097	\$ 0	82.1900	\$ 0 P-37	\$ 134,049
44	341.300	Structures & Improvements	1,801,282	102	82.1900	0 P-38	1,480,558
45	342.300	Fuel Holders, Producers, & Access.	3,406,094	203	82.1900	0 P-39	2,799,636
46	343.300	Prime Movers	19,039,965	(303,414)	82.1900	0 P-40	15,399,571
47	344.300	Generators	6,625,386	(1,293,488)	82.1900	0 P-41	4,382,287
48	345.300	Accessory Electric Equipment	1,025,714	(1,585)	82.1900	0 P-42	841,732
49	346.300	Miscellaneous Power Plant Equipment	1,133,140	225	82.1900	0 P-43	931,513
50	Total		\$ 33,194,678	\$ (1,597,957)		\$ 0	\$ 25,969,346
Production - State Line - CT							
51	340.800	Land & Land Rights	\$ 247,410	\$ 0	82.1900	\$ 0 P-44	\$ 203,346
52	341.800	Structures & Improvements	2,672,781	(37,000)	82.1900	0 P-45	2,166,348
53	342.800	Fuel Holders, Producers, & Access.	751,029	(9,250)	82.1900	0 P-46	609,668
54	343.800	Prime Movers	27,120,949	(333,000)	82.1900	0 P-47	22,017,015
55	344.800	Generators	6,008,228	(74,000)	82.1900	0 P-48	4,877,342
56	345.800	Accessory Electric Equipment	379,665	(4,625)	82.1900	0 P-49	308,245
57	346.800	Miscellaneous Power Plant Equipment	386,190	6,287	82.1900	0 P-50	322,577
58	Total		\$ 37,566,252	\$ (451,588)		\$ 0	\$ 30,504,541
Transmission Plant							
59	350.000	Land & Land Rights	\$ 5,879,385	\$ 628,866	82.1900	\$ 0 P-51	\$ 5,349,131
60	352.000	Structures & Improvements	1,726,602	45,215	82.1900	0 P-52	1,456,256
61	353.000	Station Equipment	50,293,700	(1,943,152)	82.1900	0 P-53	39,739,315
62	354.000	Towers & Fixtures	788,409	0	82.1900	0 P-54	647,993
63	355.000	Poles & Fixtures	16,847,681	74,182	82.1900	0 P-55	13,908,079
64	356.000	Overhead Conductors & Devices	31,326,735	51,101	82.1900	0 P-56	25,789,443
65	Total		\$ 106,862,512	\$ (1,143,788)		\$ 0	\$ 86,890,217

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Total Plant in Service

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)	(F)
Distribution Plant							
66	360.000	Land & Land Rights	\$ 1,524,444	\$ 14,478	88.6300	\$ 0 P-57	\$ 1,363,947
67	361.000	Structures & Improvements	6,252,418	798,537	88.6300	0 P-58	6,249,261
68	362.000	Station Equipment	43,362,256	2,448,345	88.6300	0 P-59	40,601,936
69	364.000	Poles, Towers & Fixtures	63,233,065	1,331,688	88.6300	0 P-60	57,223,741
70	365.000	Overhead Conductors & Devices	67,581,262	1,042,562	88.6300	0 P-61	60,821,295
71	366.000	Underground Conduit	8,698,996	223,274	88.6300	0 P-62	7,907,808
72	367.000	Underground Conductors & Devices	19,508,565	503,526	88.6300	0 P-63	17,736,716
73	368.000	Line Transformers	46,239,340	623,382	88.6300	0 P-64	41,534,431
74	369.000	Services	29,089,526	538,773	88.6300	0 P-65	26,259,561
75	370.000	Meters	11,351,344	60,103	88.6300	0 P-66	10,113,965
76	371.000	Installation On Customers' Premises	7,137,527	453,869	88.6300	0 P-67	6,728,254
77	373.000	Street Lighting & Signal Systems	6,905,318	145,614	88.6300	0 P-68	6,249,241
78		Total	\$ 310,884,061	\$ 8,184,151		\$ 0	\$ 282,790,156
General Plant							
79	389.000	Land & Land Rights	\$ 734,974	\$ (7,228)	85.2600	\$ 0 P-69	\$ 620,476
80	390.000	Structures & Improvements	9,170,633	(158,436)	85.2600	0 P-70	7,683,799
81	391.000	Office Furniture & Equipment	6,112,632	337,793	85.2600	0 P-71	5,499,632
82	392.000	Transportation Equipment	4,429,586	40,957	85.2600	0 P-72	3,811,585
83	393.000	Stores Equipment	305,306	8,154	85.2600	0 P-73	267,256
84	394.000	Tools, Shop, & Garage Equipment	1,610,249	58,137	85.2600	0 P-74	1,422,466
85	395.000	Laboratory Equipment	806,856	7,502	85.2600	0 P-75	694,322
86	396.000	Power Operated Equipment	7,352,097	1,494	85.2600	0 P-76	6,269,672
87	397.000	Communication Equipment	9,828,275	99,231	85.2600	0 P-77	8,464,192
88	398.000	Miscellaneous Equipment	114,832	(2,372)	85.2600	0 P-78	95,883
89		Total	\$ 40,465,440	\$ 385,232		\$ 0	\$ 34,829,283

90		Total Plant In Service	\$ 705,374,691	\$ 6,307,319		\$ 0	\$ 606,819,754

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Total Plant

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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Structures & Improvements	P-5	\$ 69,713
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1. To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$	69,713
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Boiler Plant Equipment	P-6	\$ 2,230
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1. To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$	2,230
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Turbogenerator Units	P-7	\$ 33,474
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1. To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$	33,474
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Accessory Electric Equipment	P-8	\$ 43,499
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1. To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$	43,499
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Miscellaneous Power Plant Equipment	P-9	\$ 125,392
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1. To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$	125,392
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Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Total Plant

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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Structures & Improvements	P-11	\$ 165
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1. To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$	165
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Boiler Plant Equipment	P-12	\$ 153,037
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1. To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$	153,037
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Turbogenerator Units	P-14	\$ 28,741
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1. To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$	28,741
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Accessory Electric Equipment	P-15	\$ 37,644
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1. To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$	37,644
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Miscellaneous Power Plant Equipment	P-16	\$ 22,259
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1. To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$	22,259
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Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Total Plant

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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Structures & Improvements	P-18	\$ 141,772
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1. To adjust plant in service for plant additions through December 31, 1996. (Boltz)		\$ 141,772
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Boiler Plant Equipment	P-19	\$ 223,337
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1. To adjust plant in service for plant additions through December 31, 1996. (Boltz)		\$ 223,337
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Accessory Electric Equipment	P-22	\$ 19,811
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1. To adjust plant in service for plant additions through December 31, 1996. (Boltz)		\$ 19,811
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Miscellaneous Power Plant Equipment	P-23	\$ 17,881
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1. To adjust plant in service for plant additions through December 31, 1996. (Boltz)		\$ 17,881
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Accessory Electric Equipment	P-28	\$ 11,562
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1. To adjust plant in service for plant additions through December 31, 1996. (Boltz)		\$ 11,562
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Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Total Plant

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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Miscellaneous Power Plant Equipment	P-29	\$	752
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1. To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$	752
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Structures & Improvements	P-38	\$	102
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1. To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$	102
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Fuel Holders, Producers, & Access.	P-39	\$	203
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1. To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$	203
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Prime Movers	P-40	\$	(303,414)
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1. To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$	(303,414)
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Generators	P-41	\$	(1,293,488)
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1. To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$	(1,293,488)
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Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Total Plant

Adj	No Description	Total Co	Mo Juris
		Adjustment	Adjustment

Accessory Electric Equipment	P-42	\$	(1,585)
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1.	To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$	(1,585)
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Miscellaneous Power Plant Equipment	P-43	\$	225
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1.	To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$	225
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Structures & Improvements	P-45	\$	(37,000)
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1.	To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$	(37,000)
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Fuel Holders, Producers, & Access.	P-46	\$	(9,250)
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1.	To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$	(9,250)
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Prime Movers	P-47	\$	(333,000)
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1.	To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$	(333,000)
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Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Total Plant

Adj No	Description	Total Co Adjustment	Mo Juris Adjustment
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Generators	P-48	\$	(74,000)
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1.	To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$	(74,000)
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Accessory Electric Equipment	P-49	\$	(4,625)
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1.	To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$	(4,625)
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Miscellaneous Power Plant Equipment	P-50	\$	6,287
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1.	To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$	6,287
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Land & Land Rights	P-51	\$	628,866
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1.	To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$	628,866
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Structures & Improvements	P-52	\$	45,215
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1.	To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$	45,215
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Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Total Plant

Adj	Total Co	Mo Juris
No Description	Adjustment	Adjustment

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*****
Station Equipment                                P-53                                $   (1,943,152)
*****

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1. To adjust plant in service for plant additions through December 31, 1996.
(Boltz) \$ 1,584,004
2. To reflect the transfer of plant classified as transmission to distribution.
(Boltz) \$ (3,527,156)

Poles & Fixtures	P-55	\$	74,182

1. To adjust plant in service for plant additions through December 31, 1996. \$ 74,182
(Boltz)

Overhead Conductors & Devices	P-56	\$	51,101

1. To adjust plant in service for plant additions through December 31, 1996. \$ 51,101
(Boltz)

Land & Land Rights	P-57	\$	14,478
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1. To adjust plant in service for plant additions through December 31, 1996. \$ 14,478
(Boltz)

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Total Plant

Adj No Description	Total Co Adjustment	Mo Juris Adjustment

Structures & Improvements	P-58	\$ 798,537

1. To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$ 798,537	

Station Equipment	P-59	\$ 2,448,345

1. To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$ (1,078,811)	
2. To reflect the transfer of plant classified as transmission to distribution. (Boltz)	\$ 3,527,156	

Poles, Towers & Fixtures	P-60	\$ 1,331,688

1. To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$ 1,331,688	

Overhead Conductors & Devices	P-61	\$ 1,042,562

1. To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$ 1,042,562	

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Total Plant

Adj No	Description	Total Co Adjustment	Mo Juris Adjustment
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Underground Conduit P-62 \$ 223,274

1. To adjust plant in service for plant additions through \$ 223,274
December 31, 1996.
(Boltz)

Underground Conductors & Devices P-63 \$ 503,526

1. To adjust plant in service for plant additions through \$ 503,526
December 31, 1996.
(Boltz)

Line Transformers P-64 \$ 623,382

1. To adjust plant in service for plant additions through \$ 623,382
December 31, 1996.
(Boltz)

Services P-65 \$ 538,773

1. To adjust plant in service for plant additions through \$ 538,773
December 31, 1996.
(Boltz)

Meters P-66 \$ 60,103

1. To adjust plant in service for plant additions through \$ 60,103
December 31, 1996.
(Boltz)

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Total Plant

Adj	Description	Total Co	Mo Juris
No		Adjustment	Adjustment

Installation On Customers' Premises P-67 \$ 453,869

1. To adjust plant in service for plant additions through \$ 453,869
December 31, 1996.
(Boltz)

Street Lighting & Signal Systems P-68 \$ 145,614

1. To adjust plant in service for plant additions through \$ 145,614
December 31, 1996.
(Boltz)

Land & Land Rights P-69 \$ (7,228)

1. To adjust plant in service for plant additions through \$ (7,228)
December 31, 1996.
(Boltz)

Structures & Improvements P-70 \$ (158,436)

1. To adjust plant in service for plant additions through \$ (158,436)
December 31, 1996.
(Boltz)

Office Furniture & Equipment P-71 \$ 337,793

1. To adjust plant in service for plant additions through \$ 337,793
December 31, 1996.
(Boltz)

Empire District Electric Company
 Case: ER-97-81S
 Twelve Months Ended September 30, 1996

Adjustments to Total Plant

Adj No Description	Total Co Adjustment	Mo Juris Adjustment

Transportation Equipment P-72	\$ 40,957	

1. To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$ 40,957	

Stores Equipment P-73	\$ 8,154	

1. To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$ 8,154	

Tools, Shop, & Garage Equipment P-74	\$ 58,137	

1. To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$ 58,137	

Laboratory Equipment P-75	\$ 7,502	

1. To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$ 7,502	

Power Operated Equipment P-76	\$ 1,494	

1. To adjust plant in service for plant additions through December 31, 1996. (Boltz)	\$ 1,494	

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Total Plant

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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Communication Equipment P-77 \$ 99,231

1. To adjust plant in service for plant additions through \$ 99,231
December 31, 1996.
(Boltz)

Miscellaneous Equipment P-78 \$ (2,372)

1. To adjust plant in service for plant additions through \$ (2,372)
December 31, 1996.
(Boltz)

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Depreciation Expense

Line No	Acct	Description	Adjusted Jurisdictional	Depreciation Rate	Depreciation Expense
		(A)	(B)	(C)	(D)
Intangible Plant					
1	301.000	Organization	\$ 26,033	0.0000	\$ 0
2	302.000	Franchises & Consents	938,884	0.0000	0
3	303.000	Miscellaneous Intangible Plant	609,753	0.0000	0
4		Total	\$ 1,574,670		\$ 0
Production - Riverton - Steam					
5	310.200	Land & Land Rights	\$ 323,028	0.0000	\$ 0
6	311.200	Structures & Improvements	5,123,422	2.0500	105,030
7	312.200	Boiler Plant Equipment	16,038,833	2.7700	444,276
8	314.200	Turbogenerator Units	5,278,202	1.7900	94,480
9	315.200	Accessory Electric Equipment	1,116,157	1.9800	22,100
10	316.200	Miscellaneous Power Plant Equipment	802,976	2.0200	16,220
11		Total	\$ 28,682,618		\$ 682,106
Production - Asbury - Steam					
12	310.300	Land & Land Rights	\$ 261,902	0.0000	\$ 0
13	311.300	Structures & Improvements	7,068,494	2.1500	151,973
14	312.300	Boiler Plant Equipment	40,684,509	2.9100	1,183,919
15	312.700	Unit Train	4,586,445	5.6700	260,051
16	314.300	Turbogenerator Units	11,909,151	2.6000	309,638
17	315.300	Accessory Electric Equipment	1,883,186	2.1000	39,547
18	316.300	Miscellaneous Power Plant Equipment	1,496,396	2.1000	31,424
19		Total	\$ 67,890,083		\$ 1,976,552
Production - Iatan - Steam					
20	310.600	Land & Land Rights	\$ 100,615	0.0000	\$ 0
21	311.600	Structures & Improvements	3,080,913	3.3500	103,211
22	312.600	Boiler Plant Equipment	22,946,886	4.1900	961,475
23	312.500	Unit Train	0	5.6700	0
24	314.600	Turbogenerator Units	6,299,064	3.0000	188,972
25	315.600	Accessory Electric Equipment	2,847,053	3.1800	90,536
26	316.600	Miscellaneous Power Plant Equipment	558,927	2.9400	16,432
27		Total	\$ 35,833,458		\$ 1,360,626

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Depreciation Expense

Line No	Acct	Description	Adjusted Jurisdictional	Depreciation Rate	Depreciation Expense
		(A)	(B)	(C)	(D)
Production - Ozark Beach - Hydro					
28	330.300	Land & Land Rights	\$ 184,508	0.0000	\$ 0
29	331.300	Structures & Improvements	297,949	1.9800	5,899
30	332.300	Reservoirs, Dams, & Waterways	1,136,100	1.9000	21,586
31	333.300	Water Wheels, Turbines & Generators	290,161	0.0000	0
32	334.300	Accessory Electric Equipment	613,914	0.0000	0
33	335.300	Miscellaneous Power Plant Equipment	165,971	2.1000	3,485
34		Total	\$ 2,688,603		\$ 30,970
Production - Riverton - CT					
35	340.200	Land & Land Rights	\$ 0	0.0000	\$ 0
36	341.200	Structures & Improvements	149,235	3.0200	4,507
37	342.200	Fuel Holders, Producers, & Access.	64,771	3.7100	2,403
38	343.200	Prime Movers	7,917,050	3.4000	269,180
39	344.200	Generators	761,778	3.1000	23,615
40	345.200	Accessory Electric Equipment	204,982	3.4400	7,051
41	346.200	Miscellaneous Power Plant Equipment	68,963	3.8600	2,662
42		Total	\$ 9,166,779		\$ 309,418
Production - Energy Center - CT					
43	340.300	Land & Land Rights	\$ 134,049	0.0000	\$ 0
44	341.300	Structures & Improvements	1,480,558	3.1600	46,786
45	342.300	Fuel Holders, Producers, & Access.	2,799,636	3.7100	103,866
46	343.300	Prime Movers	15,399,571	3.4400	529,745
47	344.300	Generators	4,382,287	3.1600	138,480
48	345.300	Accessory Electric Equipment	841,732	3.4400	28,956
49	346.300	Miscellaneous Power Plant Equipment	931,513	3.8600	35,956
50		Total	\$ 25,969,346		\$ 883,789

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Depreciation Expense

Line No	Acct	Description	Adjusted Jurisdictional	Depreciation Rate	Depreciation Expense
		(A)	(B)	(C)	(D)
Production - State Line - CT					
51	340.800	Land & Land Rights	\$ 203,346	0.0000	\$ 0
52	341.800	Structures & Improvements	2,166,348	3.1600	68,457
53	342.800	Fuel Holders, Producers, & Access.	609,668	3.7100	22,619
54	343.800	Prime Movers	22,017,015	3.4400	757,385
55	344.800	Generators	4,877,342	3.1600	154,124
56	345.800	Accessory Electric Equipment	308,245	3.4400	10,604
57	346.800	Miscellaneous Power Plant Equipment	322,577	3.8600	12,451
58		Total	\$ 30,504,541		\$ 1,025,640
Transmission Plant					
59	350.000	Land & Land Rights	\$ 5,349,131	0.0000	\$ 0
60	352.000	Structures & Improvements	1,456,256	1.5800	23,009
61	353.000	Station Equipment	39,739,315	2.5700	1,021,300
62	354.000	Towers & Fixtures	647,993	1.5600	10,109
63	355.000	Poles & Fixtures	13,908,079	2.7100	376,909
64	356.000	Overhead Conductors & Devices	25,789,443	2.2500	580,262
65		Total	\$ 86,890,217		\$ 2,011,589
Distribution Plant					
66	360.000	Land & Land Rights	\$ 1,363,947	0.0000	\$ 0
67	361.000	Structures & Improvements	6,249,261	2.2500	140,608
68	362.000	Station Equipment	40,601,936	3.0000	1,218,058
69	364.000	Poles, Towers & Fixtures	57,223,741	4.2500	2,432,009
70	365.000	Overhead Conductors & Devices	60,821,295	2.8700	1,745,571
71	366.000	Underground Conduit	7,907,808	3.9600	313,149
72	367.000	Underground Conductors & Devices	17,736,716	4.1900	743,168
73	368.000	Line Transformers	41,534,431	2.8200	1,171,271
74	369.000	Services	26,259,561	4.1900	1,100,276
75	370.000	Meters	10,113,965	2.6300	265,997
76	371.000	Installation On Customers' Premises	6,728,254	5.8200	391,584
77	373.000	Street Lighting & Signal Systems	6,249,241	2.4800	154,981
78		Total	\$ 282,790,156		\$ 9,676,672

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Depreciation Expense

Line No	Acct	Description	Adjusted Jurisdictional	Depreciation Rate	Depreciation Expense
		(A)	(B)	(C)	(D)
		General Plant			
79	389.000	Land & Land Rights	\$ 620,476	0.0000	\$ 0
80	390.000	Structures & Improvements	7,683,799	4.6800	359,602
81	391.000	Office Furniture & Equipment	5,499,632	4.6700	256,833
82	392.000	Transportation Equipment	3,811,585	9.0000	343,043
83	393.000	Stores Equipment	267,256	4.5700	12,214
84	394.000	Tools, Shop, & Garage Equipment	1,422,466	3.6700	52,205
85	395.000	Laboratory Equipment	694,322	3.0000	20,830
86	396.000	Power Operated Equipment	6,269,672	6.7100	420,695
87	397.000	Communication Equipment	8,464,192	4.7600	402,896
88	398.000	Miscellaneous Equipment	95,883	3.8800	3,720
89		Total	\$ 34,829,283		\$ 1,872,038

 90 Total Depreciation Expense \$ 606,819,754 \$ 19,829,400

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Depreciation Reserve

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)	(F)
Intangible Plant							
1	301.000	Organization	\$ 0	\$ 0	86.9500	\$ 0 R-1	\$ 0
2	302.000	Franchises & Consents	0	0	86.9500	0 R-2	0
3	303.000	Miscellaneous Intangible Plant	0	0	86.9500	0 R-3	0
4		Total	\$ 0	\$ 0		\$ 0	\$ 0
Production - Riverton - Steam							
5	711.120	Structures & Improvements	\$ 2,951,712	\$ 44,761	82.1900	\$ 0 R-4	\$ 2,462,801
6	712.120	Boiler Plant Equipment	14,803,421	38,828	82.1900	0 R-5	12,198,844
7	714.120	Turbogenerator Units	5,362,508	27,171	82.1900	0 R-6	4,429,777
8	715.120	Accessory Electric Equipment	1,461,258	22,050	82.1900	0 R-7	1,219,131
9	716.120	Miscellaneous Power Plant Equipment	464,678	4,322	82.1900	0 R-8	385,471
10		Total	\$ 25,043,577	\$ 137,132		\$ 0	\$ 20,696,024
Production - Asbury - Steam							
11	711.110	Structures & Improvements	\$ 2,149,141	\$ 46,225	82.1900	\$ 0 R-9	\$ 1,804,371
12	712.110	Boiler Plant Equipment	13,093,237	(74,366)	82.1900	0 R-10	10,700,210
13	712.150	Unit Train	1,960,232	79,101	82.1900	0 R-11	1,676,128
14	714.110	Turbogenerator Units	7,454,681	(16,310)	82.1900	0 R-12	6,113,597
15	715.110	Accessory Electric Equipment	1,221,009	11,831	82.1900	0 R-13	1,013,271
16	716.110	Miscellaneous Power Plant Equipment	557,870	9,460	82.1900	0 R-14	466,289
17		Total	\$ 26,436,170	\$ 55,941		\$ 0	\$ 21,773,866
Production - Iatan - Steam							
18	711.130	Structures & Improvements	\$ 1,545,164	\$ 29,932	82.1900	\$ 0 R-15	\$ 1,294,571
19	712.130	Boiler Plant Equipment	16,291,677	289,832	82.1900	0 R-16	13,628,342
20	712.140	Unit Train	0	0	82.1900	0 R-17	0
21	714.130	Turbogenerator Units	3,427,734	57,480	82.1900	0 R-18	2,864,497
22	715.130	Accessory Electric Equipment	1,603,839	27,486	82.1900	0 R-19	1,340,786
23	716.130	Miscellaneous Power Plant Equipment	211,338	4,954	82.1900	0 R-20	177,770
24		Total	\$ 23,079,752	\$ 409,684		\$ 0	\$ 19,305,966

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Depreciation Reserve

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)	(F)
Production - Ozark Beach - Hydro							
25	731.100	Structures & Improvements	\$ 158,458	\$ 1,794	82.1900	\$ 0 R-21	\$ 131,711
26	732.100	Reservoirs, Dams, & Waterways	1,118,825	6,566	82.1900	0 R-22	924,959
27	733.100	Water Wheels, Turbines & Generators	417,575	0	82.1900	0 R-23	343,205
28	734.100	Accessory Electric Equipment	121,491	0	82.1900	0 R-24	99,853
29	735.100	Miscellaneous Power Plant Equipment	88,911	1,058	82.1900	0 R-25	73,946
30		Total	\$ 1,905,260	\$ 9,418		\$ 0	\$ 1,573,674
Production - Riverton - CT							
31	741.120	Structures & Improvements	\$ 78,511	\$ 1,371	82.1900	\$ 0 R-26	\$ 65,655
32	742.120	Fuel Holders, Producers, & Access.	27,879	731	82.1900	0 R-27	23,515
33	743.120	Prime Movers	2,984,219	81,877	82.1900	0 R-28	2,520,024
34	744.120	Generators	374,744	7,183	82.1900	0 R-29	313,906
35	745.120	Accessory Electric Equipment	109,108	2,145	82.1900	0 R-30	91,439
36	746.120	Miscellaneous Power Plant Equipment	35,918	810	82.1900	0 R-31	30,187
37		Total	\$ 3,610,379	\$ 94,117		\$ 0	\$ 3,044,726
Production - Energy Center - CT							
38	741.110	Structures & Improvements	\$ 1,107,409	\$ 14,230	82.1900	\$ 0 R-32	\$ 921,875
39	742.110	Fuel Holders, Producers, & Access.	766,563	31,592	82.1900	0 R-33	656,004
40	743.110	Prime Movers	12,142,585	(1,771,249)	82.1900	0 R-34	8,524,201
41	744.110	Generators	2,296,306	48,925	82.1900	0 R-35	1,927,545
42	745.110	Accessory Electric Equipment	234,021	4,495	82.1900	0 R-36	196,036
43	746.110	Miscellaneous Power Plant Equipment	612,316	10,935	82.1900	0 R-37	512,250
44		Total	\$ 17,159,200	\$ (1,661,072)		\$ 0	\$ 12,737,911
Production - State Line - CT							
45	741.130	Structures & Improvements	\$ 110,244	\$ 21,115	82.1900	\$ 0 R-38	\$ 107,964
46	742.130	Fuel Holders, Producers, & Access.	36,455	6,966	82.1900	0 R-39	35,688
47	743.130	Prime Movers	1,220,732	233,240	82.1900	0 R-40	1,195,020
48	744.130	Generators	248,408	47,465	82.1900	0 R-41	243,178
49	745.130	Accessory Electric Equipment	16,937	3,265	82.1900	0 R-42	16,604
50	746.130	Miscellaneous Power Plant Equipment	19,068	3,727	82.1900	0 R-43	18,735
51		Total	\$ 1,651,844	\$ 315,778		\$ 0	\$ 1,617,189

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Depreciation Reserve

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)	(F)
Transmission Plant							
52	752.000	Structures & Improvements	\$ 568,153	\$ 30,847	82.1900	\$ 0 R-44	\$ 492,318
53	753.000	Station Equipment	14,852,292	535,507	82.1900	0 R-45	12,647,232
54	754.000	Towers & Fixtures	663,932	1,853	82.1900	0 R-46	547,209
55	755.000	Poles & Fixtures	7,061,275	292,673	82.1900	0 R-47	6,044,210
56	756.000	Overhead Conductors & Devices	8,453,760	488,990	82.1900	0 R-48	7,350,046
57		Total	\$ 31,599,412	\$ 1,349,870		\$ 0	\$ 27,081,015
Distribution Plant							
58	761.000	Structures & Improvements	\$ 1,549,993	\$ 54,386	88.6300	\$ 0 R-49	\$ 1,421,961
59	762.000	Station Equipment	10,967,914	140,584	88.6300	0 R-50	9,845,462
60	764.000	Poles, Towers & Fixtures	22,935,433	491,810	88.6300	0 R-51	20,763,565
61	765.000	Overhead Conductors & Devices	18,336,313	358,180	88.6300	0 R-52	16,568,929
62	766.000	Underground Conduit	1,853,026	77,930	88.6300	0 R-53	1,711,406
63	767.000	Underground Conductors & Devices	4,533,868	202,228	88.6300	0 R-54	4,197,602
64	768.000	Line Transformers	12,889,372	216,801	88.6300	0 R-55	11,616,001
65	769.000	Services	10,653,499	207,452	88.6300	0 R-56	9,626,061
66	770.000	Meters	4,093,389	25,800	88.6300	0 R-57	3,650,837
67	771.000	Installation On Customers' Premises	2,851,889	35,899	88.6300	0 R-58	2,559,447
68	773.000	Street Lighting & Signal Systems	2,807,725	26,182	88.6300	0 R-59	2,511,692
69		Total	\$ 93,472,421	\$ 1,837,252		\$ 0	\$ 84,472,963

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Depreciation Reserve

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)	(F)
		General Plant					
70	790.000	Structures & Improvements	\$ 1,631,158	\$ 44,153	85.2600	\$ 0 R-60	\$ 1,428,370
71	791.000	Office Furniture & Equipment	1,388,511	73,298	85.2600	0 R-61	1,246,338
72	792.000	Transportation Equipment	2,817,648	138,871	85.2600	0 R-62	2,520,728
73	793.000	Stores Equipment	113,330	3,546	85.2600	0 R-63	99,648
74	794.000	Tools, Shop, & Garage Equipment	888,158	14,656	85.2600	0 R-64	769,739
75	795.000	Laboratory Equipment	360,411	6,201	85.2600	0 R-65	312,573
76	796.000	Power Operated Equipment	2,564,978	123,639	85.2600	0 R-66	2,292,315
77	797.000	Communication Equipment	3,039,563	71,081	85.2600	0 R-67	2,652,135
78	798.000	Miscellaneous Equipment	51,235	(1,313)	85.2600	0 R-68	42,563
79		Total	\$ 12,854,992	\$ 474,132		\$ 0	\$ 11,364,409

80		Total Depreciation Reserve	\$ 236,813,007	\$ 3,022,252		\$ 0	\$ 203,667,743

Adjustments to Depreciation Reserve

Accounting Schedule: 7-1

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Depreciation Reserve

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
-----------------------	------------------------	------------------------

Structures & Improvements	R-9	\$ 46,225
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1. To adjust depreciation reserve to a level consistent with plant in service at December 31, 1996. (Boltz)	\$	46,225
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Boiler Plant Equipment	R-10	\$ (74,366)
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1. To adjust depreciation reserve to a level consistent with plant in service at December 31, 1996. (Boltz)	\$	(74,366)
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Unit Train	R-11	\$ 79,101
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1. To adjust depreciation reserve to a level consistent with plant in service at December 31, 1996. (Boltz)	\$	79,101
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Turbogenerator Units	R-12	\$ (16,310)
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1. To adjust depreciation reserve to a level consistent with plant in service at December 31, 1996. (Boltz)	\$	(16,310)
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Accessory Electric Equipment	R-13	\$ 11,831
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1. To adjust depreciation reserve to a level consistent with plant in service at December 31, 1996. (Boltz)	\$	11,831
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Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Depreciation Reserve

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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Miscellaneous Power Plant Equipment R-14 \$ 9,460

1. To adjust depreciation reserve to a level consistent with \$ 9,460
plant in service at December 31, 1996.
(Boltz)

Structures & Improvements R-15 \$ 29,932

1. To adjust depreciation reserve to a level consistent with \$ 29,932
plant in service at December 31, 1996.
(Boltz)

Boiler Plant Equipment R-16 \$ 289,832

1. To adjust depreciation reserve to a level consistent with \$ 289,832
plant in service at December 31, 1996.
(Boltz)

Turbogenerator Units R-18 \$ 57,480

1. To adjust depreciation reserve to a level consistent with \$ 57,480
plant in service at December 31, 1996.
(Boltz)

Accessory Electric Equipment R-19 \$ 27,486

1. To adjust depreciation reserve to a level consistent with \$ 27,486
plant in service at December 31, 1996.
(Boltz)

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Depreciation Reserve

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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Miscellaneous Power Plant Equipment	R-20	\$ 4,954
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1. To adjust depreciation reserve to a level consistent with plant in service at December 31, 1996. (Boltz)	\$ 4,954
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Structures & Improvements	R-21	\$ 1,794
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1. To adjust depreciation reserve to a level consistent with plant in service at December 31, 1996. (Boltz)	\$ 1,794
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Reservoirs, Dams, & Waterways	R-22	\$ 6,566
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1. To adjust depreciation reserve to a level consistent with plant in service at December 31, 1996. (Boltz)	\$ 6,566
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Miscellaneous Power Plant Equipment	R-25	\$ 1,058
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1. To adjust depreciation reserve to a level consistent with plant in service at December 31, 1996. (Boltz)	\$ 1,058
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Structures & Improvements	R-26	\$ 1,371
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1. To adjust depreciation reserve to a level consistent with plant in service at December 31, 1996. (Boltz)	\$ 1,371
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Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Depreciation Reserve

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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Fuel Holders, Producers, & Access.	R-27	\$	731
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- | | | |
|---|----|-----|
| 1. To adjust depreciation reserve to a level consistent with
plant in service at December 31, 1996.
(Boltz) | \$ | 731 |
|---|----|-----|

Prime Movers	R-28	\$	81,877
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- | | | |
|---|----|--------|
| 1. To adjust depreciation reserve to a level consistent with
plant in service at December 31, 1996.
(Boltz) | \$ | 81,877 |
|---|----|--------|

Generators	R-29	\$	7,183
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- | | | |
|---|----|-------|
| 1. To adjust depreciation reserve to a level consistent with
plant in service at December 31, 1996.
(Boltz) | \$ | 7,183 |
|---|----|-------|

Accessory Electric Equipment	R-30	\$	2,145
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- | | | |
|---|----|-------|
| 1. To adjust depreciation reserve to a level consistent with
plant in service at December 31, 1996.
(Boltz) | \$ | 2,145 |
|---|----|-------|

Miscellaneous Power Plant Equipment	R-31	\$	810
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- | | | |
|---|----|-----|
| 1. To adjust depreciation reserve to a level consistent with
plant in service at December 31, 1996.
(Boltz) | \$ | 810 |
|---|----|-----|

Adjustments to Depreciation Reserve

Structures & Improvements	R-32	\$ 14,230

Fuel Holders, Producers, & Access.	R-33	\$	31,592

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*****
Prime Movers                                R-34                                $ (1,771,249)
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Generators	R-35	\$	48,925

Accessory Electric Equipment	R-36	\$	4,495

Accounting Schedule: 7-6

Accounting Schedule: 7
Boltz
16:03 04/15/1997

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Depreciation Reserve

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
-----------------------	------------------------	------------------------

Miscellaneous Power Plant Equipment R-37 \$ 10,935

1. To adjust depreciation reserve to a level consistent with \$ 10,935
plant in service at December 31, 1996.
(Boltz)

Structures & Improvements R-38 \$ 21,115

1. To adjust depreciation reserve to a level consistent with \$ 21,115
plant in service at December 31, 1996.
(Boltz)

Fuel Holders, Producers, & Access. R-39 \$ 6,966

1. To adjust depreciation reserve to a level consistent with \$ 6,966
plant in service at December 31, 1996.
(Boltz)

Prime Movers R-40 \$ 233,240

1. To adjust depreciation reserve to a level consistent with \$ 233,240
plant in service at December 31, 1996.
(Boltz)

Generators R-41 \$ 47,465

1. To adjust depreciation reserve to a level consistent with \$ 47,465
plant in service at December 31, 1996.
(Boltz)

Accounting Schedule: 7-7

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Depreciation Reserve

Adj No Description	Total Co Adjustment	Mo Juris Adjustment

Accessory Electric Equipment R-42	\$ 3,265	

1. To adjust depreciation reserve to a level consistent with plant in service at December 31, 1996. (Boltz)	\$ 3,265	

Miscellaneous Power Plant Equipment R-43	\$ 3,727	

1. To adjust depreciation reserve to a level consistent with plant in service at December 31, 1996. (Boltz)	\$ 3,727	

Structures & Improvements R-44	\$ 30,847	

1. To adjust depreciation reserve to a level consistent with plant in service at December 31, 1996. (Boltz)	\$ 30,847	

Station Equipment R-45	\$ 535,507	

1. To adjust depreciation reserve to a level consistent with plant in service at December 31, 1996. (Boltz)	\$ 535,507	

Towers & Fixtures R-46	\$ 1,853	

1. To adjust depreciation reserve to a level consistent with plant in service at December 31, 1996. (Boltz)	\$ 1,853	

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Depreciation Reserve

Adj No	Description	Total Co Adjustment	Mo Juris Adjustment
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Poles & Fixtures	R-47	\$	292,673

1. To adjust depreciation reserve to a level consistent with plant in service at December 31, 1996. (Boltz)	\$	292,673	
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Overhead Conductors & Devices	R-48	\$	488,990

1. To adjust depreciation reserve to a level consistent with plant in service at December 31, 1996. (Boltz)	\$	488,990	
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Structures & Improvements	R-49	\$	54,386

1. To adjust depreciation reserve to a level consistent with plant in service at December 31, 1996. (Boltz)	\$	54,386	
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Station Equipment	R-50	\$	140,584

1. To adjust depreciation reserve to a level consistent with plant in service at December 31, 1996. (Boltz)	\$	140,584	
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Poles, Towers & Fixtures	R-51	\$	491,810

1. To adjust depreciation reserve to a level consistent with plant in service at December 31, 1996. (Boltz)	\$	491,810	
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Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Depreciation Reserve

Adj No	Description	Total Co Adjustment	Mo Juris Adjustment
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Overhead Conductors & Devices R-52 \$ 358,180

1. To adjust depreciation reserve to a level consistent with \$ 358,180
plant in service at December 31, 1996.
(Boltz)

Underground Conduit R-53 \$ 77,930

1. To adjust depreciation reserve to a level consistent with \$ 77,930
plant in service at December 31, 1996.
(Boltz)

Underground Conductors & Devices R-54 \$ 202,228

1. To adjust depreciation reserve to a level consistent with \$ 202,228
plant in service at December 31, 1996.
(Boltz)

Line Transformers R-55 \$ 216,801

1. To adjust depreciation reserve to a level consistent with \$ 216,801
plant in service at December 31, 1996.
(Boltz)

Services R-56 \$ 207,452

1. To adjust depreciation reserve to a level consistent with \$ 207,452
plant in service at December 31, 1996.
(Boltz)

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Depreciation Reserve

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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Meters	R-57	\$ 25,800
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1. To adjust depreciation reserve to a level consistent with plant in service at December 31, 1996. (Boltz)	\$ 25,800	
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Installation On Customers' Premises	R-58	\$ 35,899
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1. To adjust depreciation reserve to a level consistent with plant in service at December 31, 1996. (Boltz)	\$ 35,899	
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Street Lighting & Signal Systems	R-59	\$ 26,182
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1. To adjust depreciation reserve to a level consistent with plant in service at December 31, 1996. (Boltz)	\$ 26,182	
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Structures & Improvements	R-60	\$ 44,153
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1. To adjust depreciation reserve to a level consistent with plant in service at December 31, 1996. (Boltz)	\$ 44,153	
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Office Furniture & Equipment	R-61	\$ 73,298
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1. To adjust depreciation reserve to a level consistent with plant in service at December 31, 1996. (Boltz)	\$ 73,298	
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Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Depreciation Reserve

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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***** Transportation Equipment R-62	\$ 138,871	

1. To adjust depreciation reserve to a level consistent with plant in service at December 31, 1996. (Boltz)	\$ 138,871	
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***** Stores Equipment R-63	\$ 3,546	

1. To adjust depreciation reserve to a level consistent with plant in service at December 31, 1996. (Boltz)	\$ 3,546	
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***** Tools, Shop, & Garage Equipment R-64	\$ 14,656	

1. To adjust depreciation reserve to a level consistent with plant in service at December 31, 1996. (Boltz)	\$ 14,656	
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***** Laboratory Equipment R-65	\$ 6,201	

1. To adjust depreciation reserve to a level consistent with plant in service at December 31, 1996. (Boltz)	\$ 6,201	
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***** Power Operated Equipment R-66	\$ 123,639	

1. To adjust depreciation reserve to a level consistent with plant in service at December 31, 1996. (Boltz)	\$ 123,639	
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Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Depreciation Reserve

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
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Communication Equipment R-67 \$ 71,081

1. To adjust depreciation reserve to a level consistent with \$ 71,081
plant in service at December 31, 1996.
(Boltz)

Miscellaneous Equipment R-68 \$ (1,313)

1. To adjust depreciation reserve to a level consistent with \$ (1,313)
plant in service at December 31, 1996.
(Boltz)

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Cash Working Capital

Line No	Acct Description	Test Year Expenses	Revenue Lag	Expense Lag	Net Lag (C) - (D)	Factor (Col E/365)	CWC Req (B) x (F)
(A)		(B)	(C)	(D)	(E)	(F)	(G)
Operation and Maintenance Expense							
1	Cash Vouchers	\$ 12,595,870	36.9100	33.0649	3.8451	0.010535	\$ 132,697
2	Fuel - Coal	20,664,178	36.9100	25.4352	11.4748	0.031438	649,640
3	Fuel - Gas	4,701,590	36.9100	52.6847	(15.7747)	(0.043218)	(203,193)
4	Fuel - Oil	332,551	36.9100	22.5223	14.3877	0.039418	13,108
5	Purchased Power	39,685,911	36.9100	33.9296	2.9804	0.008165	324,035
6	Payroll Expense	17,224,416	36.9100	12.0000	24.9100	0.068247	1,175,515
7	Incentive Payroll	217,985	36.9100	182.5000	(145.5900)	(0.398877)	(86,949)
8	Federal Income Tax Withheld	3,927,162	36.9100	15.0962	21.8138	0.059764	234,703
9	State Income Tax Withheld	1,108,135	36.9100	19.7037	17.2063	0.047141	52,239
10	FICA Withheld	1,362,205	36.9100	15.0962	21.8138	0.059764	81,411
11	Medical Care Expense	3,435,654	36.9100	(12.2900)	49.2000	0.134795	463,109
12	Employee 401K	469,463	36.9100	15.0962	21.8138	0.059764	28,057
13	Employers 401K	1,103,002	36.9100	45.7500	(8.8400)	(0.024219)	(26,714)
14	Total Operation and Maintenance Expense	\$ 106,828,122					\$ 2,837,658
Taxes							
15	Employer FICA	\$ 1,362,205	36.9100	15.0962	21.8138	0.059764	\$ 81,411
16	Federal Unemployment	22,456	36.9100	74.8836	(37.9736)	(0.104037)	(2,336)
17	State Unemployment	15,369	36.9100	74.9329	(38.0229)	(0.104172)	(1,601)
18	Property Taxes	5,722,524	36.9100	207.0403	(170.1303)	(0.466110)	(2,667,326)
19	Gross Receipts Taxes	3,319,303	17.4200	20.5300	(3.1100)	(0.008521)	(28,284)
20	Sales & Use Taxes	4,208,863	17.4200	19.1500	(1.7300)	(0.004740)	(19,950)
21	Total Taxes	\$ 14,650,720					\$ (2,638,086)

22	Total Cash Working Capital Req						\$ 199,572

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Income Statement

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)	(F)
Operating Revenues							
1		System KWH Sales	\$ 161,674,015	\$ 0	100.0000	\$ 1,287,084 S-1	\$ 162,961,099
2		System KWH Sales-Non Jurisdictional	8,448,042	0	0.0000	0 S-2	0
3		Sales for Resale - Off System	4,189,920	0	81.2100	0 S-3	3,402,634
4		Other Revenues	2,793,478	0	85.4900	0 S-4	2,388,144
5		Sale of Emission Credits	57,227	0	79.3700	0 S-5	45,421
6		Total	\$ 177,162,682	\$ 0		\$ 1,287,084	\$ 168,797,298
Operation & Maintenance Expense							
7		Production - Fuel	\$ 32,816,342	\$ 0	81.8500	\$ 1,127,291 S-9	\$ 27,987,467
8		Production - Other	10,008,839	283,509	82.1900	0 S-10	8,459,281
9		Purchased Power - Energy	33,218,540	0	81.8500	(215,233) S-11	26,974,142
10		Purchased Power - Demand	13,201,315	0	82.1900	2,397,691 S-12	13,247,852
11		Transmission	3,269,494	62,333	82.1900	0 S-13	2,738,429
12		Distribution	10,641,788	265,086	88.6300	0 S-14	9,666,762
13		Customer Accounts	4,957,082	199,661	86.3500	220,153 S-15	4,673,001
14		Customer Service & Assistance	856,944	(18,298)	86.3500	0 S-16	724,171
15		Sales	727,368	12,432	83.1500	0 S-17	615,144
16		Administrative & General - Direct	864,462	(7,550)	67.1200	0 S-18	575,159
17		Administrative & General - Allocate	12,472,957	644,757	82.8400	300,000 S-19	11,166,714
18		Total	\$ 123,035,131	\$ 1,441,930		\$ 3,829,902	\$ 106,828,122
Depreciation Expense							
19		Depreciation Expense	\$ 21,064,039	\$ 0	84.7400	\$ 1,979,733 S-20	\$ 19,829,400
20		Depreciation Expense - Other	0	0	84.7400	(1,023,341) S-21	(1,023,341)
21		Total	\$ 21,064,039	\$ 0		\$ 956,392	\$ 18,806,059
Other Operating Expenses							
22		Amortization Expense	\$ 131,149	\$ 0	84.4400	0 S-22	\$ 110,742
23		Taxes Other Than Income Taxes	11,791,788	20,002	85.9200	(3,319,303) S-23	6,829,387
24		Total	\$ 11,922,937	\$ 20,002		\$ (3,319,303)	\$ 6,940,129
25		Total Operating Expenses	\$ 156,022,107	\$ 1,461,932		\$ 1,466,991	\$ 132,574,310

Accounting Schedule: 9

Winter

16:03 04/15/1997

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Income Statement

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)	(F)

26		Net Income Before Taxes	\$ 21,140,575	\$ (1,461,932)		\$ (179,907)	\$ 36,222,988

		Current Income Taxes					
27		Current Income Taxes	\$ 9,474,593	\$ 0	83.5300	\$ (1,649,833) S-24	\$ 6,264,295
			-----	-----		-----	-----
28		Total	\$ 9,474,593	\$ 0		\$ (1,649,833)	\$ 6,264,295
		Deferred Income Taxes					
29		Deferred Income Taxes	\$ 1,371,684	\$ 0	83.5300	\$ 911,229 S-25	\$ 2,056,997
			-----	-----		-----	-----
30		Total	\$ 1,371,684	\$ 0		\$ 911,229	\$ 2,056,997

31		Total Income Taxes	\$ 10,846,277	\$ 0		\$ (738,604)	\$ 8,321,292

32		Net Operating Income	\$ 10,294,298	\$ (1,461,932)		\$ 558,697	\$ 27,901,696

Accounting Schedule: 9-2

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment

System KWH Sales S-1		\$ 1,287,084

1. To annualize System KWH Sales based on current rates. (Winter)		\$ 969,256
2. To adjust System KWH Sales to reflect normal weather. (Winter)		\$ 2,909,989
3. To adjust System KWH Sales for customer growth through September 30, 1996. (Winter)		\$ 2,018,368
4. To eliminate unbilled revenue recorded during the test year. (Winter)		\$ (1,291,226)
5. To eliminate franchise tax included in per book revenue. (Winter)		\$ (3,319,303)

Production - Fuel S-9		\$ 1,127,291

1. To annualize steam power production fuel expense based on September, 1996 customer levels at current fuel prices. (Imhoff)		\$ (741,298)
2. To annualize combustion turbine fuel expense based on September, 1996 customer levels at current fuel prices. (Imhoff)		\$ (207,961)
3. To adjust expense to include the firm gas transportation contract. (Imhoff)		\$ 1,131,550
4. To adjust fuel expense to reflect an increase in purchased power & fuel expense (Imhoff)		\$ 945,000

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Income Statement

Adj	Description	Total Co	Mo Juris
No		Adjustment	Adjustment

Production - Other	S-10	\$	283,509
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1.	To annualize payroll to a current level as computed by Staff. (Baldree)	\$	298,470
2.	To reflect the Staff's disallowance of various donations. (Fischer)		
3.	To adjust expense to reflect the normalized level of the 1993 flood cost amortization. (Fischer)	\$	(5,283)
4.	To adjust expense to reflect the annualized level of property and liability insurance. (Fischer)	\$	974
5.	To adjust expense to reflect the removal of CPP employee relocation expenses. (Fischer)	\$	(13,231)
6.	To normalize overtime payroll. (Baldree)	\$	(69,690)
7.	To adjust operating expense to remove discretionary awards. (Baldree)	\$	(1,048)
8.	To adjust operating expense to remove the cost of the management incentive plan. (Baldree)	\$	(7,097)
9.	To adjust operating expense to include the normalized level of management incentive plan costs. (Baldree)	\$	3,023
10.	To reflect the Staff's disallowance of various miscellaneous expenses including meals and gifts. (Fischer)	\$	(1,429)

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	No Juris Adjustment
11. To adjust expense to include incentive payroll. (Baldree)	\$ 78,820	

Purchased Power - Energy S-11		\$ (215,233)

1. To annualize purchase Power expense based on September, 1996 customer levels at current fuel prices. (Imhoff)		\$ (215,233)

Purchased Power - Demand S-12		\$ 2,397,691

1. To adjust purchase power to include increased demand charges. (Imhoff)		\$ 2,397,691

Transmission S-13	\$ 62,333	

1. To annualize payroll to a current level as computed by Staff. (Baldree)	\$ 65,215	
2. To adjust expense to reflect Staff's disallowance of advertising costs. (Fischer)	\$ (303)	
3. To reflect the Staff's disallowance of various donations. (Fischer)	\$ (195)	
4. To normalize overtime payroll. (Baldree)	\$ (15,227)	
5. To adjust operating expense to remove discretionary awards. (Baldree)	\$ (375)	

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
6. To adjust operating expense to remove the cost of the management incentive plan. (Baldree)	\$ (899)	
7. To adjust operating expense to include the normalized level of management incentive plan costs. (Baldree)	\$ 383	
8. To reflect the Staff's disallowance of various dues. (Fischer)	\$ (2,374)	
9. To reflect the Staff's disallowance of various miscellaneous expenses including meals and gifts. (Fischer)	\$ (1,114)	
10. To adjust expense to include incentive payroll. (Baldree)	\$ 17,222	

Distribution S-14	\$ 265,086	

1. To annualize payroll to a current level as computed by Staff. (Baldree)	\$ 263,590	
2. To adjust expense to reflect Staff's disallowance of advertising costs. (Fischer)	\$ (303)	
3. To reflect the Staff's disallowance of various dues. (Fischer)	\$ (2,790)	
4. To normalize overtime payroll. (Baldree)	\$ (61,546)	
5. To adjust operating expense to remove discretionary awards. (Baldree)	\$ (384)	

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Income Statement

Adj No	Description	Total Co Adjustment	Mo Juris Adjustment
6.	To adjust operating expense to remove the cost of the management incentive plan. (Baldree)	\$ (1,165)	
7.	To adjust operating expense to include the normalized level of management incentive plan costs. (Baldree)	\$ 496	
8.	To reflect the Staff's disallowance of various miscellaneous expenses including meals and gifts. (Fischer)	\$ (2,421)	
9.	To adjust expense to include incentive payroll. (Baldree)	\$ 69,609	

Customer Accounts		S-15	
		\$ 199,661	\$ 220,153

1.	To annualize payroll to a current level as computed by Staff. (Baldree)	\$ 127,291	
2.	To adjust bad debt expense to reflect net write-offs. (Winter)	\$ 71,213	
3.	To adjust expense to reflect the inclusion of interest on customer deposits. (Boltz)		\$ 170,153
4.	To adjust expense to reflect Staff's disallowance of advertising costs. (Fischer)	\$ (1,211)	
5.	To reflect the Staff's disallowance of various miscellaneous expenses. (Fischer)	\$ (636)	
6.	To normalize overtime payroll. (Baldree)	\$ (29,721)	

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
7. To adjust operating expense to remove discretionary awards. (Baldree)	\$ (522)	
8. To adjust operating expense to remove the cost of the management incentive plan. (Baldree)	\$ (641)	
9. To adjust operating expense to include the normalized level of management incentive plan costs. (Baldree)	\$ 273	
10. To adjust expense to include incentive payroll. (Baldree)	\$ 33,615	
11. To adjust expense to reflect the additional interest on customer deposits based on the settlement. (Boltz)		\$ 50,000

Customer Service & Assistance S-16	\$ (18,298)	

1. To annualize payroll to a current level as computed by Staff. (Baldree)	\$ 29,369	
2. To adjust expense to reflect Staff's disallowance of advertising costs. (Fischer)	\$ (43,277)	
3. To reflect the Staff's disallowance of various donations. (Fischer)	\$ (1,105)	
4. To normalize overtime payroll. (Baldree)	\$ (6,857)	
5. To adjust operating expense to remove discretionary awards. (Baldree)	\$ (18)	

Accounting Schedule: 10
 Winter
 16:03 04/15/1997

Empire District Electric Company
 Case: ER-97-81S
 Twelve Months Ended September 30, 1996

Adjustments to Income Statement

Adj No	Description	Total Co Adjustment	Mo Juris Adjustment
6.	To adjust operating expense to remove the cost of the management incentive plan. (Baldree)	\$ (528)	
7.	To adjust operating expense to include the normalized level of management incentive plan costs. (Baldree)	\$ 225	
8.	To reflect the Staff's disallowance of various dues. (Fischer)	\$ (494)	
9.	To reflect the Staff's disallowance of various miscellaneous expenses including meals and gifts. (Fischer)	\$ (340)	
10.	To adjust expense to reflect Staff's disallowance of promotional giveaways. (Fischer)	\$ (3,028)	
11.	To adjust expense to include incentive payroll. (Baldree)	\$ 7,755	

Sales	S-17	\$ 12,432	

1.	To annualize payroll to a current level as computed by Staff. (Baldree)	\$ 27,804	
2.	To adjust expense to reflect Staff's disallowance of advertising costs. (Fischer)	\$ (606)	
3.	To reflect the Staff's disallowance of various donations. (Fischer)	\$ (914)	
4.	To normalize overtime payroll. (Baldree)	\$ (6,492)	

Accounting Schedule: 10-7

Accounting Schedule: 10
 Winter
 16:03 04/15/1997

Empire District Electric Company
 Case: ER-97-81S
 Twelve Months Ended September 30, 1996

Adjustments to Income Statement

Adj No	Description	Total Co Adjustment	Mo Juris Adjustment
5.	To adjust operating expense to remove discretionary awards. (Baldree)	\$ (48)	
6.	To adjust operating expense to remove the cost of the management incentive plan. (Baldree)	\$ (1,409)	
7.	To adjust operating expense to include the normalized level of management incentive plan costs. (Baldree)	\$ 600	
8.	To reflect the Staff's disallowance of various dues. (Fischer)	\$ (1,458)	
9.	To reflect the Staff's disallowance of various miscellaneous expenses including meals and gifts. (Fischer)	\$ (12,387)	
10.	To adjust expense to include incentive payroll. (Baldree)	\$ 7,342	

Administrative & General - Direct		S-18	\$ (7,550)

1.	To normalize rate case expense over a two-year period. (Fischer)	\$ (12,969)	
2.	To normalize the cost of the annual MPSC assessment. (Fischer)	\$ 5,419	

Administrative & General - Allocate		S-19	\$ 644,757 \$ 300,000

1.	To annualize payroll to a current level as computed by Staff. (Baldree)	\$ 184,822	

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Income Statement

Adj No	Description	Total Co Adjustment	Mo Juris Adjustment
2.	To annualize the Company's 401K contributions to a current level as computed by Staff. (Baldree)	\$ (1,204)	
3.	To adjust expense to reflect Staff's disallowance of advertising costs. (Fischer)	\$ (5,790)	
4.	To reflect the Staff's disallowance of various donations. (Fischer)	\$ (31,851)	
5.	To reflect the Staff's disallowance of the Company's EEI dues. (Fischer)	\$ (59,550)	
6.	To adjust expense to reflect the annualized level of property and liability insurance. (Fischer)	\$ 29,648	
7.	To adjust expense to reflect the removal of CPP employee relocation expenses. (Fischer)	\$ (21,680)	
8.	To adjust expense to reflect the normalized level of the amortization of the Ahlstrom case expenses. (Fischer)	\$ 8,593	
9.	To normalize overtime payroll. (Baldree)	\$ (43,154)	
10.	To adjust operating expense to remove discretionary awards. (Baldree)	\$ (7,225)	
11.	To adjust operating expense to remove the cost of the management incentive plan. (Baldree)	\$ (72,657)	
12.	To adjust operating expense to include the normalized level of management incentive plan costs. (Baldree)	\$ 30,950	

Accounting Schedule: 10
Winter
16:03 04/15/1997

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Income Statement

Adj No	Description	Total Co Adjustment	Mo Juris Adjustment
13.	To reflect the amortization of outside consulting fees associated with the Competitive Positioning Process over a five-year period. (Boltz)	\$ 176,592	
14.	To remove outside consulting fees associated with the Competitive Positioning Process from the test period. (Boltz)	\$ (225,459)	
15.	To amortize Voluntary Early Retirement Plan costs over a five-year period. (Boltz)	\$ 916,638	
16.	To remove test year severance costs from expense. (Boltz)	\$ (473,599)	
17.	To reflect the Staff's disallowance of various dues. (Fischer)	\$ (17,269)	
18.	To reflect the Staff's disallowance of various miscellaneous expenses including meals and gifts. (Fischer)	\$ (61,286)	
19.	To annualize OPEB expense. (Baldree)	\$ 291,826	
20.	To annualize pension expense. (Baldree)	\$ (30,587)	
21.	To adjust expense to include incentive payroll. (Baldree)	\$ 48,808	
22.	To include the amortization of the Emergency Action Plan. (Fischer)	\$ 3,191	
23.	To include the amortization of membership in WSPP. (Fischer)	\$ 5,000	
24.	To amortize severance packages over a 5 year period. (Boltz)		\$ 80,000

Accounting Schedule: 10-10

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
25. To reflect current incentive compensation program. (Baldree)		\$ 220,000
***** Depreciation Expense S-20 *****		\$ 1,979,733
1. To adjust depreciation expense to reflect annualized depreciation expense. (Boltz)		\$ 1,979,733
***** Depreciation Expense - Other S-21 *****		\$ (1,023,341)
1. To eliminate depreciation charged to clearing accounts from annualized depreciation expense. (Boltz)		\$ (763,290)
2. To eliminate depreciation charged to production expense from annualized depreciation expense. (Boltz)		\$ (260,051)
***** Taxes Other Than Income Taxes S-23 *****	\$ 20,002	\$ (3,319,303)
1. To annualize FICA taxes to a current level as computed by Staff. (Baldree)	\$ (5,076)	
2. To annualize FUTA taxes to a current level as computed by Staff. (Baldree)	\$ (1,917)	
3. To annualize SUTA taxes to a current level as computed by Staff. (Baldree)	\$ 6,862	
4. To annualize property taxes. (Boltz)		

Accounting Schedule: 10
Winter
16:03 04/15/1997

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	No Juris Adjustment
5. To eliminate franchise tax expense included in per book revenues. (Winter)		\$ (3,319,303)
6. To include FICA tax expense related to incentive payroll. (Baldree)	\$ 20,133	

Current Income Taxes S-24		\$ (1,649,833)

1. To adjust current income taxes to a level consistent with staff adjusted operating income. (Schwieterman)		\$ (1,649,833)

Deferred Income Taxes S-25		\$ 911,229

1. To adjust deferred income taxes to a level consistent with staff adjusted operating income. (Schwieterman)		\$ 911,229

Accounting Schedule: 10-12

Accounting Schedule: 11
Schwieterman
16:03 04/15/1997

Empire District Electric Company
Case: ER-97-81S
Twelve Months Ended September 30, 1996

Income Tax

Line	Test Year	9.49% Return
(A)	(B)	

1 Net Income Before Taxes (Sch 9)	\$ 36,222,988	\$ 46,207,478

Add to Net Income Before Taxes		
2 Book Depreciation Expense	\$ 18,806,059	\$ 18,806,059
3 Book Depreciation-clearing/opers	1,023,341	1,023,341
4 Non-deductible expenses	45,448	45,448
	-----	-----
5 Total	\$ 19,874,848	\$ 19,874,848
Subtr from Net Income Before Taxes		
6 Interest Expense 3.6800 %	\$ 13,174,591	\$ 13,174,591
7 Tax Depreciation - Straight Line	17,829,990	17,829,990
8 Tax Depreciation - Excess	7,495,503	7,495,503
9 Cost of Removal	1,009,963	1,009,963
10 Preferred Stock Dividends	64,980	64,980
	-----	-----
11 Total	\$ 39,575,027	\$ 39,575,027

12 Net Taxable Income	\$ 16,522,809	\$ 26,507,299

Provision for Federal Income Tax		
13 Net Taxable Income	\$ 16,522,809	\$ 26,507,299
14 Deduct Missouri Income Tax 100.0 %	\$ 863,914	\$ 1,381,897
15 Deduct City Income Tax	0	0
16 Federal Taxable Income	15,658,895	25,125,402
	-----	-----
17 Total Federal Tax	\$ 5,400,381	\$ 8,793,891

Empire District Electric Company
 Case: ER-97-81S
 Twelve Months Ended September 30, 1996

Income Tax

Line		Test Year	9.49% Return
(A)	(B)		
Provision for Missouri Income Tax			
18	Net Taxable Income	\$ 16,522,809	\$ 26,507,299
19	Deduct Federal Income Tax 50.0 %	\$ 2,700,191	\$ 4,396,946
20	Deduct City Income Tax	0	0
21	Missouri Taxable Income	13,822,619	22,110,354
22	Total Missouri Tax	\$ 863,914	\$ 1,381,897
Provision for City Income Tax			
23	Net Taxable Income	\$ 16,522,809	\$ 26,507,299
24	Deduct Federal Income Tax	\$ 5,400,381	\$ 8,793,891
25	Deduct Missouri Income Tax	863,914	1,381,897
26	City Taxable Income	10,258,514	16,331,511
27	Total City Tax	\$ 0	\$ 0
Summary of Provision for Income Tax			
28	Federal Income Tax	\$ 5,400,381	\$ 8,793,891
29	Missouri Income Tax	863,914	1,381,897
30	City Income Tax	0	0
31	Total	\$ 6,264,295	\$ 10,175,788
Deferred Income Taxes			
32	Deferred Investment Tax Credit	\$ 0	\$ 0
33	Amortization of Deferred ITC	(463,162)	(463,162)
34	Deferred Income Tax	2,877,419	2,877,419
35	Amort of Deferred Income Tax	(357,260)	(357,260)
36	Total	\$ 2,056,997	\$ 2,056,997
37	Total Income Tax	\$ 8,321,292	\$ 12,232,785

**THE EMPIRE DISTRICT ELECTRIC COMPANY - CASE NO.ER-97-81
STAFF MEMORANDUM ON STIPULATION & AGREEMENT**

TABLE OF CONTENTS

SCHEDULE 1	REVENUE REQUIREMENT ACCOUNTING RUN
SCHEDULE 2	CURRENT & STIPULATED RATES - BY TARIFF (ASSUMING A \$17.0 MILLION TOTAL INCREASE)
SCHEDULE 3	THE IMPACT OF STIPULATED RATES ON TYPICAL RESIDENTIAL ELECTRIC BILLS & A COMPARISON OF MISSOURI TYPICAL RESIDENTIAL ELECTRIC BILLS BY COMPANY
SCHEDULE 4	A COMPARISON OF THE FILED CLASS COST-OF-SERVICE STUDIES
SCHEDULE 5	CURRENT MISSOURI RETAIL FIRM RATE REVENUES AND STIPULATED PERCENTAGE INCREASE TO EACH RATE COMPONENT

**THE EMPIRE DISTRICT ELECTRIC COMPANY - CASE NO. ER-97-81
CURRENT AND STIPULATED RATES - BY TARIFF
(ASSUMING A \$17.0 MILLION TOTAL INCREASE)**

RESIDENTIAL SERVICE					COMMERCIAL SERVICE				
	CURRENT RATES	STIPULATED RATES	DIFFERENCE			CURRENT RATES	STIPULATED RATES	DIFFERENCE	
			(\$)	(%)				(\$)	(%)
CUSTOMER CHARG	\$7.00	\$7.73	\$0.73	10.44%	CUSTOMER CHARG	\$10.00	\$11.04	\$1.04	10.44%
ENERGY CHARGES					ENERGY CHARGE:				
SUMMER					SUMMER				
FIRST 600 KWH	\$0.0594	\$0.0656	\$0.0062	10.44%	FIRST 700 KWH	\$0.0680	\$0.0751	\$0.0071	10.44%
OVER 600 KWH	\$0.0594	\$0.0656	\$0.0062	10.44%	OVER 700 KWH	\$0.0680	\$0.0751	\$0.0071	10.44%
WINTER					WINTER				
FIRST 600 KWH	\$0.0594	\$0.0656	\$0.0062	10.44%	FIRST 700 KWH	\$0.0680	\$0.0751	\$0.0071	10.44%
OVER 600 KWH	\$0.0350	\$0.0387	\$0.0037	10.44%	OVER 700 KWH	\$0.0463	\$0.0511	\$0.0048	10.44%
SMALL HEATING SERVICE					FEED MILL & GRAIN ELEVATOR (67)				
	CURRENT RATES	STIPULATED RATES	DIFFERENCE			CURRENT RATES	STIPULATED RATES	DIFFERENCE	
			(\$)	(%)				(\$)	(%)
CUSTOMER CHARG	\$10.00	\$11.04	\$1.04	10.44%	CUSTOMER CHARG	\$15.00	\$16.57	\$1.57	10.44%
ENERGY CHARGE:					ENERGY CHARGE:				
SUMMER					SUMMER				
FIRST 700 KWH	\$0.0680	\$0.0751	\$0.0071	10.44%	FIRST 700 KWH	\$0.0870	\$0.0961	\$0.0091	10.44%
OVER 700 KWH	\$0.0680	\$0.0751	\$0.0071	10.44%	OVER 700 KWH	\$0.0870	\$0.0961	\$0.0091	10.44%
WINTER					WINTER				
FIRST 700 KWH	\$0.0680	\$0.0751	\$0.0071	10.44%	FIRST 700 KWH	\$0.0870	\$0.0961	\$0.0091	10.44%
OVER 700 KWH	\$0.0354	\$0.0391	\$0.0037	10.44%	OVER 700 KWH	\$0.0790	\$0.0872	\$0.0082	10.44%

NOTE: THE RATES SHOWN WILL CHANGE WHEN THE RESULTS OF THE TRUE-UP IN THIS CASE ARE KNOWN.

**THE EMPIRE DISTRICT ELECTRIC COMPANY - CASE NO. ER-97-81
CURRENT AND STIPULATED RATES - BY TARIFF
(ASSUMING A \$17.0 MILLION TOTAL INCREASE)**

GENERAL POWER SERVICE					TOTAL ELECTRIC BUILDINGS				
	CURRENT RATES	STIPULATED RATES	DIFFERENCE (\$)	(%)		CURRENT RATES	STIPULATED RATES	DIFFERENCE (\$)	(%)
CUSTOMER CHARGE:					CUSTOMER CHARGE:				
REG MTR BILLS	\$36.31	\$40.10	\$3.79	10.44%	REG MTR BILLS	\$36.31	\$40.10	\$3.79	10.44%
IDR MTR BILLS	\$133.58	\$147.52	\$13.94	10.44%	IDR MTR BILLS	\$133.58	\$147.52	\$13.94	10.44%
DEMAND CHARGE:					DEMAND CHARGE:				
SUMMER KW	\$4.94	\$5.46	\$0.52	10.44%	SUMMER KW	\$3.09	\$3.41	\$0.32	10.44%
WINTER KW	\$3.86	\$4.26	\$0.40	10.44%	WINTER KW	\$2.54	\$2.81	\$0.27	10.44%
PRIMARY DISCOUNT:					PRIMARY DISCOUNT:				
SUMMER KW	\$0.171	\$0.189	\$0.018	10.44%	SUMMER KW	\$0.171	\$0.189	\$0.018	10.44%
WINTER KW	\$0.171	\$0.189	\$0.018	10.44%	WINTER KW	\$0.171	\$0.189	\$0.018	10.44%
ENERGY CHARGE:					ENERGY CHARGE:				
SUMMER					SUMMER				
FIRST 150 HU	\$0.0508	\$0.0561	\$0.0053	10.44%	FIRST 150 HU	\$0.0596	\$0.0658	\$0.0062	10.44%
NEXT 200 HU	\$0.0321	\$0.0354	\$0.0033	10.44%	NEXT 200 HU	\$0.0377	\$0.0416	\$0.0039	10.44%
OVER 350 HU	\$0.0288	\$0.0318	\$0.0030	10.44%	OVER 350 HU	\$0.0339	\$0.0374	\$0.0035	10.44%
WINTER					WINTER				
FIRST 150 HU	\$0.0299	\$0.0330	\$0.0031	10.44%	FIRST 150 HU	\$0.0312	\$0.0345	\$0.0033	10.44%
NEXT 200 HU	\$0.0288	\$0.0318	\$0.0030	10.44%	NEXT 200 HU	\$0.0294	\$0.0325	\$0.0031	10.44%
OVER 350 HU	\$0.0281	\$0.0310	\$0.0029	10.44%	OVER 350 HU	\$0.0284	\$0.0314	\$0.0030	10.44%

NOTE: THE RATES SHOWN WILL CHANGE WHEN THE RESULTS OF THE TRUE-UP IN THIS CASE ARE KNOWN.

**THE EMPIRE DISTRICT ELECTRIC COMPANY - CASE NO. ER-97-81
CURRENT AND STIPULATED RATES - BY TARIFF
(ASSUMING A \$17.0 MILLION TOTAL INCREASE)**

LARGE POWER SERVICE

	<u>CURRENT RATES</u>	<u>STIPULATED RATES</u>	<u>DIFFERENCE (\$)</u>	<u>(%)</u>
CUSTOMER CHARG	\$133.58	\$147.52	\$13.94	10.44%
DEMAND CHARGE:				
SUMMER KW	\$7.90	\$8.72	\$0.82	10.44%
WINTER KW	\$4.36	\$4.81	\$0.45	10.44%
SECONDARY ADDER:				
SUMMER KW	\$0.166	\$0.183	\$0.017	10.44%
WINTER KW	\$0.166	\$0.183	\$0.017	10.44%
ENERGY CHARGE:				
SUMMER				
FIRST 350 HU	\$0.0314	\$0.0347	\$0.0033	10.44%
OVER 350 HU	\$0.0163	\$0.0180	\$0.0017	10.44%
WINTER				
FIRST 350 HU	\$0.0277	\$0.0306	\$0.0029	10.44%
OVER 350 HU	\$0.0156	\$0.0172	\$0.0016	10.44%

SPECIAL TRANSMISSION SERVICE

	<u>CURRENT RATES</u>	<u>STIPULATED RATES</u>	<u>DIFFERENCE (\$)</u>	<u>(%)</u>
CUSTOMER CHARGE:	\$133.58	\$147.52	\$13.94	10.44%
FACILITIES CHARGE:				
SUMMER KW	\$0.25	\$0.28	\$0.03	10.44%
WINTER KW	\$0.25	\$0.28	\$0.03	10.44%
DEMAND CHARGE:				
SUMMER ON-PEAK KW	\$12.03	\$13.29	\$1.26	10.44%
WINTER ON-PEAK KW	\$8.18	\$9.03	\$0.85	10.44%
ENERGY CHARGE:				
SUMMER				
ON-PEAK KWH	\$0.0239	\$0.0264	\$0.0025	10.44%
SHOULDER KWH	\$0.0190	\$0.0210	\$0.0020	10.44%
OFF-PEAK KWH	\$0.0143	\$0.0158	\$0.0015	10.44%
WINTER				
ON-PEAK KWH	\$0.0165	\$0.0182	\$0.0017	10.44%
OFF-PEAK KWH	\$0.0135	\$0.0149	\$0.0014	10.44%

POWER FURNACE

	<u>CURRENT RATES</u>	<u>STIPULATED RATES</u>	<u>DIFFERENCE (\$)</u>	<u>(%)</u>
CUSTOMER CHARG	\$0.00	\$0.00	\$0.00	0.00%
ENERGY CHARGE:				
SUMMER KWH	\$0.0420	\$0.0464	\$0.0044	10.44%
WINTER KWH	\$0.0420	\$0.0464	\$0.0044	10.44%

MISCELLANEOUS SERVICE (33)

	<u>CURRENT RATES</u>	<u>STIPULATED RATES</u>	<u>DIFFERENCE (\$)</u>	<u>(%)</u>
CUSTOMER CHARGE	\$10.00	\$11.04	\$1.04	10.44%
ENERGY CHARGE:				
SUMMER KWH	\$0.0486	\$0.0537	\$0.0051	10.44%
WINTER KWH	\$0.0486	\$0.0537	\$0.0051	10.44%

NOTE: THE RATES SHOWN WILL CHANGE WHEN THE RESULTS OF THE TRUE-UP IN THIS CASE ARE KNOWN.

THE EMPIRE DISTRICT ELECTRIC COMPANY - CASE NO. ER-97-81
CURRENT AND STIPULATED RATES - BY TARIFF
(ASSUMING A \$17.0 MILLION TOTAL INCREASE)

PRIVATE LIGHTING					MUNICIPAL STREET LIGHTING				
	CURRENT RATES	STIPULATED RATES	DIFFERENCE (\$)	(%)		CURRENT RATES	STIPULATED RATES	DIFFERENCE (\$)	(%)
STREET LIGHTING LAMPS:					STREET LIGHTING LAMPS:				
MERCURY VAPOR					INCANDESCENT				
6800 LUMENS	\$7.78	\$8.59	\$0.81	10.44%	4000 LUMENS	\$32.30	\$35.67	\$3.37	10.44%
20000 LUMENS	\$12.94	\$14.29	\$1.35	10.44%	10000 LUMENS	\$66.48	\$73.42	\$6.94	10.44%
54000 LUMENS	\$24.82	\$27.41	\$2.59	10.44%	MERCURY VAPOR				
SODIUM VAPOR					7000 LUMENS	\$43.87	\$48.45	\$4.58	10.44%
6000 LUMENS	\$7.19	\$7.94	\$0.75	10.44%	11000 LUMENS	\$52.66	\$58.16	\$5.50	10.44%
16000 LUMENS	\$10.46	\$11.55	\$1.09	10.44%	20000 LUMENS	\$75.39	\$83.26	\$7.87	10.44%
50000 LUMENS	\$17.54	\$19.37	\$1.83	10.44%	53000 LUMENS	\$127.20	\$140.47	\$13.27	10.44%
METAL HALIDE					SODIUM VAPOR				
20500 LUMENS	\$16.18	\$17.87	\$1.69	10.44%	6000 LUMENS	\$41.11	\$45.40	\$4.29	10.44%
36000 LUMENS	\$18.14	\$20.03	\$1.89	10.44%	16000 LUMENS	\$51.46	\$56.83	\$5.37	10.44%
FLOOD LIGHTING LAMPS:					27500 LUMENS	\$66.97	\$73.96	\$6.99	10.44%
MERCURY VAPOR					50000 LUMENS	\$95.46	\$105.42	\$9.96	10.44%
20000 LUMENS	\$18.14	\$20.03	\$1.89	10.44%	130000 LUMENS	\$154.05	\$170.13	\$16.08	10.44%
54000 LUMENS	\$29.97	\$33.10	\$3.13	10.44%					
SODIUM VAPOR					SPECIAL LIGHTING				
27500 LUMENS	\$17.59	\$19.43	\$1.84	10.44%		CURRENT RATES	STIPULATED RATES	DIFFERENCE (\$)	(%)
50000 LUMENS	\$24.11	\$26.63	\$2.52	10.44%	MINIMUM CHARGE	\$23.00	\$25.40	\$2.40	10.44%
140000 LUMENS	\$35.23	\$38.91	\$3.68	10.44%	ENERGY CHARGE:				
METAL HALIDE					SUMMER				
36000 LUMENS	\$24.56	\$27.12	\$2.56	10.44%	FIRST 1000 KWH	\$0.0844	\$0.0932	\$0.0088	10.44%
110000 LUMENS	\$35.88	\$39.62	\$3.74	10.44%	OVER 1000 KWH	\$0.0660	\$0.0729	\$0.0069	10.44%
OTHER CHARGES:					WINTER				
ADDL POLES	\$1.00	\$1.10	\$0.10	10.44%	FIRST 1000 KWH	\$0.0844	\$0.0932	\$0.0088	10.44%
ADDL ANCHOR	\$1.00	\$1.10	\$0.10	10.44%	OVER 1000 KWH	\$0.0660	\$0.0729	\$0.0069	10.44%
ADDL CONDUCTOR	\$0.009	\$0.010	\$0.001	10.44%					

NOTE: THE RATES SHOWN WILL CHANGE WHEN THE RESULTS OF THE TRUE-UP IN THIS CASE ARE KNOWN.

**THE EMPIRE DISTRICT ELECTRIC COMPANY - CASE NO.ER-97-362
THE IMPACT OF STIPULATED RATES ON
TYPICAL RESIDENTIAL ELECTRIC BILLS**

	<u>SUMMER AVERAGE</u>	<u>WINTER AVERAGE</u>	<u>ANNUAL AVERAGE</u>
NORMALIZED USE (KWH/MONTH)	1,131	676	828
BILL ON CURRENT RATES (\$/MONTH)	\$74.21	\$45.09	\$54.80
BILL ON STIPULATED RATES (\$/MONTH)	\$81.95	\$49.80	\$60.52
DOLLAR CHANGE FROM CURRENT (\$/MONTH)	\$7.74	\$4.71	\$5.72
PERCENT CHANGE FROM CURRENT (%)	10.44%	10.44%	10.44%

NOTE: THESE CALCULATIONS USE THE RESIDENTIAL RATES WHICH WOULD RESULT FROM A \$17.0 MILLION TOTAL INCREASE. THESE RATES WILL CHANGE WHEN THE RESULTS OF THE TRUE-UP IN THIS CASE ARE KNOWN.

A COMPARISON OF MISSOURI TYPICAL RESIDENTIAL ELECTRIC BILLS BY COMPANY

	<u>EFFECTIVE DATE</u>	<u>SUMMER AVERAGE</u>	<u>WINTER AVERAGE</u>	<u>ANNUAL AVERAGE</u>
EMPIRE DISTRICT ELECTRIC CO.	11/15/95	\$74.21	\$45.09	\$54.80
ST. JOSEPH LIGHT & POWER CO.	06/15/95	\$79.23	\$44.05	\$55.78
EMPIRE DISTRICT ELECTRIC CO.	SUMMER 1997	\$81.95	\$49.80	\$60.52
CITIZENS ELECTRIC CORP.	03/28/97	\$82.02	\$53.90	\$63.27
UNION ELECTRIC CO. (1)	08/01/95	\$99.33	\$45.84	\$63.67
KANSAS CITY POWER & LIGHT CO.	01/01/97	\$92.75	\$50.48	\$64.57
MISSOURI PUBLIC SERVICE	06/29/93	\$93.59	\$55.67	\$68.31

(1) CUSTOMERS MAY RECEIVE ANNUAL SHARING CREDITS UNDER THE EXPERIMENTAL ALTERNATIVE REGULATION PLAN. THE ANNUAL SHARING CREDIT FOR LAST YEAR WOULD HAVE BEEN \$15.30 (\$1.28 PER MONTH) FOR THIS TYPICAL RESIDENTIAL CUSTOMER.

**THE EMPIRE DISTRICT ELECTRIC COMPANY - CASE NO.ER-97-81
A COMPARISON OF THE FILED CLASS COST-OF-SERVICE STUDIES**

**REVENUE SHIFTS REQUIRED TO ACHIEVE EQUAL CLASS RATES OF RETURN
(PRIOR TO ANY RATE INCREASE)**

<u>COST OF SERVICE CLASS/TARIFF</u>	<u>EDE</u>	<u>STAFF</u>	<u>OPC</u>	<u>ICI (2 CP)</u>	<u>ICI (10 CP)</u>
RESIDENTIAL	10.93%	2.89%	2.81%	13.03%	13.60%
SMALL GENERAL SERVICE:					
COMMERCIAL BLDGS					
SMALL HEATING					
FEED MILLS					
TRAFFIC SIGNALS					
TOTAL SMALL GS	-7.18%	-7.09%	-8.07%	-4.73%	-5.20%
LARGE GENERAL SERVICE:					
TOTAL ELECTRIC BLDGS					
GENERAL POWER					
TOTAL LARGE GS	-13.07%	-5.09%	-1.91%	-13.02%	-13.77%
SPECIAL CONTRACTS:					
ICI					
PRAXAIR					
TOTAL SPECIAL CONTRACTS	2.82%	7.42%	16.20%	-20.32%	-19.87%
LARGE POWER	-9.23%	7.31%	0.19%	-11.99%	-12.14%
LIGHTING	9.96%	0.00%	-0.00%	-14.36%	-14.36%
ELECTRIC FURNACE	83.07%	0.00%	-0.00%	-53.06%	-53.06%
TOTAL MISSOURI RETAIL	-0.00%	0.00%	-0.00%	-0.00%	0.00%

**THE EMPIRE DISTRICT ELECTRIC COMPANY - CASE NO ER-97-81
A COMPARISON OF THE FILED CLASS COST-OF-SERVICE STUDIES**

CLASS REVENUE SHARES REQUIRED TO ACHIEVE EQUAL CLASS RATES OF RETURN

<u>COST OF SERVICE CLASS/TARIFF</u>	<u>CURRENT</u>	<u>EDE</u>	<u>STAFF</u>	<u>OPC</u>	<u>ICI (2 CP)</u>	<u>ICI (10 CP)</u>
RESIDENTIAL	45.65%	50.64%	46.97%	46.93%	51.59%	51.85%
SMALL GENERAL SERVICE:						
COMMERCIAL BLDGS	10.83%	9.95%			10.41%	10.33%
SMALL HEATING	3.89%	3.71%			3.62%	3.63%
FEED MILLS	0.06%	0.05%			0.05%	0.05%
TRAFFIC SIGNALS	0.01%	0.01%			0.01%	0.01%
TOTAL SMALL GS	14.78%	13.72%	13.74%	13.59%	14.08%	14.01%
LARGE GENERAL SERVICE:						
TOTAL ELECTRIC BLDGS	17.00%	14.46%			14.82%	14.68%
GENERAL POWER	7.44%	6.79%			6.44%	6.40%
TOTAL LARGE GS	24.44%	21.25%	23.20%	23.98%	21.26%	21.08%
SPECIAL CONTRACTS:						
ICI	1.03%	1.04%			0.99%	1.00%
PRAXAIR	1.16%	1.21%			0.75%	0.75%
TOTAL SPECIAL CONTRACTS	2.19%	2.25%	2.35%	2.54%	1.74%	1.75%
LARGE POWER	11.10%	10.07%	11.91%	11.12%	9.77%	9.75%
LIGHTING	1.77%	1.95%	1.77%	1.77%	1.52%	1.52%
ELECTRIC FURNACE	0.07%	0.12%	0.07%	0.07%	0.03%	0.03%
TOTAL MISSOURI RETAIL	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

**THE EMPIRE DISTRICT ELECTRIC COMPANY - CASE NO.ER-97-81
CURRENT MISSOURI RETAIL FIRM RATE REVENUES AND
STIPULATED PERCENTAGE INCREASE TO EACH RATE COMPONENT**

<u>COST OF SERVICE CLASS/TARIFF</u>	<u>CURRENT MO RETAIL FIRM RATE REVENUE</u>
RESIDENTIAL:	
GENERAL	\$37,638,612
WATER HEATING	\$10,993,399
SPACE HEATING	\$25,733,702
TOTAL RESIDENTIAL	\$74,365,713
SMALL GENERAL SERVICE:	
COMMERCIAL BLDGS	\$17,638,835
SMALL HEATING	\$6,332,957
FEED MILLS	\$92,840
TRAFFIC SIGNALS	\$19,268
TOTAL SMALL GS	\$24,083,901
LARGE GENERAL SERVICE:	
TOTAL ELECTRIC BLDGS	\$12,123,482
GENERAL POWER	\$27,698,097
TOTAL LARGE GS	\$39,821,579
LARGE POWER	\$18,082,021
SPECIAL CONTRACTS	\$3,564,859
ELECTRIC FURNACE	\$106,248
LIGHTING	
STREET LIGHTING	\$778,319
PRIVATE LIGHTING	\$1,967,486
SPECIAL LIGHTING	\$139,912
TOTAL LIGHTING	\$2,885,717
TOTAL MISSOURI RETAIL FIRM RATE REVENUE	\$162,910,038
ESTIMATED TOTAL REVENUE INCREASE	\$17,000,000
PERCENTAGE INCREASE IN EACH RATE COMPONENT	10.4352%

NOTE: THE STIPUATED PERCENTAGE INCREASE IN EACH RATE COMPONENT WILL CHANGE WHEN THE RESULTS OF THE TRUE-UP IN THIS CASE ARE KNOWN.