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October 18, 2000

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102

FILED²
OCT 18 2000
Missouri Public
Service Commission

Re: EM-2000-369

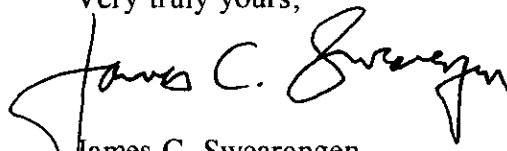
Dear Mr. Roberts:

Herewith please find an original and eight (8) copies of a Stipulation and Agreement entered into in the referenced case among UtiliCorp United Inc., The Empire District Electric Company and The Empire District Electric Company Retired Employees.

As this Stipulation and Agreement is nonunanimous, it is being filed pursuant to 4 CSR 240-2.115 and copies are being provided to all parties of record.

Thank you very much for your assistance.

Very truly yours,


James C. Swearengen

JCS/lar

Enclosure

cc: All Parties of Record

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED²

OCT 18 2000

Missouri Public
Service Commission

In the matter of the Joint Application)
of UtiliCorp United Inc. and The Empire)
District Electric Company for authority)
to merge The Empire District Electric) EM-2000-369
Company with and into UtiliCorp United)
Inc. and, in connection therewith, certain)
other related transactions.)

STIPULATION AND AGREEMENT

This Stipulation and Agreement is entered in settlement and resolution of certain retirement benefit issues which are the subject of proceedings before the Missouri Public Service Commission in the matter of the Joint Application of UtiliCorp United Inc. and The Empire District Electric Company for authority to merge those two entities, Case No. EM-2000-369, between UtiliCorp United Inc. ("UCU") and The Empire District Electric Company ("EDE") (jointly the "Companies") (the "Proposed Merger") and the Intervenor Empire District Electric Company Retired Employees. The terms of this Stipulation and Agreement will not be implemented until the Effective Time of the Proposed Merger. Capitalized terms not otherwise defined herein shall have the meaning given such terms in the Agreement and Plan of Merger as of May 10, 1999 between UCU and EDE ("the Agreement").

As used herein, the term "EDE Retirees" shall mean (a) all persons receiving retiree health care and life insurance benefits for past service at EDE as of the Effective Time of the Proposed Merger; (b) all persons retiring from EDE and qualifying for retiree health care and life insurance benefits for past service at EDE during the 18-month period beginning at the Effective Time of the Proposed Merger; (c) all spouses of deceased EDE retirees who, as of the Effective Time of the Proposed Merger, are receiving retiree health benefits as a result of such deceased EDE retirees' past service at EDE ("Surviving Spouses"); (d) all spouses who qualify for surviving spouse status based on the past service of a person described in paragraph (a) or (b) above; (e) disabled EDE employees

participating in retiree health care and life insurance benefits based on past service at EDE as of the Effective Time of the Proposed Merger; and (f) disabled EDE employees participating in retiree health care and life insurance benefits who become eligible for long term disability benefits during the 18-month period beginning at the Effective Time of the Proposed Merger, including any disabled employee who, at the conclusion of such 18-month period, is totally and permanently disabled (within the meaning of EDE's long-term disability plan) but has not yet begun to receive benefits because of any waiting period for benefits under such plan.

The Companies hereby agree to the following plan of retirement benefits for EDE Retirees as further clarification of Section 6.13 of the Agreement:

1. For not less than 18 months following the Effective Time of the Proposed Merger, UCU shall provide, or cause its subsidiaries to provide, medical care and life insurance benefits to the EDE Retirees that are, on a benefit-by-benefit basis, no less favorable than as provided under the benefit plans of EDE as in effect for the EDE Retirees on the earlier of (i) December 31, 2000 and (ii) the Effective Time. The attached Schedules 1 and 2 reflect respectively health care premiums, currently in effect for EDE Retirees and surviving spouses.
2. During the 18 month period in paragraph 1 above, EDE Retiree health care coverage and benefits, including the premium rates for coverage paid by EDE Retirees under subsidies provided by EDE under the current retiree health plan, shall continue without increase by the Companies.
3. After the 18-month period described in paragraph 1 above and for so long as UCU or any subsidiary maintains any health care plan covering any active or former employee, UCU or its subsidiaries will provide health care benefits to EDE Retirees which are comparable in the aggregate to the health care

benefits provided by UCU to similarly situated retirees, except that such benefits will be available to EDE Retirees after age 65. Following the 18-month period described in paragraph 1 above, UCU will have the right to increase on an annual basis the portion of premiums paid by EDE Retirees by the percentage and amount of the total annual premium to be paid by such EDE Retirees according to the formula set forth in Schedules 3, 4 and 5 to this Stipulation and Agreement, until the portion of the premium paid by such EDE Retirees is comparable in percentage to the portion of the premium paid by similarly situated UCU retirees. EDE Retirees who are receiving benefits under Medicare shall have comparable percentage increases to the portion of the premium they pay. The parties understand and agree that premiums will be adjusted for claims experience, actuarially determined changes, inflation and changes in the design and delivery of health care benefits which would seek to achieve reductions in overall healthcare costs or enhancements in benefits for employees and retirees of the Companies.

4. Health care benefits for the surviving spouses defined in subparagraphs (c) and (d) on page 1 of this Stipulation and Agreement shall be continued as provided herein. The surviving spouse health care premium is currently the entire actuarially determined premium for one person. The parties to this Stipulation and Agreement understand and agree, however, that because EDE has in the past elected to choose a lower actuarially determined premium than that provided to them by their actuary firm, the current premium set forth in Schedule 2 to this Stipulation and Agreement, while not subsidized, may not represent the full cost of the health care premium. Nevertheless, the Companies agree to increase the surviving spouse health care premium based

upon the current rate for surviving spouses and qualifying future surviving spouses according to the formula set forth in Schedules to this Stipulation and Agreement.

5. The financial projections contained in the attached Schedules 3, 4 and 5 represent the Companies' projections for the EDE Retirees in Case No. EM-2000-369; for a hypothetical single person retiree as defined in subparagraphs (a) and (b) on page 1 of this Stipulation and Agreement (reflected in Schedule 3); for a hypothetical surviving spouse as defined in subparagraphs (c) and (d) on page 1 of this Stipulation and Agreement (reflected in Schedule 4); for a hypothetical person on disability as defined in subparagraphs (e) and (f) on page 1 of this Stipulation and Agreement (reflected in Schedule 3); and for a family (reflected in Schedule 5). For this purpose, a family shall be defined as a hypothetical single person retiree plus a spouse and/or one or more eligible dependents and/or a surviving spouse with one or more eligible dependents. An individual on disability is to be treated the same as all other EDE Retirees by the Companies concerning the availability of life and health benefits. While the Companies are unable to complete individual financial projections for all of the approximately 240 plus eligible current retirees of EDE and cannot predict which employee may retire during the 18 month period following the Effective Time of the Proposed Merger, the formulas contained in the schedules reflect the circumstances of all eligible retirees under this Stipulation and Agreement.
6. The Companies represent that the projected values in Schedules 3, 4 and 5 to this Stipulation and Agreement are derived from accurate formulas. The parties to this Stipulation and Agreement understand and agree that some

input into these formulas and the projected values are subject to change as described in paragraph 3 above. The parties to this Stipulation and Agreement understand and agree that an assumption of 6% inflation has been factored into Schedules 3, 4 and 5 to this Stipulation and Agreement, but this is only an estimate of the health care costs inflation factor increase which may occur, and the actual percentage may increase or decrease in the future depending on claims experience, actuarially determined changes, inflation and changes in the design and delivery of health care benefits which would seek to achieve reductions in overall healthcare costs or enhancements in benefits for employees and retirees of the Companies. The parties to this Stipulation and Agreement understand and agree that any actuarial and claims experience factors in the formula will be determined by reference to all retirees of the Companies as a group and not by reference to the EDE Retirees alone.

7. The Companies represent that the premiums contained in Schedules 3, 4, and 5 to this Stipulation and Agreement include an assumption that, at age 65 or upon permanent and total disability, participants can achieve a lower premium by qualifying for Medicare. It is understood by the parties to this Stipulation and Agreement that the assumption contained in Schedules 3, 4 and 5 to this Stipulation and Agreement that Medicare, at age 65, currently provides primary coverage to EDE Retiree health benefits, which effectively reduces such premiums for retirees by 50%, is, as qualified by the following sentence, an assumption and representation of the Companies which is accepted by the EDE Retirees for purpose of this Stipulation and Agreement. This assumption is based on current circumstances only, and the EDE

Retirees understand and agree that the Companies' intent is to continue coordination with Medicare coverage, but that changes in Medicare administration, levels of coverage or coordination with employer health plans, as imposed by the federal government, could cause premiums to change accordingly.

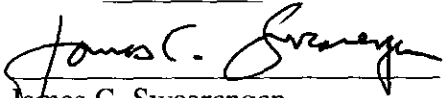
8. The Companies agree that the yearly 15% increase of EDE Retiree share of health care insurance premium set forth in Schedules 3 and 5 to this Stipulation and Agreement shows estimated EDE Retiree premium amounts over a number of years leading eventually to payment of 100% of premium for health care coverage by EDE Retirees. The Companies represent that after the phase out of Company subsidies and the shift of 100% of the premium payment to EDE Retirees, any increases thereafter shall not include recapturing any costs lost to the Company during the phase out period as a result of this Stipulation and Agreement or the attached schedules.
9. Following the 18-month period referred to herein, UCU shall permit each EDE Retiree to make an initial election among available coverages at the first annual enrollment period.
10. Group life insurance coverage shall be continued and provided by UCU to the EDE Retirees under the same terms and conditions as it is currently provided by EDE to the EDE Retirees in accordance with the attached Schedule 6.
11. The Companies warrant and agree that neither they, nor the merged company, nor any successor to the merged company shall, during the Post-Moratorium rate case anticipated by the Regulatory Plan proposed by the Companies in Case No. EM-2000-369, attempt to terminate EDE Retiree benefits or fail to seek the recovery of the costs thereof in rates.

12. The foregoing Stipulation and Agreement shall be effective and binding between the parties hereto on and after the Effective Time of the Proposed Merger and shall be binding thereafter upon the merged surviving Company, subsidiaries and affiliates of such surviving merged Company, and any successor for so long as UCU or any successor, the merged surviving Company, subsidiaries and affiliates of the surviving merged Company maintains any health plan covering active or former employees.
13. The EDE Retirees represent to the Companies that no person other than the EDE Retirees and their eligible dependents is entitled to retiree health care and life insurance benefits from EDE. This Stipulation and Agreement is not intended to confer upon any person other than the parties hereto any rights or remedies hereunder.
14. This Stipulation and Agreement has resulted from negotiations between the signatory parties and disposes of all issues in this case between said parties. The signatory parties agree that the terms of this Stipulation and Agreement will not be implemented until:
 - a. This Stipulation and Agreement is approved in its entirety by the Missouri Public Service Commission in its Docket No. EM-2000-369; and
 - b. The Effective Time of the Proposed Merger.
15. In the event the Commission does not approve and adopt the matters addressed in this Stipulation and Agreement in their entirety, and/or in the event the Proposed Merger does not become effective, then this Stipulation and Agreement shall be void and no signatory shall be

prejudiced or bound by any of the agreements or provisions hereof for any purpose.

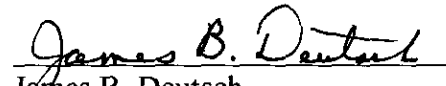
This Stipulation and Agreement is hereby accepted by the parties upon the signatures of the authorized representatives and on the dates indicated below.

Dated: 10-17-00



James C. Swearingen
Brydon, Swearingen & England, P.C.
Attorneys for UtiliCorp United Inc.
and The Empire District Electric Company,
Joint Applicants

Dated: 10-17-00



James B. Deutsch
Blitz, Bardgett & Deutsch, L.C.
Attorneys for Intervenors Empire
District Electric Company Retired
Employees

The Empire District Electric Company
2000 Retiree and Disabled Medical Premium
Effective January 1, 2000

If you are Under Age 65, and you have:					
Individual Coverage			Family Coverage		
And your Years of Service Are:	Your Monthly Portion of The Current Premium Amount Is:	Your Monthly Portion of The 2000 Premium Will Be:	And your Years of Service Are:	Your Monthly Portion of The Current Premium Amount Is:	Your Monthly Portion of The 2000 Premium Will Be:
Less than 15	\$93.00	\$101.00	Less than 15	\$186.00	\$202.00
15 to 19	\$74.40	\$80.80	15 to 19	\$148.80	\$161.60
20 to 24	\$55.80	\$60.60	20 to 24	\$111.60	\$121.20
25 to 29	\$46.50	\$50.50	25 to 29	\$93.00	\$101.00
30 to 34	\$37.20	\$40.40	30 to 34	\$74.40	\$80.80
35 to 39	\$27.90	\$30.30	35 to 39	\$55.80	\$60.60
40 or more**	\$18.60	\$20.20	40 or more**	\$37.20	\$40.40
Total 2000 Monthly Premium*		\$202.00	Total 2000 Monthly Premium*		\$404.00

If you are Age 65 or Older, and you have:					
Individual Coverage			Family Coverage		
And your Years of Service Are:	Your Monthly Portion of The Current Premium Amount Is:	Your Monthly Portion of The 2000 Premium Will Be:	And your Years of Service Are:	Your Monthly Portion of The Current Premium Amount Is:	Your Monthly Portion of The 2000 Premium Will Be:
Less than 15	\$58.75	\$63.13	Less than 15	\$117.50	\$126.25
15 to 19	\$47.00	\$50.50	15 to 19	\$94.00	\$101.00
20 to 24	\$35.25	\$37.88	20 to 24	\$70.50	\$75.75
25 to 29	\$29.38	\$31.56	25 to 29	\$58.75	\$63.13
30 to 34	\$23.50	\$25.25	30 to 34	\$47.00	\$50.50
35 to 39	\$17.63	\$18.94	35 to 39	\$35.25	\$37.88
40 or more**	\$11.75	\$12.63	40 or more**	\$23.50	\$25.25
Total 2000 Monthly Premium* -		\$126.25	Total 2000 Monthly Premium *		\$252.50

* Total 2000 Monthly Premium equals your portion of the premium plus the portion of the premium the Company is contributing on your behalf.

** This premium rate applies to retirees grandfathered prior to 1993.

**The Empire District Electric Company
2000 Surviving Spouse Medical Premium
Effective January 1, 2000**

If you are Under Age 65, and you have:			
<u>Individual Coverage</u>		<u>Family Coverage</u>	
Your Current	Your 2000	Your	Your 2000
Monthly	Monthly	Current	Monthly
Premium	Premium	Monthly	Premium
Amount Is:	Will Be:	Amount Is:	Will Be:
\$102.03	\$102.44	\$204.05	\$204.87

If you are Age 65 and Older, and you have:			
<u>Individual Coverage</u>		<u>Family Coverage</u>	
Your Current	Your 2000	Your	Your 2000
Monthly	Monthly	Current	Monthly
Premium	Premium	Monthly	Premium
Amount Is:	Will Be:	Amount Is:	Will Be:
\$87.56	\$95.20	\$175.11	\$190.40

Schedule 2

	Total Premium / month / person			
	Medical Plus	w/o Dental or Vision	Basic Medical	Safety Net
Single less than 65	\$202.00	\$181.80	\$167.26	\$152.70
Single over 65	101.00	90.90	83.83	76.35

Age 62

EMPIRE DISTRICT ELECTRIC PROJECTED RETIREE HEALTH CARE MEDICAL PREMIUM CALCULATION

Single (Same if Disabled)

Note 1: Initial health care medical premiums rates for employees who retired prior to 1993 shall be grandfathered at a lower rate in accordance with the agreement dated Marc

Note 2: Health care medical premium rate increases for pre- and post-65 retirees and disabled annual premiums are calculated by multiplying the medical rates for the previous year by 15%, plus the medical inflation factor (6% estimated in these schedules). The annual increases will be calculated each year in this manner until the retirees and disabled pay the full premium.

Note 3: Retiree family, single, disabled and surviving spouse estimated medical premiums (not dental or vision) are reduced by 50% when Medicare becomes the primary medical coverage at age 65, unless changes in Medicare are imposed by the federal government.

Note 4: Dental and vision rate increases will be equal to the UtiliCorp dental and vision rate increases for pre-age 65 UtiliCorp retirees.

Note 5: Health care medical premiums include provisions for prescriptions.

Current EDE Retiree Cost Sharing Schedule: Years of Service: 40 +

Years of Service Cost to Retiree Current Cost Sharing Factor: 10%

40+ 10% Medical Cost Inflation Factor: 6%

35-39 15% Age: 62

30-34 20%

25-29 25%

20-24 30%

15-19 40%

<15 50%

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)
Year	Pervious Year Cost sharing Multiplier	Cost Sharing Factor	Cost Sharing Multiplier	Inflation Factor	Pervious Year Inflation + cost sharing multiplier	Inflation + Cost Sharing Factor	Inflation + cost sharing multiplier	Total Premium / mo. / family	Retiree Premium w/o Inflation	Retiree Premium with Inflation	Total Premium (Incl Rx, w/o Dental or Vision)	Retiree Premium with Inflation (Incl Rx, w/o Dental or Vision)	Total Premium Basic Med (Incl Rx, w/o Dental or Vision)	Retiree Premium with Inflation Basic Med.	Total Premium Safety Net (Incl Rx, w/o Dental or Vision)	Retiree Premium with Inflation Safety Net
	(D)		(B) X (C)		(H)	(C)+(E)	(F) X (G)		(D) X (I)	(H) X (I)		(H) X (L)		(H) X (N)		(H) X (P)
2002			10.00%				10.00%	202.00	20.20	20.20	181.80	18.18	167.26	16.73	152.70	15.27
2003	10.00%	1.15	11.50%	0.06	10.00%	1.21	12.10%	202.00	23.23	24.44	181.80	22.00	167.26	20.24	152.70	18.48
2004	11.50%	1.15	13.23%	0.06	12.10%	1.21	14.64%	101.00	13.36	14.79	90.90	13.31	83.83	12.27	76.35	11.18
2005	13.23%	1.15	15.21%	0.06	14.64%	1.21	17.72%	101.00	15.36	17.89	90.90	16.10	83.83	14.85	76.35	13.53
2006	15.21%	1.15	17.49%	0.06	17.72%	1.21	21.44%	101.00	17.66	21.65	90.90	19.49	83.83	17.97	76.35	16.37
2007	17.49%	1.15	20.11%	0.06	21.44%	1.21	25.94%	101.00	20.31	26.20	90.90	23.58	83.83	21.74	76.35	19.80
2008	20.11%	1.15	23.13%	0.06	25.94%	1.21	31.38%	101.00	23.36	31.70	90.90	28.53	83.83	26.31	76.35	23.96
2009	23.13%	1.15	26.60%	0.06	31.38%	1.21	37.97%	101.00	26.87	38.35	90.90	34.52	83.83	31.83	76.35	28.99
2010	26.60%	1.15	30.59%	0.06	37.97%	1.21	45.95%	101.00	30.90	46.41	90.90	41.77	83.83	38.52	76.35	35.08
2011	30.59%	1.15	35.18%	0.06	45.95%	1.21	55.60%	101.00	35.53	56.16	90.90	50.54	83.83	46.61	76.35	42.45
2012	35.18%	1.15	40.46%	0.06	55.60%	1.21	67.27%	101.00	40.86	67.95	90.90	61.15	83.83	56.40	76.35	51.36
2013	40.46%	1.15	46.52%	0.06	67.27%	1.21	81.40%	101.00	46.99	82.22	90.90	74.00	83.83	68.24	76.35	62.15
2014	46.52%	1.15	53.59%	0.06	81.40%	1.21	98.50%	101.00	54.04	99.48	90.90	89.53	83.83	82.57	76.35	75.20
2015	53.50%	1.15	61.53%	0.06	98.50%	1.21	119.18%	101.00	62.14	120.37	90.90	108.34	83.83	99.91	76.35	91.00
2016	61.53%	1.15	70.76%	0.06	119.18%	1.21	144.21%	101.00	71.46	145.65	90.90	131.09	83.83	120.89	76.35	110.10
2017	70.76%	1.15	81.37%	0.06	144.21%	1.21	174.49%	101.00	82.18	176.24	90.90	158.62	83.83	146.28	76.35	133.23
2018	81.37%	1.15	93.58%	0.06	174.49%	1.21	211.14%	101.00	94.51	213.25	90.90	191.92	83.83	177.00	76.35	161.20
2019	93.58%	1.069	100.00%	0.06	211.14%	1.129	238.30%	101.00	101.00	240.68	90.90	216.61	83.83	199.77	76.35	181.94

PLEASE NOTE, THE VALUES IN THIS SPREADSHEET ARE SUBJECT TO CHANGE BASED ON CHANGES IN MEDICAL INFLATION FACTORS, ACTUAL CLAIMS EXPERIENCE AND CORPORATE-WIDE MEDICAL PLAN MODIFICATIONS, AND MEDICARE COVERAGE/COORDINATION LEVELS THAT MIGHT BE INTRODUCED.

Schedule 3

	Total Premium / month / person			
	Medical Plus	w/o Dental or Vision	Basic Medical	Safety Net
Spouse less than 65	\$102.44	\$92.20	\$84.82	\$77.44
Spouse over 65	51.22	46.10	42.41	38.72

Age 55

EMPIRE DISTRICT ELECTRIC PROJECTED RETIREE HEALTH CARE MEDICAL PREMIUM CALCULATION

Surviving Spouse

Note 1: Initial health care medical premiums rates for employees who retired prior to 1993 shall be grandfathered at a lower rate in accordance with the agreement dated March, 1993

Note 2: Health care medical premium rate increases for pre- and post-65 retirees and disabled annual premiums are calculated by multiplying the medical rates for the previous year by 15%, plus the medical inflation factor (6% estimated in these schedules). The annual increases will be calculated each year in this manner until the retirees and disabled pay the full premium.

Note 3: Retiree family, single, disabled and surviving spouse estimated medical premiums (not dental or vision) are reduced by 50% when Medicare becomes the primary medical coverage at age 65, unless changes in Medicare are imposed by the federal government.

Note 4: Dental and vision rate increases will be equal to the UtiliCorp dental and vision rate increases for pre-age 65 UtiliCorp retirees.

Note 5: Health care medical premiums include provisions for prescriptions.

Medical Cost Inflation Factor: 6%
Age: 55

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)
Year	Previous Year Inflation multiplier	Inflation Factor	Inflation multiplier	Spouse Premium w/o Inflation	Spouse Premium with Inflation	Total Premium (Incl Rx, w/o Dental or Vision)	Retiree Premium with Inflation (Incl Rx, w/o Dental or Vision)	Total Premium Basic Med (Incl Rx, w/o Dental or Vision)	Retiree Premium with Inflation Basic Med.	Total Premium Safety Net (Incl Rx, w/o Dental or Vision)	Retiree Premium with Inflation Safety Net
	(D)		(F) X (G)		(D)X(E)		(D)X(G)		(I)X(D)		(K)X(D)
2002			100.00%	102.44	102.44	92.20	92.20	84.82	84.82	77.44	77.44
2003	100.00%	1.06	106.00%	102.44	108.59	92.20	97.73	84.82	89.91	77.44	82.09
2004	106.00%	1.06	112.36%	102.44	115.10	92.20	103.60	84.82	95.30	77.44	87.01
2005	112.36%	1.06	119.10%	102.44	122.01	92.20	109.81	84.82	101.02	77.44	92.23
2006	119.10%	1.06	126.25%	102.44	129.33	92.20	116.40	84.82	107.08	77.44	97.77
2007	126.25%	1.06	133.82%	102.44	137.09	92.20	123.38	84.82	113.51	77.44	103.63
2008	133.82%	1.06	141.85%	102.44	145.31	92.20	130.79	84.82	120.32	77.44	109.85
2009	141.85%	1.06	150.36%	102.44	154.03	92.20	138.63	84.82	127.54	77.44	116.44
2010	150.36%	1.06	159.38%	102.44	163.27	92.20	146.95	84.82	135.19	77.44	123.43
2011	159.38%	1.06	168.95%	51.22	86.54	46.10	77.88	42.41	71.65	38.72	65.42
2012	168.95%	1.06	179.08%	51.22	91.73	46.10	82.56	42.41	75.95	38.72	69.34
2013	179.08%	1.06	189.83%	51.22	97.23	46.10	87.51	42.41	80.51	38.72	73.50
2014	189.83%	1.06	201.22%	51.22	103.06	46.10	92.76	42.41	85.34	38.72	77.91
2015	201.22%	1.06	213.29%	51.22	109.25	46.10	98.33	42.41	90.46	38.72	82.59
2016	213.29%	1.06	226.09%	51.22	115.80	46.10	104.23	42.41	95.88	38.72	87.54
2017	226.09%	1.06	239.66%	51.22	122.75	46.10	110.48	42.41	101.64	38.72	92.79
2018	239.66%	1.06	254.04%	51.22	130.12	46.10	117.11	42.41	107.74	38.72	98.36
2019	254.04%	1.06	269.28%	51.22	137.92	46.10	124.14	42.41	114.20	38.72	104.26

PLEASE NOTE, THE VALUES IN THIS SPREADSHEET ARE SUBJECT TO CHANGE BASED ON CHANGES IN MEDICAL INFLATION FACTORS, ACTUAL CLAIMS EXPERIENCE AND CORPORATE-WIDE MEDICAL PLAN MODIFICATIONS, AND MEDICARE COVERAGE/COORDINATION LEVELS THAT MIGHT BE INTRODUCED.

	Total Premium / month / family			
	Medical Plus	w/o Dental or Vision	Basic Medical	Safety Net
Family less than 65	404.00	363.60	334.52	305.40
Family over 65	202.00	181.80	167.26	152.70

Age	62
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EMPIRE DISTRICT ELECTRIC PROJECTED RETIREE HEALTH CARE MEDICAL PREMIUM CALCULATION

Family (Same if Disabled)

- Note 1: Initial health care medical premiums rates for employees who retired prior to 1993 shall be grandfathered at a lower rate in accordance with the agreement dated March.
- Note 2: Health care medical premium rate increases for pre- and post-65 retirees and disabled annual premiums are calculated by multiplying the medical rates for the previous year by 15%, plus the medical inflation factor (6% estimated in these schedules). The annual increases will be calculated each year in this manner until the retirees and disabled pay the full premium.
- Note 3: Retiree family, single, disabled and surviving spouse estimated medial premiums (not dental or vision) are reduced by 50% when Medicare becomes the primary medical coverage at age 65, unless changes in Medicare are imposed by the federal government.
- Note 4: Dental and vision rate increases will be equal to the UtiliCorp dental and vision rate increases for pre-age 65 UtiliCorp retirees.
- Note 5: Health care medical premiums include provisions for prescriptions.

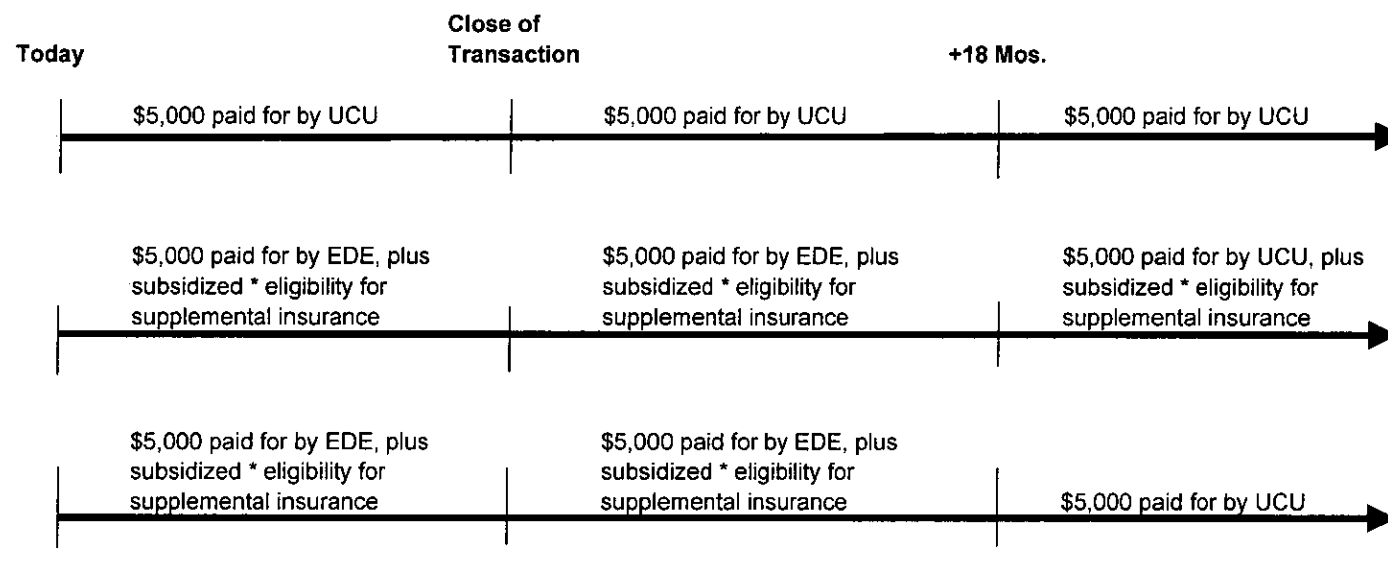
Current EDE Retiree Cost Sharing Schedule:		Years of Service:	40+
Years of Service	Cost to Retiree	Current Cost Sharing Factor:	10%
40+	10%	Medical Cost Inflation Factor:	6%
35-39	15%	Age:	62
30-34	20%		
25-29	25%		
20-24	30%		
15-19	40%		
<15	50%		

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)
Year	Pervious Year Cost sharing Multiplier	Cost Sharing Factor Multiplier	Cost Sharing Multiplier	Inflation Factor	Pervious Year Inflation + cost sharing multiplier	Inflation + Cost Sharing Factor	Inflation + cost sharing multiplier	Total Premium / mo. / family	Retiree Premium w/o Inflation	Retiree Premium with Inflation	Total Premium (Incl Rx, w/o Dental or Vision)	Retiree Premium with inflation (Incl Rx, w/o Dental or Vision)	Total Premium Basic Med (Incl Rx, w/o Dental or Vision)	Retiree Premium with inflation Basic Med.	Total Premium Safety Net (Incl Rx, w/o Dental or Vision)	Retiree Premium with inflation Safety Net
	(D)		(B) X (C)		(H)	(C)+(E)	(F) X (G)		(D) X (I)	(H) X (I)		(H) X (L)		(H) X (N)		(H) X (P)
2002			10.00%				10.00%	404.00	40.40	40.40	363.60	36.36	334.52	33.45	305.40	30.54
2003	10.00%	1.15	11.50%	0.06	10.00%	1.21	12.10%	404.00	46.46	48.88	363.60	44.00	334.52	40.48	305.40	36.95
2004	11.50%	1.15	13.23%	0.06	12.10%	1.21	14.64%	202.00	26.71	29.57	181.80	26.62	167.26	24.49	152.70	22.36
2005	13.23%	1.15	15.21%	0.06	14.64%	1.21	17.72%	202.00	30.72	35.79	181.80	32.21	167.26	29.63	152.70	27.05
2006	15.21%	1.15	17.49%	0.06	17.72%	1.21	21.44%	202.00	35.33	43.30	181.80	38.97	167.26	35.85	152.70	32.73
2007	17.49%	1.15	20.11%	0.06	21.44%	1.21	25.94%	202.00	40.63	52.39	181.80	47.15	167.26	43.38	152.70	39.61
2008	20.11%	1.15	23.13%	0.06	25.94%	1.21	31.38%	202.00	46.72	63.40	181.80	57.06	167.26	52.49	152.70	47.92
2009	23.13%	1.15	26.60%	0.06	31.38%	1.21	37.97%	202.00	53.73	76.71	181.80	69.04	167.26	63.52	152.70	57.99
2010	26.60%	1.15	30.59%	0.06	37.97%	1.21	45.95%	202.00	61.79	92.82	181.80	83.54	167.26	76.86	152.70	70.17
2011	30.59%	1.15	35.18%	0.06	45.95%	1.21	55.60%	202.00	71.06	112.31	181.80	101.08	167.26	93.00	152.70	84.90
2012	35.18%	1.15	40.46%	0.06	55.60%	1.21	67.27%	202.00	81.72	135.90	181.80	122.31	167.26	112.52	152.70	102.73
2013	40.46%	1.15	46.52%	0.06	67.27%	1.21	81.40%	202.00	93.98	164.43	181.80	147.99	167.26	136.15	152.70	124.30
2014	46.52%	1.15	53.50%	0.06	81.40%	1.21	98.50%	202.00	108.08	198.98	181.80	179.07	167.26	164.75	152.70	150.41
2015	53.50%	1.15	61.53%	0.06	98.50%	1.21	119.18%	202.00	124.29	240.75	181.80	216.67	167.26	199.34	152.70	181.99
2016	61.53%	1.15	70.76%	0.06	119.18%	1.21	144.21%	202.00	142.93	291.30	181.80	282.17	167.26	241.21	152.70	220.21
2017	70.76%	1.15	81.37%	0.06	144.21%	1.21	174.49%	202.00	164.37	352.48	181.80	317.23	167.26	291.86	152.70	266.45
2018	81.37%	1.15	93.58%	0.06	174.49%	1.21	211.14%	202.00	189.02	426.50	181.80	383.85	167.26	353.15	152.70	322.41
2019	93.58%	1.069	100.00%	0.06	211.14%	1.129	238.30%	202.00	202.00	481.37	181.80	433.23	167.26	398.58	152.70	363.88

PLEASE NOTE, THE VALUES IN THIS SPREADSHEET ARE SUBJECT TO CHANGE BASED ON CHANGES IN MEDICAL INFLATION FACTORS, ACTUAL CLAIMS EXPERIENCE AND CORPORATE-WIDE MEDICAL PLAN MODIFICATIONS, AND MEDICARE COVERAGE/COORDINATION LEVELS THAT MIGHT BE INTRODUCED.

Schedule 5

Retiree Life Insurance Eligibility Level Depending Upon Timing of Retirement



*Current EDE Premium Subsidies	
Age	Percent of Subsidy
55 to 59	32%
60 to 64	37%
65 to 69	73%
70 and over	73%

Schedule 6

**Including those Empire retirees who choose to retire during the 18 month period beginning at the Effective Time of the Merger

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was sent by U.S. Mail, postage prepaid, or hand-delivered, on this 18th day of October, 2000, to:

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St. Louis, MO 63166-6149

John Coffman
Office of the Public Counsel
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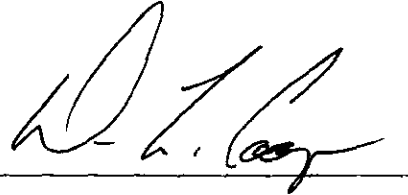
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A handwritten signature, appearing to read "W. L. Gay", is written over a horizontal line.