

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of the Empire District Electric )  
Company of Joplin, Missouri, for authority to file )  
tariffs increasing rates for electric service provided )  
to customers in the Missouri service area of the )  
company. )

Case No. ER-2008-0093

**NOTICE REGARDING TRUE-UP ISSUES AND WITNESSES**

Comes now the Staff of the Commission and states that the parties have not identified any new material issues to be determined at true-up hearing. The rebuttal true-up testimony filed by witnesses Kind for OPC, Keith for Empire, and Brubaker for industrial intervenors raised no new issues that were not identified at the prior hearing, therefore, no issues present themselves for a contested true-up hearing.

The issue of the inclusion of the Asbury SCR in rate base is resolved and the impact of the SCR will be included in the Staff's revenue requirement in rate base, depreciation expense, and operations and maintenance expense, as appropriate. With that, Empire has agreed to withdraw its request for 2008 property taxes associated with the SCR being included as an expense. Also, the calculation procedures for regulatory plan amortizations are resolved among the parties. While the industrial intervenors, through witness Brubaker's true-up rebuttal testimony, disagree with the Staff's "presentation" of its regulatory plan amortization approach, the industrial intervenors do not disagree with the end result of the Staff's regulatory plan amortization calculation attached to its true-up direct testimony.

A summary of the issues remaining for Commission determination follows. Specific issues and any sub-issues are found in the parties formal List of Issues and Witnesses and Order of Cross-Examination filed on May 5, 2008:

1. Rate of return on equity and capital structure,
2. Depreciation rates,
3. Commission rule tracking mechanism and amounts,
4. Amount of off-system sales to include in revenues, and
5. Fuel adjustment clause.

Several errors were identified in Staff's True-up Accounting Schedules filed June 10, 2008. After correction of those errors, Staff's recommended revenue requirement at its midrange return on equity recommendation is \$26,081,035, a \$412,124 increase from the amount shown in the True-up Accounting Schedules. Staff intends to file shortly a revised reconciliation depicting the revenue requirement recommendations of all the parties as a result of the true-up audit.

Staff suggests that the parties convene on Thursday, June 19, 2008, at 10:00 a.m. in Room 310 at the Commission's offices to mark testimony and offer the exhibits into evidence.

Respectfully submitted,

**/s/ Steven C. Reed**

Steven C. Reed  
Litigation Counsel  
Missouri Bar No. 40616

Attorney for the Staff of the  
Missouri Public Service Commission  
P. O. Box 360  
Jefferson City, MO 65102  
(573) 751-3015 (telephone)  
(573) 751-9285 (facsimile)  
[steven.reed@psc.mo.gov](mailto:steven.reed@psc.mo.gov) (e-mail)

### **Certificate of Service**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to all counsel of record this 17th day of June, 2008.

/s/ Steven C. Reed