Exhibit No.:

Issues: Maintenance; Advertising; Cost of

Removal and Salvage; Tree Trimming

Witness: Leasha S. Teel Sponsoring Party: MoPSC Staff

Type of Exhibit: Direct Testimony
Case No.: ER-2004-0570

Date Testimony Prepared: September 20, 2004

# MISSOURI PUBLIC SERVICE COMMISSION UTILITY SERVICES DIVISION

#### **DIRECT TESTIMONY**

**OF** 

LEASHA S. TEEL

# EMPIRE DISTRICT ELECTRIC COMPANY CASE NO. ER-2004-0570

Jefferson City, Missouri September 2004

# **BEFORE THE PUBLIC SERVICE COMMISSION**

# **OF THE STATE OF MISSOURI**

In The Matter of the Tariff Filing of The Empire District Electric Company to Implement a General Rate Increase for Retail Electric Service Provided to Customers in its Missouri Service Area.	) ) Case No. ER-2004-0570 )
AFFIDAVIT OF LEASI	HA S. TEEL
STATE OF MISSOURI ) ) ss. COUNTY OF COLE )	
Leasha S. Teel, being of lawful age, on her oath preparation of the following direct testimony in question pages to be presented in the above case; the testimony were given by her; that she has known answers; and that such matters are true and correlection.	hat the answers in the following direct ledge of the matters set forth in such
	lasha S. Tell as. Teel
Subscribed and sworn to before me this /// day	of September 2004.
ROS NOT THE LOCAL	TONI M. CHARLTON NOTARY PUBLIC STATE OF MISSOURI COUNTY OF COLE Commission Expires December 28, 2004

1	TABLE OF CONTENTS
2	DIRECT TESTIMONY OF
3	LEASHA S. TEEL
4	EMPIRE ELECTRIC COMPANY
5	CASE NO. GR-2004-0570
6	IATAN MAINTENANCE EXPENSE
7	ASBURY MAINTENANCE EXPENSE
8	STATE LINE 1 AND ENGERY CENTER 1 AND 2 MAINTENANCE EXPENSES 4
9	RIVERTON MAINTENANCE EXPENSE
10	STATE LINE COMBINED CYCLE MAINTENANCE EXPENSE 6
11	ADVERTISING8
12	TREE TRIMMING
13	COST OF REMOVAL AND SALVAGE12
14	

1		DIRECT TESTIMONY
2		OF
3		LEASHA S. TEEL
4		EMPIRE DISTRICT ELECTRIC COMPANY
5		CASE NO. ER-2004-0570
6	Q.	Please state your name and business address.
7	A.	Leasha S. Teel, 1845 Borman Court, Suite 101, St. Louis, Missouri 63146.
8	Q.	By whom are you employed and in what capacity?
9	A.	I am employed by the Missouri Public Service Commission (Commission
10	or PSC) as a	Regulatory Auditor.
11	Q.	Please describe your educational background.
12	A.	I graduated from Webster University, receiving a Bachelor of Science degree
13	in Accounting	g in December of 1998.
14	Q.	Please describe your work background.
15	A.	Before coming to work at the Commission, I worked as a temporary
16	accountant at	Dana Corporation. I also worked for a year at Custom Printing Company as a
17	Staff Accoun	tant.
18	Q.	What has been the nature of your duties while in the employ of this
19	Commission	
20	A.	Since joining the Commission Staff (Staff) in 2000, I have assisted with audits
21	and examinat	tions of the books and records of utility companies operating within the state of
22	Missouri. I	have also conducted audits of small water and sewer companies in conjunction
23	with the Com	mission's informal rate proceedings.

- Q. Have you previously filed testimony before this Commission?
- A. Yes, I have. Please refer to Schedule 1, which is attached to my direct testimony, for a list of cases and issues in which I have previously filed testimony.
- Q. With reference to Case No. ER–2004–0570, have you made an examination of the books and records of Empire District Electric Company (EDE or Company)?
- A. Yes, in conjunction with other members of the Staff. During the audit I examined the Company's testimony and workpapers, EDE's responses to Staff's data requests from the current and previous rate cases, Staff's testimony and workpapers from the previous rate case the FERC Form 1, the Company's financial records and other company cases, in which my issues were discussed.
  - Q. What matters will you address in your testimony?
- A. I will address Maintenance, Cost of Removal and Salvage, Advertising and Tree Trimming Expense.
- Q. What knowledge, skill, experience, training or education do you have in these matters?
- A. My college education provided a fundamental knowledge base, which I have utilized in my assigned duties at the Commission. I have attended training courses and reviewed in-house training materials while at the Commission. I have continually received guidance from the Senior Auditors in the Auditing Department on my assignments. Finally, my previous work assignments at the Commission have provided a knowledge base upon which I relied to develop my assigned areas in this rate proceeding.
  - Q. What test year has the Staff used in this case?

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A. The Staff, as ordered by the Commission, has used a test year ending
December 31, 2003 updated through June 30, 2004. The test year was updated for certain
material items through June 30, 2004, based on actual information available during the audit.
Updating specific, material test year amounts enables the Staff to make its recommendation
based on more recent auditable information.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to sponsor and discuss the following Accounting adjustments to the income statement on Accounting Schedule 9:

#### **Adjustments**

10 11	Iatan Maintenance Expense	S-6.2, S-7.2, S-8.2, S-9.2, S-12.2 and S-14.17
12	Asbury Maintenance Expense	S-6.3 and S-8.3
13 14	State Line 1 and Energy Center 1 & 2 Maintenance Expense	S-6.10
15	Riverton Maintenance Expense	S-6.8
16 17	State Line Combined Cycle Maintenance Expense	S-6.9
18	Advertising	S-11.2 and S-14.2
19	Tree Trimming	S-8.4 and S-9.3
20	Cost of Removal	S-17.3

### **IATAN MAINTENANCE EXPENSE**

Q. Please explain the following adjustments S-6.2, S-7.2, S-8.2, S-9.2, S-12.2 and S-14.17.

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Q. Please explain adjustment S-6.10.

A. These adjustments were made to normalize the Iatan generating unit

maintenance expense based upon a six-year average of maintenance expense. The Staff used

a six-year average because the Iatan plant is on a six-year turbine/boiler overhaul maintenance

schedule. A six-year average provides a representative level of maintenance expense for

Iatan.

## ASBURY MAINTENANCE EXPENSE

Q. Please explain adjustment S-8.3.

A. In the last rate case (Case No. ER-2002-424), the Staff made an adjustment to

reflect the normalization of cost associated with the move of the step-up transformer at

Asbury. During a routine Asbury outage in 2001, the step-up transformer was inspected, and

the Company determined it needed to be replaced. However, there was a delay in delivery of

the new transformer so the Company moved the old transformer due to safety concerns. The

Staff, therefore, normalized the costs associated with moving the transformer over five years.

Adjustment S-8.3 continues the normalization of this item, as established in the last case.

Q. Please explain adjustment S-6.3.

A. The Staff made adjustment S-6.3 to normalize the level of maintenance

expense for the Asbury Plant. The Staff analyzed the previous five years of maintenance

expense and calculated an average of these costs. The test year was then adjusted to the five-

year average level to normalize the expense. The Staff chose a five-year average because the

Asbury plant has a five-year maintenance turbine overhaul schedule.

STATE LINE 1 AND ENGERY CENTER 1 AND 2 MAINTENANCE EXPENSES

A. The Staff made adjustments S-6.10 to normalize costs associated with the Siemens-Westinghouse maintenance contracts for the State Line 1 and Energy Center 1 and 2 combustion turbines, which went into effect on June 29, 2001, and also the costs associated with the maintenance to bring the units into compliance with the specifications of the maintenance contracts.

State Line Unit 1 went into service during 1995 and the Energy Center Units were brought on-line earlier, in 1978 and 1981. Because of the age and the condition of these plants, maintenance was required to bring the units up to certain specifications before Siemens would enter into a contract to provide ongoing maintenance. Adjustment S-6.10 continues the normalization of these costs over the seven-year length of the maintenance contracts on the units, as established in the previous rate case.

Adjustment S-6.10 reflects the normalization of the cost associated with the contract for maintenance on the State Line Unit 1 and Energy Center Units 1 and 2.

#### **RIVERTON MAINTENANCE EXPENSE**

- Q. Please explain adjustment S-6.8.
- A. Staff made adjustment S-6.8 to normalize the level of maintenance expense for the Riverton Plant. During the test year, the Riverton Unit eight underwent a five-year maintenance turbine outage. The test year expenses were significantly higher as a result of the outage. The Staff analyzed the previous five years of maintenance expense and calculated an average of these costs. The test year was then adjusted to the five-year average to normalize the expense. The Staff chose a five-year average because both Riverton units seven and eight have five-year maintenance turbine overhaul schedules.

## STATE LINE COMBINED CYCLE MAINTENANCE EXPENSE

Q. Please describe the maintenance contract for the State Line Combined Cycle (SLCC) unit between Empire Electric and Siemens-Westinghouse.

A. In 2001, Empire entered into a contract with Siemens-Westinghouse for maintenance services regarding the two combustion turbines that are part of SLCC unit. The purpose of the contract is to provide reliable service operation and to normalize the large costs for maintenance inspections at this location. The contract is based on major combustor inspections, which are scheduled for every 400 equivalent starts or 8,000 equivalent base hours; and turbine hot path inspections, which are scheduled for every 800 equivalent starts or 24,000 equivalent base hours. The contract is designed to correspond with these two significant maintenance events. The period between these inspections is dependent on certain factors, for example, operating characteristics, equivalent starts and equivalent base hours the units experience. The Company entered into this contract to normalize the level of payments for the maintenance inspection, instead of incurring a large expense each time an inspection is required.

Q. What are the payment terms of this contract?

A. There are two components to this contract, a fixed payment and a variable payment, both made in quarterly installments. The variable fee is based on each unit experiencing a specified number of equivalent starts and equivalent base load hours per contract year. If the Company experiences different levels of hours, either lesser or greater than the numbers cited in the contract, a true-up of the variable payment will take place at the end of each contract year, which is June. Both the fixed and variable payments are subject to increase. Westar, the co-owner of the unit, is responsible for approximately 40% of the contract cost due to Westar's 40% ownership in SLCC.

- Q. Please describe the true-up portion of the contract.
- A. If the SLCC is used for additional hours and starts than those outlined in the contract then the Company will owe an increased sum of money to Siemens-Westinghouse. The increase is due because time between inspections must decrease since the unit has run more frequently in that contract year. The exact opposite is true if the SLCC is used for fewer hours and starts than those outlined in the contract. Siemens-Westinghouse would owe the Company a credit since the unit was run less frequently, and the time between inspections would be farther apart. The SLCC unit operated significantly below the parameters set in the contract from July 2002 through June 2003. As a result a significant credit was issued to the Company during the test year.
  - Q. What has the Company done to mitigate the true-up issue?
- A. The goal of this maintenance contract is to normalize the inspection costs. Because the contract is not in sync with the Company's fiscal year, the credit/debit is received in the calendar year, but a portion should be allocated to the previous fiscal year. Since it is unlikely that the equivalent starts and equivalent base hours, specified in the contract, would ever be exactly equal to the actual operations, the Company began an accrual process for the debit/credit starting with the contract year of July 2003 to June 2004. The Company has created a process in which they developed a spreadsheet that is updated with actual operating data replacing the estimated data for that month. The amount of the estimated annual debit/credit is updated each month and then spread over the remaining contract months. The idea behind this accrual is so the true-up will be recorded during the year instead of one single adjustment in June.
  - Q. Please describe the adjustment made for the true-up in the test year.

A.

16 ADVERTISING

contract year, which encompassed a 12-month period from July 2002 through June 2003. Also, in July 2003 the Company began accruing for the estimated debit/credit that will be received in June 2004. Essentially, 18 months of credit was booked in the 2003 test year: 12 months of the credit for the contract year ending June 2003 and six months of the accrual for the credit for the contract year ending June 2004.

During the test year, the Company booked a large credit at the end of the

To address this situation, the Staff has adjusted the variable contract maintenance cost for the test year based on the hours the SLCC unit ran in the Staff's fuel model calculations. (Staff witness Leon Bender will discuss the fuel model in his direct testimony.) These hours were multiplied by the hourly contract charge to determine the normal annual variable cost. This amount plus the fixed component reflects the annual normal contract maintenance cost. The contract includes an inflation adjustment, which the Staff has reflected through the June 30, 2004 update period. From this amount I subtracted the test year cost, which included the 18 months of credit, to determine adjustment S-6.9. this amount was multiplied by 60% to determine the portion paid by Empire.

- Q. Please explain adjustments S-11.2 and S-14.2.
- A. Adjustments S-11.2 and S-14.2 disallow certain advertising costs incurred by the Company.
  - Q. Please describe the past treatment of advertising expenses by the Commission.
- A. As part of <u>In re Kansas City Power and Light Company</u>, 28 Mo. P.S.C. (N.S.) 228 (1986) (hereinafter KCPL), the Commission adopted an approach that classified advertisements into five categories and provided separate rate treatment for each category.

The five categories of advertisements adopted by the Commission for purposes of this approach were:

- General informational advertising that is useful in the provision of adequate service;
- Safety advertising which conveys the ways to use the
   Company's service safely and to avoid accidents;
- 3. <u>Promotional</u> advertising used to encourage or to promote the use of the particular commodity the utility is selling;
- 4. <u>Institutional</u> advertising used to improve the Company's public image; and
- 5. <u>Political</u> advertising which is associated with political issues.

The Commission adopted these categories of advertisements because it believed that a utility's rates should: 1) include the reasonable and necessary cost of general and safety advertisements; 2) disallow the cost of institutional or political advertisements; and 3) include the cost of promotional advertisements only to the extent that the utility can provide cost justification for the advertisement (Ibid., pp. 269-271).

- Q. What standard did the Staff use to evaluate the Company's advertising expense in this case and to develop the adjustments?
- A. The Staff utilized the standards as initially established in the <u>KCPL</u> case and in subsequent cases to determine the test year level of allowable advertising expense for the general, safety, institutional, promotional and political advertising categories. The Staff

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proposes to disallow advertisements that are institutional, promotional, unrelated to the electric industry or that ask for charitable donations. The Staff proposes to allow all general and safety-related advertisements to the extent that they are related to the electric industry and beneficial to Missouri ratepayers.

- Q. How did you apply the standard established in the KCPL case to your examination of advertising expense in this case?
- A. I categorized all of the Company's advertisements on an ad-by-ad basis using the KCPL standard to determine the amount allowed or disallowed. I began by reviewing each advertisement to determine which of the following primary messages the advertisement was designed to communicate:
  - The promotion of a service or product (Promotional); 1.
  - 2. The dissemination of information necessary to obtain safe and adequate electric service (General and Safety);
  - 3. The promotion of the Company image (Institutional); or
  - 4. The endorsement of a political candidate or any political message (Political).
- Once I determined the primary message, I classified the advertisements accordingly. Schedule 2, attached to this testimony, is my itemized analysis of the Company's advertising costs and a copy of all the Company's advertisements for the test year, as provided in response to Staff Data Request No. 164.
  - Q. How did the Staff develop its advertising adjustments?
- A. The Staff requested that the Company supply the cost of all advertisements on a per-ad basis. Based on its categorization, the Staff disallowed the expense associated with

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advertisements that it classified as institutional or promotional, as well as general advertisements unrelated to the electric industry or Missouri ratepayers. The Staff also disallowed an amount related to a rate case in Oklahoma, which should have been directly assigned to that jurisdiction.

- Q. What media does the Company utilize to place its advertisements?
- A. The Company uses radio, television, print (newspapers) and other print media to place its advertisements.
  - Q. Describe the institutional advertisements that the Staff disallowed.
- A. The Staff disallowed the following advertisements as institutional in nature: Christmas Elves, selected Committed to Service advertisements, Contact Info, selected Today at 50 Plus advertisements, Community Recognition and Logo Ad. The Christmas Elves advertising program requests donations of items for elderly customers. Committed to Service advertisements was disallowed because it was designed to build the Company's image and provided no information on electrical safety or information necessary for Empire customers. Two of the Today at 50 Plus advertisements were disallowed; they were the Christmas Elves, previously mentioned, and the 2003 Governor's Award Winner advertisement. The Governor's Award advertisement was disallowed because it was designed to build the Company's image and provided no information on electrical safety or information necessary for Empire's customers. Community Recognition and Logo advertisements sponsored and provided support for local causes and events. None of these advertising programs were necessary for the provision of safe and adequate service.
  - Q. Please describe the promotional advertisements that the Staff disallowed.
  - A. The Company placed no promotional advertisements during the test year.

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- Q. Please describe the Staff's adjustment for general and safety advertisements.
- A. There was no adjustment for general and safety advertisements because they were considered to be reasonable and necessary.
  - Q. Did the Staff adjust test year expense for any political advertising?
  - A. The Company placed no political advertisements during the test year.

#### **TREE TRIMMING**

- Q. Please explain Income Statement adjustments S-8.4 and S-9.3.
- A. Adjustments S-8.4 and S-9.3 adjust the transmission and distribution tree-trimming expense to reflect the difference between the most current five-year average for transmission and distribution tree-trimming expenses (January 1, 1999 thru December 31, 2003) and the amount expensed during the test year. The Staff believes a five-year average represents a reasonable level of ongoing tree trimming expense.

## **COST OF REMOVAL AND SALVAGE**

- Q. Please explain adjustment S-17.3.
- A. This adjustment includes a five-year average of Empire's cost of removal less salvage proceeds. This is sometimes referred to as "net salvage."
  - Q. What is cost of removal and salvage?
- A. Cost of removal is incurred when utility property is retired from service. Generally, removing property from service causes the utility to incur costs to physically dismantle, tear down or otherwise remove the property from service. Salvage is the proceeds received from the residual value or scrap value that some property has when it is dismantled or removed from utility service. After a piece of property is dismantled or removed from

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service, utilities can in some instances sell or receive some value for the displaced property. Utilities track the costs relating to removal costs and salvage value on an ongoing annual basis.

Typically, removal costs exceed salvage value, resulting in a positive net expense to the utility. Empire's five-year average of net cost of removal is \$1,681,389.

- Q. How did the Staff determine the proper level of cost of removal and salvage value to include in this case?
- The Staff reviewed the cost of removal and salvage values by year for the Α. period 1993 to 2003. Based on this information, the Staff calculated the cost of removal and salvage values based upon a five-year average for the period 1999 through 2003. The result of the five-year average is that Empire incurred a positive net cost of removal value over this period of time. This amount was included as an expense in Accounting Schedule 9, Income Statement.
  - Q. Why is this adjustment necessary?
- A. This adjustment is necessary to include an annual normalized level of cost of removal and salvage proceeds in Empire's cost of service. Cost of removal expenditures, like other expenses (maintenance, payroll, fuel expense, etc.) are ongoing costs incurred by the utility to provide service to its customers. Therefore, like these other costs, the Staff has determined a normalized level for annual cost of removal, netted against any normalized salvage proceeds received by the Company.
- Q. Why did the Staff use a five-year average to determine the level of cost of removal and salvage value to include in the revenue requirement?

- A. A five-year average was used because the costs of removal and salvage values fluctuated from year to year for each of the years examined. Using a five-year average for fluctuating costs, removes or smoothes out the differences from one year to the next. Averaging costs for fluctuations is commonly used in the ratemaking process and is consistent with how other costs have been treated in this case.
- Q. How does the storm damage from May 2003 affect the cost of removal and salvage adjustment?
- A. The Company incurred damage to its system due to storms in their service territory on May 4, 2003. As a result of an insurance claim, the Company received monies reimbursing it for both construction for the plant being replaced, and cost of removal and salvage for the plant being removed. The retirement work orders associated with these test year storms were not closed until 2004. The Staff added the cost of removal and salvage, including the associated insurance proceeds to the test year amount of cost of removal and salvage included in its five-year average.
- Q. How did the Staff determine the Missouri Jurisdictional amounts of cost of removal and salvage?
- A. The five-year average was computed using total Empire amounts so a Missouri jurisdictional factor for general plant was applied to identify the Missouri only portion of net cost of removal and salvage.
- Q. Have the amounts of cost of removal and salvage value been treated this way in prior Empire rate cases?
- A. Yes. In the two previous Empire rate cases, Case Nos. ER-2002-424 and ER-2001-299, the Staff also proposed the Commission treat cost of removal and salvage the

exact same way it is proposing in this case. The Commission adopted this approach in determining the authorized depreciation rates prescribed for Empire. In its Report And Order in Case No. ER-2001-299 issued on September 20, 2001, the Commission stated:

The Staff's approach of treating net salvage cost as an expense based on Empire's recent historical data reduces this uncertainty. Additionally, separately stating net salvage cost, rather than incorporating it in depreciation rates, appropriately identifies the significance of net salvage cost on rates. The Commission finds that net salvage cost considered in setting rates should be based on historical net salvage cost that Empire has actually incurred in the recent past and that it should be treated as an expense.

[Commission Report And Order in Case No. ER-2001-299, page 12]

In Empire's cases prior to Case No. ER-2000-299, cost of removal and salvage value typically were reflected in the overall depreciation rate and thus, an amount for these items was included in depreciation expense. However, in recent utility rate cases, the Staff has been proposing to remove from the depreciation rates the accrual of the removal costs and salvage value. Staff witness Gregory Macias of the Engineering and Management Services Department is sponsoring the Staff's position in this case to remove these items from the accrual of depreciation. He will provide the basis and reasoning for why the Staff has been determining depreciation rates in this manner. Consistent with the Commission's Order in Case No. ER-2001-299, the Staff has included the cost of removal and salvage value in the cost of service determination as a current expense item rather than part of the depreciation accrual process.

- Q. Has the Staff treated cost of removal and salvage amounts in other rate cases consistent with the way that they have been treated in this case?
- A. Yes. This approach has been used the last several years in many rate cases filed with the Commission. The cases in which cost of removal has been treated as an expense item netted against any salvage amounts are:

1	<b>Company</b>	Case No.	Case Status
2	Ameren/Union Electric Company	GR-2000512	Stipulated
3	Ameren/Union Electric Company	EC-2002-1	Stipulated
4	Ameren/Union Electric Company	GR-2003-517	Stipulated
5	Citizens Electric Company	ER-2002-217	Stipulated
6	Laclede Gas Company	GR-2001-621	Ordered
7	Laclede Gas Company	GR-2002-356	Stipulated
8	St. Louis County Water Company	WR-2000-844	Not Used
9	Missouri American Water Company	WR-2003-500	Stipulated
10	Missouri American Water Company	WC-2004-0168	Stipulated
11	Empire District Electric	ER-2001-299	Ordered
12	Empire District Electric	ER-2002-424	Stipulated
13	Missouri Gas Energy	GR-2001-292	Stipulated
14	UtiliCorp United, Inc. (Aquila Inc.)	ER-2001-672	Stipulated
15	Aquila Inc	ER-2004-0034	Stipulated
16	Aquila Inc	HR-2004-0024	Stipulated
17	Aquila Inc	ER-2004-0072	Stipulated
18	Peace Valley Telephone Co.	TT-2001-118	Stipulated
19	Holoway Telephone Co.	TT-2001-119	Stipulated
20	KLM Telephone Company	TT-2001-120	Stipulated
21	Northeast MO Rural Telephone	TT-2001-344	Stipulated
22	Oregon Farmers Mutual Telephone	TT-2001-328	Stipulated
23	BPS Telephone Company	TC-2002-1076	Pending
24	Green Hills Telephone	TT-2001-115	Stipulated
25	Iamo Telephone Company	TT-2001-116	Stipulated
26	Ozark Telephone Company	TC-2001-402	Stipulated

- Q. Does this conclude your direct testimony?
- A. Yes, it does.

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# **CASE PROCEEDING PARTICIPATION**

# LEASHA S. TEEL

PARTICIPATION	TESTIMONY	
COMPANY	COMPANY CASE NO.	
AmerenUE	EC-2002-1025	Direct - Advertising
Laclede Gas Company	GR-2002-356	Direct - Affiliated Transactions, Injuries and Damages and Insurance Expense
AmerenUE	EC-2002-1	Direct - Advertising, Cash Working Capital, Dues and Donations, Miscellaneous Expenses, Rate Case Expense and PSC Assessment
AmerenUE	EC-2002-1	Surrebuttal-Cash Working Capital, Advertising, Dues and Donations, Rate Case Expense and PSC Assessment
Laclede Gas Company	GR-2001-629	Direct - Payroll, Payroll Taxes, and Payroll Related Benefits other than OPEBS and Pensions
AmerenUE	GR-2002-0517	Direct – Revenues, PSC Assessment and Uncollectibles

Empire District Electric Company Case No. ER-2004-0570 Advertising Expenses For the 12 Months Ended December 31, 2003

File name: Advertising Prepared by: LST Source: Data Request #164

For the	12 Mont	ths Ended	December 31, 2003				C4-#	C4-#		
Vaar	Month	ACCT	Vendor Name	Amount	Ad Type	Ad Name	Staff Classification	Staff Treatment	Amount	Account
<u>Year</u> 2003	2		Corr V118159 Newton County New	<u>Amount</u> (70.00)	Info	Christmas Elves	Institutional	Disallowed	Amount	Account
2003	1		Tri-Lakes Newspapers Inc.	4.50	Info	Christmas Elves	Institutional	Disallowed		
2003	12		Baxter springs News	42.00	Info	Christmas Elves	Institutional	Disallowed		
2003	1		Baxter Springs news	42.08	Info	Christmas Elves	Institutional	Disallowed		
2003	2		Corr V118159 Newton County New	70.00	Info	Christmas Elves	Institutional	Disallowed		
2003	12		Baxter Spring Citizen	70.00	Info	Christmas Elves	Institutional	Disallowed		
2003	2		The Newton County News	70.00	Info	Christmas Elves	Institutional	Disallowed		
2003	1		Sarcoxie Publishing Co. Inc.	110.88	Info	Christmas Elves	Institutional	Disallowed		
2003	12		Neosho Daily News	196.00	Info	Christmas Elves	Institutional	Disallowed		
2003	12		Tri-Lakes Newspapers Inc.	210.00	Info	Christmas Elves	Institutional	Disallowed		
2003	11		Showme the Ozarks Communications	350.00	Info	Christmas Elves	Institutional	Disallowed		
2000	• • •	000,200	Info-Christmas Elves - Newspaper	1,095.46	11110	Omistinas Eives	nistrational	Disalioned	1.095.46	909.233
			mio omiotinao zivoo ivonopapo.	1,000.40						000100
2003	5	909.231	Sparlin Advertising	(6,964.93)	Info	Committed to Service	Institutional/Informational	Disallowed		
2003	1	909.231	Missouri Southern Athletics	620.00	Info	Committed to Service	Institutional/Informational	Disallowed		
2003	2	909.231	Missouri Southern Athletics	620.00	Info	Committed to Service	Institutional/Informational	Disallowed		
2003	3	909.231	Missouri Southern Athletics	620.00	Info	Committed to Service	Institutional/Informational	Disallowed		
2003	4	909.231	Missouri Southern Athletics	620.00	Info	Committed to Service	Institutional/Informational	Disallowed		
2003	5	909.231	Missouri Southern Athletics	620.00	Info	Committed to Service	Institutional/Informational	Disallowed		
2003	10	909.231	Sparling Advertising Associates	6,798.32	Info	Committed to Service	Institutional/Informational	Disallowed		
2003	5	909.231	Sparling Advertising Associates	6,964.93	Info	Committed to Service	Institutional/Informational	Disallowed		
2003	4	909.231	Sparlin Advertising	6,964.93	Info	Committed to Service	Institutional/Informational	Disallowed		
			Info-Committed to Service-Radio	16,863.25					5,621.08	909.231
2003	5		Sparlin Advertising	(12,975.00)	Info	Committed to Service	Institutional/Informational	Disallowed		
2003	8		CORR V131757 per Julie Maus	131.51	Info	Committed to Service	Institutional/Informational	Disallowed		
2003	9		Ozarks Public Television	131.51	Info	Committed to Service	Institutional/Informational	Disallowed		
2003	10		Ozarks Public Television	131.51	Info	Committed to Service	Institutional/Informational	Disallowed		
2003	8		Corr V131755 per Julie Maus	141.43	Info	Committed to Service	Institutional/Informational	Disallowed		
2003	9		Ozarks Public Television	141.43	Info	Committed to Service	Institutional/Informational	Disallowed		
2003	10		Ozarks Public Television	141.43	Info	Committed to Service	Institutional/Informational	Disallowed		
2003	8		CORR V131756 per Julie Maus	233.01	Info	Committed to Service	Institutional/Informational	Disallowed		
2003	7		Ozarks Public Television	131.51	Info	Committed to Service	Institutional/Informational	Disallowed		
2003	7		Ozarks Public Television	141.43	Info	Committed to Service	Institutional/Informational	Disallowed		
2003	7		Ozarks Public Television	233.01	Info	Committed to Service	Institutional/Informational	Disallowed		
2003	9		Ozarks Public Television	233.01	Info	Committed to Service	Institutional/Informational	Disallowed		
2003	10		Ozarks Public Television	233.01	Info	Committed to Service	Institutional/Informational	Disallowed		
2003	11		Ozarks Public Television	505.95	Info	Committed to Service	Institutional/Informational	Disallowed		
2003	12		Ozarks Public Television	505.95	Info	Committed to Service	Institutional/Informational	Disallowed		
2003	10		Sparlin Advertising Assocites	12,503.00	Info	Committed to Service	Institutional/Informational	Disallowed		
2003	5		Sparlin Advertising Assocites	12,975.00	Info	Committed to Service	Institutional/Informational	Disallowed		
2003	4	909.232	Sparlin Advertising	12,975.00	Info	Committed to Service	Institutional/Informational	Disallowed	0504.53	000 000
			Info-Committed to Service-TV	28,513.70					9504.57	909.232
2003	8	000 222	CORR V131756 per Julie Maus	(233.01)	Info	Committed to Service	Institutional/Informational	Disallowed		
2003	8		CORR V131756 per Julie Maus	(141.43)	Info	Committed to Service	Institutional/Informational	Disallowed		
2003	8		CORR V131755 per Julie Maus	(141.43)	Info	Committed to Service	Institutional/Informational	Disallowed		
2003	8		Ozarks Public Television	131.51	Info	Committed to Service	Institutional/Informational	Disallowed		
2003	8		Ozarks Public Television	141.43	Info	Committed to Service	Institutional/Informational	Disallowed		
	8			233.01	Info	Committed to Service	Institutional/Informational	Disallowed		
2003	o	<del>9</del> 09.∠33	Ozarks Public Television	233.01	IIIIO	Committee to Service	insuluuonai/miormationai	Disallowed		

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2003	4	909.233	Stone County Publishing Co		63.00	Info	Committed to Service	Institutional/Informational	Disallowed
2003	10		Baxter Spring News		63.00	Info	Committed to Service	Institutional/Informational	Disallowed
2003	5	909.233	Baxter Spring News		63.00	Info	Committed to Service	Institutional/Informational	Disallowed
2003	10	909.233	Webb City Sentinel and Wise Buyer		69.09	Info	Committed to Service	Institutional/Informational	Disallowed
2003	5		Galena Sentinel-Times		73.50	Info	Committed to Service	Institutional/Informational	Disallowed
2003	5	909.233	Seneca News Dispatch		73.50	Info	Committed to Service	Institutional/Informational	Disallowed
2003	6	909.233	Sac-Osage Publishing		73.50	Info	Committed to Service	Institutional/Informational	Disallowed
2003	9		Galena Sentinel-Times		73.50	Info	Committed to Service	Institutional/Informational	Disallowed
2003	10	909.233	Sac-Osage Publishing		73.50	Info	Committed to Service	Institutional/Informational	Disallowed
2003	5		The Index		75.60	Info	Committed to Service	Institutional/Informational	Disallowed
2003	10		The Index		75.60	Info	Committed to Service	Institutional/Informational	Disallowed
2003	5		Tri-State Tribune		78.75	Info	Committed to Service	Institutional/Informational	Disallowed
2003	10		Tri-State Tribune		78.75	Info	Committed to Service	Institutional/Informational	Disallowed
2003	5		Ash Grove Commonwealth		81.90	Info	Committed to Service	Institutional/Informational	Disallowed
2003	5		Greenfield Vedette		82.95	Info	Committed to Service	Institutional/Informational	Disallowed
2003	5	909.233	The Willard cross Country Times		84.00	Info	Committed to Service	Institutional/Informational	Disallowed
2003	5		Lawrence County Record		85.05	Info	Committed to Service	Institutional/Informational	Disallowed
2003	9		Lawrence County Record		85.05	Info	Committed to Service	Institutional/Informational	Disallowed
2003	10	909.233	Christian County news Journal		89.25	Info	Committed to Service	Institutional/Informational	Disallowed
2003	10		Greenfield Vedette		90.30	Info	Committed to Service	Institutional/Informational	Disallowed
2003	10	909.233	Seneca News Dispatch		93.50	info	Committed to Service	Institutional/Informational	Disallowed
2003	5	909.233	Republic Publishing Company		94.50	Info	Committed to Service	Institutional/Informational	Disallowed
2003	10	909.233	Republic Publishing Company		94.50	Info	Committed to Service	Institutional/Informational	Disallowed
2003	4	909.233	County Courier		99.75	Info	Committed to Service	Institutional/Informational	Disallowed
2003	9	909.233	County Courier		99.75	Info	Committed to Service	Institutional/Informational	Disallowed
2003	5	909.233	Aurora Advertiser		105.00	Info	Committed to Service	Institutional/Informational	Disallowed
2003	5		Baxter Springs Citizen		105.00	Info	Committed to Service	Institutional/Informational	Disallowed
2003	5	909.233	Taney County Times		105.00	Info	Committed to Service	Institutional/Informational	Disallowed
2003	9	909.233	Baxter Springs Citizen		105.00	Info	Committed to Service	Institutional/Informational	Disallowed
2003	10	909.233	Taney County Times		105.00	Info	Committed to Service	Institutional/Informational	Disallowed
2003	11	909.233	The Newton County News		105.00	Info	Committed to Service	Institutional/Informational	Disallowed
2003	5	909.233	Monett Times		111.30	Saf	Committed to Service	Institutional/Informational	Disallowed
2003	10	909.233	Monett Times		113.40	Saf	Committed to Service	Institutional/Informational	Disallowed
2003	5	909.233	Columbus Daily Advocate		115.50	Saf	Committed to Service	Institutional/Informational	Disallowed
2003	10	909.233	Columbus Daily Advocate		115.50	Saf	Committed to Service	Institutional/Informational	Disallowed
2003	5	909.233	Webb City Sentinel and Wise Buyer	\$	123.69	Info	Committed to Service	Institutional/Informational	Disallowed
2003	10	909.233	The Willard cross Country Times		126.00	Saf	Committed to Service	Institutional/Informational	Disallowed
2003	5		NW Arkansas Democrat-Gazette		165.90	Info	Committed to Service	Institutional/Informational	Disallowed
2003	10	909.233	NW Arkansas Democrat-Gazette		165.90	Info	Committed to Service	Institutional/Informational	Disallowed
2003	5	909.233	Sarcoxie Publishing Co Inc.		166.32	Info	Committed to Service	Institutional/Informational	Disallowed
2003	10	909.233	Sarcoxie Publishing Co Inc.		166.32	Saf	Committed to Service	Institutional/Informational	Disallowed
2003	5	909.233	Neosho Daily News		178.50	Info	Committed to Service	Institutional/Informational	Disallowed
2003	5	909.233	Miami Newspapers Inc.		190.05	Saf	Committed to Service	Institutional/Informational	Disallowed
2003	10		Miami Newspapers Inc.		190.05	Saf	Committed to Service	Institutional/Informational	Disallowed
2003	5		Mcdonald County Press Inc.		200.13	Info	Committed to Service	Institutional/Informational	Disallowed
2003	9	909.233	Mcdonald County Press Inc.		200.13	Info	Committed to Service	Institutional/Informational	Disallowed
2003	10	909.233	Neosho Daily News		295.50	Info	Committed to Service	Institutional/Informational	Disallowed
2003	5		Community Publishers Inc.		297.15	Info	Committed to Service	Institutional/Informational	Disallowed
2003	10		Community Publishers Inc.		297.15	Info	Committed to Service	Institutional/Informational	Disallowed
2003	5		Tri-Lakes Newspapers Inc.		315.00	Info	Committed to Service	Institutional/Informational	Disallowed
2003	10		Tri-Lakes Newspapers Inc.		315.00	info	Committed to Service	Institutional/Informational	Disallowed
2003	5		Joplin Globe Publishing Co.		523.95	Info	Committed to Service	Institutional/Informational	Disallowed
2003	10		Joplin Globe Publishing Co.		523.95	Info	Committed to Service	Institutional/Informational	Disallowed
2003	10		The News-Leader		1,522.50	Info	Committed to Service	Institutional/Informational	Disallowed
			Info Committed to Coming Navanana	. —	0.062.60				

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Info-Committed to Service-Newspaper

3,021.23 909.233

2003 2003 2003 2003 2003 2003 2003 2003	6 6 6 6 6 6 6 6	909.233 909.233 909.233 909.233 909.233 909.233 909.233	The Index Ash Grove Commonwealth Lawrence County Record Joplin Globe Publishing Co Neosho Daily News Community Publishers Inc. Tri-Lakes Newspapers Inc. Mcdonald county Press Joplin Globe Publishing Co the News Leader Safety-Don't Cross the Line-Newspape	226.80 252.00 255.15 260.00 283.50 297.15 315.00 492.00 523.95 1,446.69	Safety Safety Safety Safety Safety Safety Safety Safety Safety	Don't Cross the Line/Power of Elec.	Safety	Allowed Allowed Allowed Allowed Allowed Allowed Allowed Allowed Allowed
20.00	40	000 005	•	<del></del>	0-6-6-	Dook Orace the Line/Device of Elec	Onfato	A 15 1
2003 2003	10 10		McAuley High School yearbook Westivew C-6 School	50.00 50.00	Safety	Don't Cross the Line/Power of Elec.  Don't Cross the Line/Power of Elec.	Safety	Allowed
2003	10			65.00	Safety Safety	Don't Cross the Line/Power of Elec.	Safety Safety	Allowed Allowed
2003	2003 10 909.235 Hermitage R-IV School District Safety-Don't Cross the Line-School Pu				Salety	Don't Closs the Line/Power of Elec.	Salety	Allowed
			<b>,</b>	165.00				
2003	2	909.236	CORR V117685 GR11023	(350.00)	Safety	Don't Cross the Line/Power of Elec.	Safety	Allowed
2003	4	909.236	Joplin Youth Baseball Organization	250.00	Safety	Don't Cross the Line/Power of Elec.	Safety	Allowed
2003	2	909.236	CORR V117685 GR11023	350.00	Safety	Don't Cross the Line/Power of Elec.	Safety	Allowed
2003	9		Show Me the Ozarks Communications	350.00	Safety	Don't Cross the Line/Power of Elec.	Safety	Allowed
2003	2		Thomas Jefferson Independent	350.00	Safety	Don't Cross the Line/Power of Elec.	Safety	Allowed
2003	1		Home Builders Assoc of S W Mo	450.00	Safety	Don't Cross the Line/Power of Elec.	Safety	Allowed
2003	2		Ozarks Public Television	500.00	Safety	Don't Cross the Line/Power of Elec.	Safety	Allowed
2003	8		Missouri Southern Athletics	620.00	Safety	Don't Cross the Line/Power of Elec.	Safety	Allowed
2003	9		Missouri Southern Athletics	620.00	Safety	Don't Cross the Line/Power of Elec.	Safety	Allowed
2003	10		Missouri Southern Athletics	620.00	Safety	Don't Cross the Line/Power of Elec.	Safety	Allowed
2003	11		Missouri Southern Athletics	620.00	Safety	Don't Cross the Line/Power of Elec.	Safety	Allowed
2003	12		Missouri Southern Athletics	620.00	Safety	Don't Cross the Line/Power of Elec.	Safety	Allowed
2003	11	909.236	Liberty Group Publishing	675.00	Safety	Don't Cross the Line/Power of Elec.	Safety	Allowed
			Safety-Don't Cross the Line-Other	5,675.00				
2003	11	909.231	Sparlin Advertising Associates Safety-Louie Play it Safe-Radio	6,949.02 <b>6,949.02</b>	Safety	Louie Play it Safe	Safety	Allowed
2003	11	909.232	Sparlin Advertising Associates Safety-Louie Play it Safe-TV	12,955.00 12,955.00	Info	Louie Play it Safe	Safety	Allowed

Total Advertising 125,530.07

<sup>\*</sup> The Staff also disallowed the rate case advertisements because the advertisements were not for a Missouri rate case.

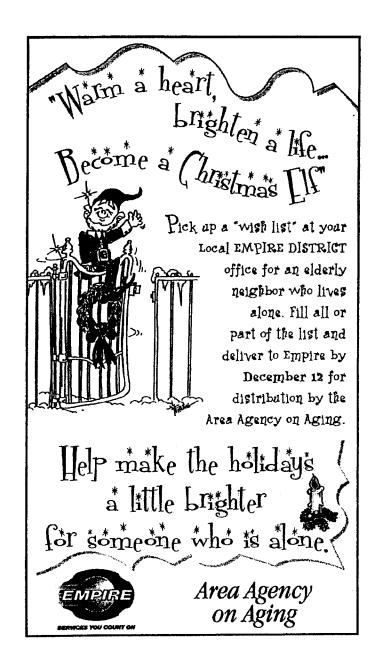
	Disallowed t	y Account
\$	3,035.70	930.142
\$	529.53	930.143
\$ <b>\$</b>	2,765.00	930.144
\$	6,330	S-14.2
\$	5,621.08	909.231
\$	9,504.57	909.232
\$	6,304.92	909.233
\$	505.00	909.236
\$	21,936	S-11.2
\$	28,266	<u>Total</u>

<sup>\*</sup> Committed to Service is a campaign of TV, radio and newspaper The Staff disallowed 1/3 of the total cost of this particular ad group

# Schedule 2-6

# Corporate Communications Radio/TV Ad Copy January 1 - December 31, 2003 MPSC DR #0164

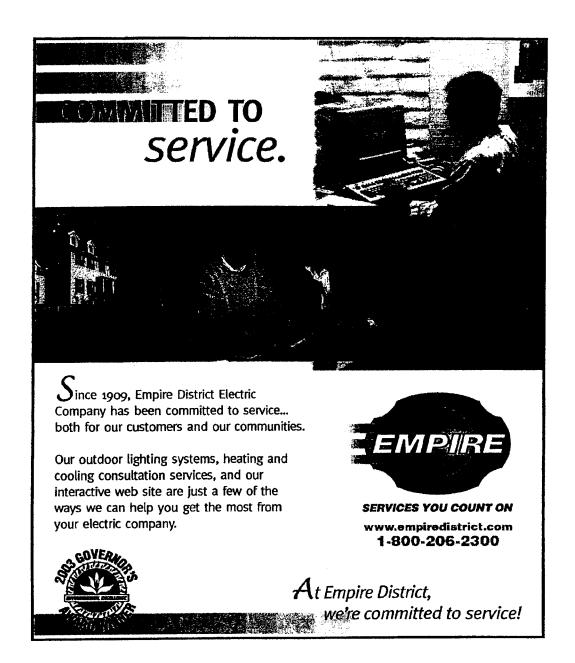
Campaign Name	Radio/TV Copy						
Don't Cross the Line	As electricity passes down the power line, it touches lives in many ways. It makes lives more comfortable. It improves the quality of our lives. It even helps to save lives. But electricity also demands respect. Be alert. Stay away from all power lines. Lives depend on it. Don't cross the line. We care about your safety. The Empire District Electric Company.						
Committed to Service (3 spot rotation)	#1 - Since 1909, Empire District Electric Company has been committed to serviceboth for our customers and our communities. Our outdoor lighting systems, heating and cooling consultation services, and our interactive web site are just a few of the ways we can help you get the most from your electric company. At Empire District, we're committed to service.  #2 - Since 1909, Empire District Electric Company has been committed to serviceboth for our customers and our communities. We give our time, talents and financial support to community projects and organizations. Many hours are spent helping at our schools, volunteering as coaches and troop leaders, serving on school boards and Chambers of Commercelending a hand to those in need. At Empire District, we're committed to service! After all, it's our community, too!  #3 - Since 1909, Empire District Electric Company has been committed to serviceboth for our customers and our communities. As part of our commitment to customers, we provide the energy services needed to power your life and the convenient payment options you want. Try the average monthly payment plan that can be automatically deducted from your bank account. Or pay with a credit card by phone or online. It's your choice! At Empire District, we're committed to service!						
Open All Night	Empire District Electric Company, services you count on, accessible twenty-four hours a day, seven days a week. 1-800-206-2300.						
Community Recognition	Brought to you by Empire District Electric Company, services you count on.						
Louie – Play if Safe Around Electricity (4 spot rotation)	Sailing/Overhead Safety: Great day for sailing! Ready gang? When your daddy and you go to sail for the day make sure the power lines are far away. When your daddy and you make the house look fine, never place antennas or ladders near power lines. Hey this lightning bug doesn't raise his antenna near power lines! You gotta stay away from power lines. Empire, services you count on.						



Schedule 2-8

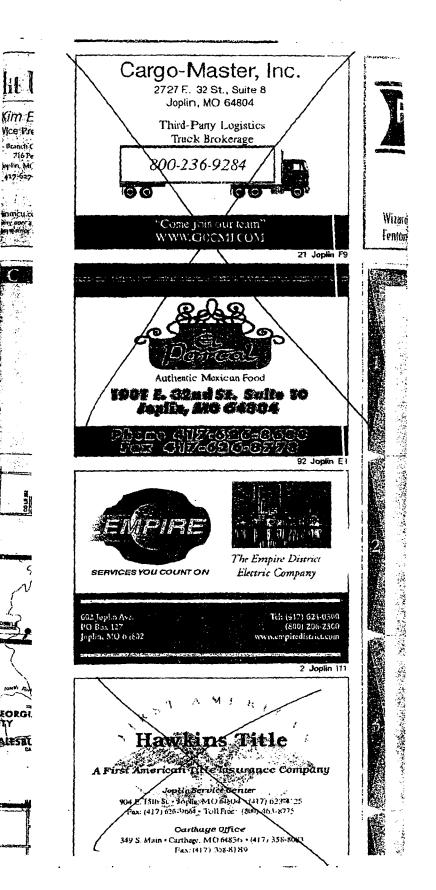






Mamper Marp 03/2003

Contact Info.



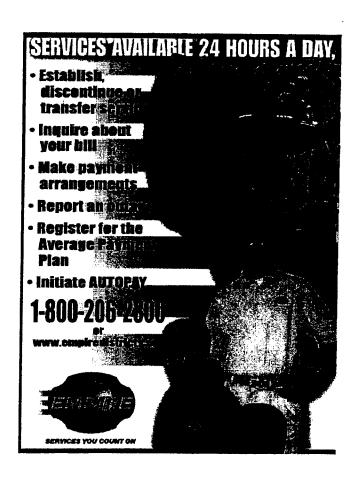
# PLEASE EXCUSE US!

On Friday, July 11, crews from The Empire District Electric Company will interrupt service for 15 minutes beginning at 6:00 a.m. to a rural Carthage area bordered by Hwy 96, I-44, Prosperity Road, and County Road 90.

The interruption will allow crews to complete substation maintenance work to ensure continued reliable service to the area.



# Open All Night



# IN THE DISTRICT COUNTY COURT OF DELAWARE COUNTY STATE OF OKLAHOMA

# Rate case

#### AFFIDAVIT OF PUBLICATION

Cause No. PUB 200300121

Compine District Electric Company
April Change - Natice of Hearing

Plaintiff

To:

Defendant-

Hank Crockett, of lawful age, being duly sworn, upon oath deposes and says that he is the Authorized Agent of The Grove Sun Daily, a newspaper printed in Grove, Delaware County, Oklahoma, and of a bona fide paid general circulation therein, printed in the English language, and that the notice of publication, a copy of which is hereto attached, was published in the consecutive issues, the first publication being on the day of Copiel being \_\_\_\_, 2003, and the last day of publication, the 5xx day , 2003, and that said newspaper has been continuously and uninterruptedly published in said county during the period of one hundred and four weeks (104) weeks consecutively prior to the first publication of said notice or advertisement as required by House Bill 99, an Act amending Section 54, Oklahoma Statutes (1931) passed by the Pifteenth Legislature and effective July 23, 1935, and thereafter.

The advertisement above referred to, a true and printed copy of which is hereto attached, was published in said The Grove Sun Daily, on the following dates to-wit.

1 Insertion <u>April 28</u>, 20<u>03</u>

2nd Insertion <u>May 5</u>, 20<u>03</u>

3nd Insertion \_\_\_\_\_\_, 20\_\_\_

4th Insertion \_\_\_\_\_\_, 20\_\_\_

Said Notice was published in the regular edition of said newspaper and not in a supplement thereof.

Affiant further states that said newspaper meets all the requirements of the laws of the State of Oklahoma with reference to legal publications.

Publishing Fee \$ 95.87

Hank Crockett, Authorized Agent

Subscribed and sworn to before me this Sthe day of

Ordige O Rouse Notary Public

My Commission Expires 7-18-05

CANDYCE A ROWE
Notary Public - Notary Seal
STATE OF DALAMOMA
MY COMMISSION EXPIRES Livy 18, 2005

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that all interested persons may appear and be heard, and the Commission shall agin, the Mining, of auditorio lesses and continue and annual services and continue and persons and deceme fair, recessing, reader-dain, proper and capitals unfor the premiser, situation or and papellinally proper for capitals unfor the premiser, situation or support of the property of t

Rose Case

#### **Proof of Publication**

STATE OF OKLAHOMA } ss. CRAIG COUNTY In the Court of Craig County, State of Oklahoma Case No. Affidavit of Publication Phillip R. Reid, of lawful age, being duly sworn, upon oath deposes and says that he is the publisher of the Vinita Daily Journal, a daily newspaper printed in Vinita, Craig County, Oklahoma, and of a bona-fide paid general circulation therein, printed in the English language, and that the notice of publication, a copy of which is hereto attached, was published in said <u>وسی ا</u> newspaper for consecutive the first publication being DOR Cept 2003, the 28-1 day of on the last day of publication on the han, 20 03, and that said newspaper has been continuously and uninterruptedly published in said county during the period of One Hundred and Four (104) weeks consecutively, prior to the first publication of said notice or advertisement, as required by House Bill 99, (an Act amending Section 54, Oklahoma Statutes 1931), passed by the Fifteenth Legislature and effective July 23, 1935, and thereafter. The advertisement above referred to, a true and printed copy of which is hereto attached, was published in said newspaper on the following date, to-wit: .20 0년 1st Insertion 20 03 2nd Insertion 20 3rd Insertion 20 4th Insertion 5th Insertion 20 Said notice was published in the regular edition of said newspaper and not in a supplement thereof. Affiant further states that said newspaper meets all the requirements of the laws of the State of Oklahoma with reference to legal publications. Publishing Fee \$ Subscribed and sworn to before me this A.D. 2003 Notary Public. My commission expires *σ*υ. MARION JOY CRUZAN Notary Public - State of Oklahoma Craig County Commission # 99017155 My Commission Expires Nov 13, 2003

#### OFFICE PROOF ATTACHED

# PUBLIC NOTICE

(Published in the Vinita Daily Journal April 28 & May 5, 2003)

COMMISSION OF THE STATE
OF OKLAHOMA

In the matter of the Application of THE EMPIRE DISTRICT ELECTRIC COMPANY for an order approving a general rate change for electrical service within the state of Oklahoma Cause No. PUD 200300121

NOTICE OF HEARING

NOTICE IS HEREBY GIVEN that Applicant, the Empire District Electric Company ("Empire") has filed an application in the above-critical cause for a general rate change. NOTICE IS FURTHER GIVEN that Empire is requisiting approval to increase its annual revenues by approximately 9954,540 by increasing monthly rates for each rate class

revenues by approximately 6954,540 by increasing monthly rates for each rate class and customer charges related to customer advances, customer trip charges, and reconnection fees.

NOTICE IS FURTHER GIVEN that a hearing on Empire's application has been acheduled before an Administrative Law Judge on the 28th & 29th day of July, 2003, at 8:30 a.m. in Courtroom 301. Third Floor, Jim Thorpe Office Building, 2101. North Lincoln Boulevard Oktahorns City, Oktahorns.

vard, Oklahoma City, Oklahoma.

NOTICE IS FURTHER GIVEN that Empire shall publish this notice, at its expense, once each week for two (2) consecutive weeks, with the first publication commencing at least fifteen (15) days prior to hearing, in a newspaper of general circulation published in the counties of Ottawa, Delaware, and Craig, Oklahoma, wherein Empire customers are located.

NOTICE IS FURTHER GIVEN that Empire shall make a good faith effort to mail notice to all affected customers. This notice shall contain information concerning the nature of the proposed changes and the effect of the changes on customer billing. This notice shall further give the date, time and location of the hearing and may be included in regu-lar customer billings; but shall, in any case, be mailed at least fifteen (15) days pr the date of the hearing. The cost of publica-tion and mailing shall be at the expense of Empire with proof of publication and affida-vit of mailing filed with the Court Clerks Office to become part of the record herein. NOTICE IS FURTHER GIVEN that all interested persons may appear and be heard, and the Commission shall after the taking of evidence issue such orders and grant such relief as it deems fair, necessary, reasonable. proper and equitable under the premises, whether or not apecifically prayed for by Empire. Empire.

For information concerning this Cause, contact either James C. Swearengen, 312 E. Capitol Avenue, P.O. Boy 456, Jefferson City Missouri 65102, telephone (573) 635-7166, or Jay M Galt, 6520 N. Western, Sulte 300, Oklahoma City, Oklahoma 73116, telephone (405) 842-7545, Attorneys for Applicant.

Cant.

OKLAHOMA CORPORATION
COMMISSION
DENISE A BODE Chairman
OF BOB ANTHONY, Vice Chairman
OF JERF CLOUD Commissioner
DONE AND PERFORMED ON THIS 16th
DAY DE APPL 2003, BY ORDER OF THE
COMMISSION OF THE COMMISSION OF THE

### PUBLIC NOTICE

(Published in the Miami News-Record April 28, May 5, 2003 - 21) BEFORE THIS CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

In the matter of the Application of THE EMPIRE DISTRICT ELECTRIC COMPANY for an order approving a general rate change for electrical service within the State of Oklahoma

Cause No. PUD 200300121

NOTICE OF HEARING

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NOTICE IS FURTHER GIVEN that all interested persons may appear and be heard, and the Commission shall after the taking of evidence issue such orders and grant such relief as it deems fair, necessary, reasonable, proper and equitable under the premises, whether or not specifically prayed for by Empire.

For information concerning this Cause, contact either James C. Swearengen, 312 East Capitol Avenue, P.O. Box 456, Jefferson City, Missouri 65102, telephone (573) 635-7166, or Jay M. Galt, 6520 N. Western, Suite 300, Oklahoma City, Oklahoma 73116, telephone (405) 842-7545, Attorneys for Applicant.

OKLAHOMA CORPORATION COMMISSION
DENISE A. BODE, Chairman

# AFFIDAVIT OF PUBLICATION

STATE OF OKLAHOMA, COUNTY OF OTTAWA, ss.

Shannon J. Duhon of lawful age, being duly sworn and authorized, says that he is Publisher of The Miami News-Record, a daily newspaper printed in the English language, in the city of Miami, Ottawa County, Oklahoma, having a paid general subscription circulation in said County, with entrance into the United States mails as second class matter in Ottawa County, and published and printed in said County where delivered to the United States mail, that said newspaper has been continuously and uninterruptedly published in said County during a period of one hundred four (104) consecutive weeks immediately prior to the first publication attached notice, advertisement of publication: and that said newspaper comes within the requirements of Section 106, Title 25, Oklahoma Statutes 1971, as amended 1973, and complies with all other requirements of the laws of Oklahoma with reference to legal publication.

That said notice, a true copy of which is attached hereto, was published in the regular edition of said newspaper during the period and time of publication and not in a supplement, on the following dates:

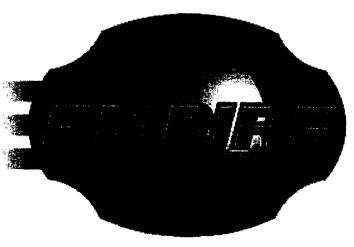
By:

Subscribed and sworn to before me this day of My commission expires:

My commission expires:

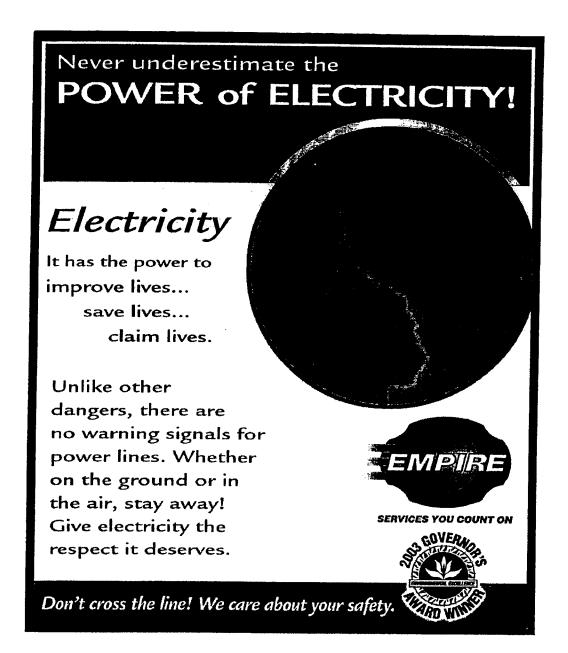
OFFICIAL SEAL

Community Recognition of Logo Ad



### **PeopleSoft Technical/Functional Systems Analyst**

BS degree or equivalent experience in Information Systems. Application development experience, excellent analytical skills, self starter, and ability to apply technology solutions to meet the business need. Experience with Crystal reports, Oracle, SQL Server and Windows NT/2000. Preferred skills: 2 or more years experience with Peoplesoft 7.0 and/or 8.0. Qualified applicants should apply to The Empire District Electric Company 602 Joplin Street, Joplin, MO 64804. Equal Employment Opportunity Employer M/F/V/HC.



Before you hit the road for your summer vacation, consider temperature to the lowest these opportunities to conserve energy while you're away:

### **Electronics**

Computers, stereos, TVs, and VCRs or DVD players - they all use electricity even when they're not turned on. Unplugging these products before a trip can help save energy.

### Cooling

Set the thermostat higher than the typical comfort level. The mig 80's is ideal for your central air-conditioning system, or leave system off if you use a window unit.

### Lighting

In a few rooms, consider using timers to turn lights on each night. It can improve security by giving a home look without having a light on all the time. Use compaction cent bulbs for inside and outside lights that will be on the lights These use about 75 percent less power and last u 12,000 hours.

### **Water Heating**

If you're going on a lengthy trip, turn down the water heater

harreminder to turn it back up upon reti

degrees and 39

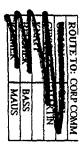
EMPIRE

206-2300 or 417-624-0300 www.empiredistrict.com

SERVICES YOU COOK

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SUBJECT HOT TYPES - AGO TO DATE 2-7-03
NEWSPAPER GIOBE

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# HOT Tips to keep you GOO

• Turn off any unnecessary lighting during the day. Lights produce heat, causing your air conditioner to work harder.

• Since high humidity makes our bodies hold more heat, perform activities such as mopping and washing dishes in the coolest part of the day. These tasks add moisture - and heat - to your house in the summer.

• With the bathroom door closed, a bathroom exhaust fan or open window will act to remove heat and moisture. This spares the air conditioner extra work.

• Use your kitchen exhaust fan to remove excess heat and moisture. But don't let it run more than 15 minutes after cooking or it will be taking out conditioned air.

 Use ventilated awnings and other shading devices to prevent heat from entering windows exposed to direct sunlight. Remember that dark colors absorb heat. You can repel excess heat by using light-colored blinds, shades, and draperies on the sunny sides of the house.

• Each time the door is opened, hot air enters your house. Try to keep in-and-out traffic from overworking your cooling system.

• Open crawl space and attic vents in the summer to reduce the humidity and moisture load on your cooling system.

At Empire, we realize that the heat of summer can be life threatening; therefore, we recommend the use of air conditioning to safeguard health. This is especially important for the elderly and those with health problems.

To help customers cope with the increased expense of summer heat, Empire offers the Average Pay Plan that can level out the seasonal ups and downs making budgeting easier. For more information, call Empire at 1-800-203-2600; Call Center representatives are available 24 hours a day.

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SERVICES YOU COUNT ON
800-206-2300 or 624-0300
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**Products and services** — It is section confides the most common rate schedules and details product and service offerings for residential, commercial, and industrial customers.

**Investor Relations** — Stock quotes, dividend reinvestment information, SEC filings, recent annual reports, and the answers to frequently asked investor questions can be found in this segment.

**Customer Access** — Customers will find information regarding credit card payments, the Average Payment Plan and AUTOPAY, deposit and fee information, and other customer service programs.

**Economic Development** — For those looking to relocate their business to the area, this section contains general information about the company's economic development program and contact information.

**Newsroom** — Here visitors to the site, will find the company's news releases, copies of the most recent annual reports, and contact information for corporate communications.

**Employment** — Job seekers will find a list of job openings, an employment application, and information on employment benefits.

The site also offers contact information for various areas of the company, access to Electric Universe, a safety and educational information site, and access to Information about proposed Clear Skies legislation.



800-206-2300 or 624-0300 www.empiredistrict.com

# IT'S YOUR CHOICE

### **Average Payment Plan**

With our Average Payment Plan (APP), you won't have to deal with any surprises in your energy costs. Your monthly average payment amount is determined by dividing your total energy consumption for the past year by 11. The average becomes your monthly payment for the next year. In the 12th month, your bill will show either a CREDIT AMOUNT or an AMOUNT DUE. You will receive a check if APP has resulted in overpayment during the year.

When you select APP, you can also choose when you want to pay your bill. Visit our website to enroll: www.empiredistrict.com, under Customer Access - Average Payment Plan - Enrollment Form or call our Call Center at 624-0300 or 800-206-2300.

### Simplify your Life with Auto-Pay

When you choose Auto-Pay, your payment is automatically deducted from your bank account. You will still receive your bill, showing in advance the exact amount and date your bank account will be debited. Payment will be verified each month on your bank statement. If you wish to cancel Auto-Pay, simply contact us.

Complete the form available on our website at www.empiredistrict.com under Customer Access - Auto-Pay - Enrollment Form or call our Call Center at 624-0300 or 800-206-2300.

### **Credit Card Payment by Phone**

Empire now has a credit card payment service available for your convenience. To use this service, you must have a touch-tone telephone and either a DISCOVER, MasterCard, or VISA credit card. A teleprocessing fee will be charged to your credit card.

Simply call 1-888-240-2356. After the greeting, you will hear a menu of services. Press 1 to make a payment.

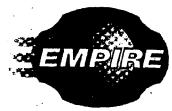
### **Credit Card Payment On-line**

Credit card payments may also be made on-line. Simply go to our website at www.empiredistrict.com under Customer Access - Payments - Credit Card Online. Just follow the steps outlined.



### Mail in your payment

In addition to the above options, you can always pay by utilizing the envelope enclosed with your bill. Utilizing any of these payment options helps hold down expenses for Empire, and that's good for all customers.

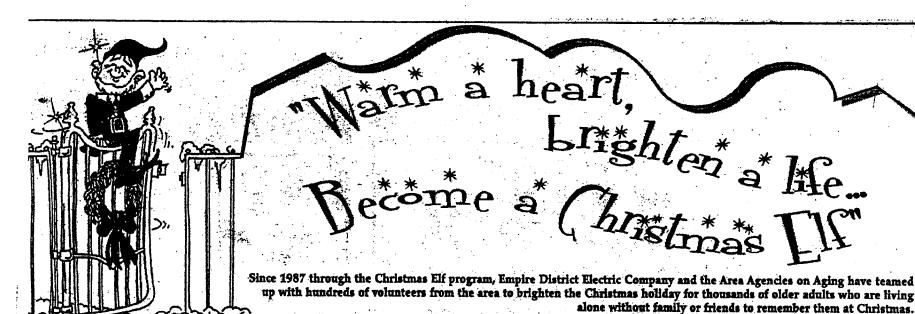


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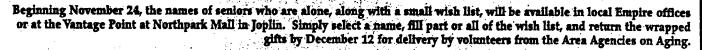
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The wish lists are small and often contain requests for food (non-perishables only), gloves, stationery and stamps, etc. We do ask that you please limit the size and weight of the boxes, large or heavy boxes are difficult for volunteers and recipients to handle.

Thanks to you, our Christmas Elves, the holidays will be a little brighter for some of our loneliest neighbors.



The Empire District Electric Company was honored by Missouri Governor Bob. Holden with three of his 2003 Environmental Excellence/Pollution Prevention Awards, which honor the state's top environmental stewards. Awards presented to Empire include the Pollution Prevention Award, the Recycling Award, and the Statewide Environmental Excellence/Pollution Prevention Award. Empire was recognized for its tirederived fuel project at the Asbury Power Plant.

The tire-derived fuel is made from used tires which are collected, chopped into pieces, and mixed with coal. These waste tires are considered an environmental hazard to air, land, and water quality, and are an eyesore. The Company

plans to hold additional collections in the future to assist area communities in dealing with the waste-tire problem.

800-206-2300 or 624-0300

www.empiredistrict.com



# ELECTRICITY—Give it the respect it deserves.

• Never touch any power line or wire. Consider every power line or wire to be energized and especially dangerous. Call Empire District for help.

- If you are involved in a traffic accident that results in power lines touching your car. STAY IN YOUR CAR until help arrives. If you absolutely must get out of your car, jump clear of the vehicle. You must not become a part of the electrical pathway to the ground. Do not make contact with the vehicle and the ground at the same time. If you are at the scene of such an accident, do not approach a car that is touching the power line. Keep others away, remain a safe distance away, and wait for emergency personnel to handle the situation. Call 911 and Empire District.
- Never drive over downed power lines. Even if not energized, they can become entangled in your vehicle.
- Never touch downed power lines or use any object to move power lines, including brooms, boards, limbs, or plastic materials. Although wood is non-conductive, if even slightly wet it will conduct electricity, causing electric shock or electrocution. Power lines can also slide down such objects when lifted. Report the downed power lines to Empire District. Only qualified electric utility workers should attempt to move downed power lines.
- P · Never touch a person who is in contact with power lines or other objects that are touching power lines. You cannot help them by being electrocuted yourself.

Do not attempt to cut or remove a tree that is or could become, entangled with power lines. Contact Empire District for assistance.

• Do not allow children to play in trees near jower lines, or to swing on guy wires. If there are downed lines in your neighborhood, after severe weather, keep your children inside. Teach your children about electrical after as early as possible. Reinforce it as they grow.

If you plan to do any digging as you prepare to stimulate sure to call 1-800-DIG-RITE to have underground facilities localed. Underground cables could be only inches away.

• Look up! Always examine your surroundings to power line to cations before doing any outside work. The law requires that a 10-foot electronic be maintained between people or equipment and power lines at all times. Always so who intends to work within the prohibited area must notify Emplies District Starting the work. Contact with electrical lines or objects that are incommend with electrical lines may cause death or physical injury.



800-206-2300 or 417/624-0300 www.empiredistributeom

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### Average Payment the Killing Comment

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### Since 1909 Franke Land Committed to providing service. As part the energy services to power your life, pent payment option.

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Empire now has a credit card payment service available for your convenience. dividing the total energy consumption (a) the versus was a touch-tone telephone and either a DIS-COVER, MasterCard, or VISA credit card. A teleprocessing fee will be charged to your credit card.

Simply call 1-888-240-2356. After the greeting, you will hear a menu of services. Press 1 to make a payment. You will be asked to enter your nine-digit account number and given directions for entering your card number, expiration date, zip When you choose Auto-Ray your payment to be seen to see the card or the star key (\*) if there are no extra digits on the card. A confirmation number

> Credit card payments may also be made on-line. Simply go to our website at: www.empiredistrict.com, under Customer Access select Payments then Credit Card On-line, and follow the steps outlined. You will be asked to enter your account number, select the card type, enter a payment, confirm your entries, and write down the confirmation number upon approval. A processing fee will be charged to your credit card.

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How you pay your electric bill is your choice! Call us to discuss your options. 800-206-2300 or 624-0300 • www.empiredistrict.com

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If your power is out, It matters to us.

Storms can cause significant damage, resulting in widespread power outages. To report a power outage, call 800-206-2300, 24 hours a day, 7 days a week. Empire has a well-trained storm restoration team, and should a storm occur, we'll be working hard to make the inconvenience to you as short-lived as possible.

#### Safety is our first concern.

We care about your safety, so if you see a downed line, assume it is energized, stay away, keep others away, and call us to report it at 800-206-2300

### An efficient process determines restoration priorities.

We have developed an efficient, highly organized process that helps us prioritize our restoration efforts and return power to the facilities that serve the largest number of customers first. Crews receive their instructions based upon this restoration plan. Sometimes a crew may actually have to leave your area to restore your power because the damage is between the source of power and your area.

#### **Call Center Tips**

Last year our Call Centers responded to over 450,000 calls. That's over 1,200 calls per day. And, like most businesses, we have days of the week and times of the day that are busier than others. The best time to call us for normal business requests is in the afternoon. Mondays and mornings, including Saturday mornings, are always busy. However, our Call Center is open to take your calls 24 hours a day, all year long.

During high volume times, such as the time during a service interruption, calls are fed into our system and callers are put on hold until a service representative becomes available. We recommend that you stay on the line, if at all possible, since calls are answered in the order they are received. Hanging up and calling back will only delay your accessing a representative.

If you have an extreme emergency situation, for example, a line is on the ground or a pole is on fire, we recommend that you call your local 911 or emergency services if you are not able to reach us immediately.

In the event of a power outage, please be patient. We know this is difficult when an unexpected inconvenience occurs. Our crews will be working to restore service as quickly as possible. At Empire District Electric Company, we consider it an honor to serve you.

www.empiredistrict.com • 1-800-206-2300



DATE 2-6-63

ROUTE TO: CORP COMM. GATZ **GIPSON** GIBSON MARTIN KNAPP BEECHER BASS PALMER MAUS

# Neighbors Helping Neighbors PROJECT

Within each of us lies the spirit of lending a helping hand. For over 20 years, Empire District Electric Company has embodied that spirit through Project Help.

### What is Project Help?

Project Help is an assistance program created to meet the emergency energy-related expenses of the elderly and/or disabled residents in Empire's service area. For many of these people, protection against extreme heat or cold can be a matter of life or death.

Project Help is a joint effort between The Empire District Electric Company and the American Red Cross, Southwest Missouri Chapter. It is totally funded through voluntary donations.

### How can I help?

It's easy! Just add one dollar to your Empire District Electric bill payment each month.

All contributions received by Empire will be given monthly to the American Red Cross, Southwest Missouri Chapter, to be used to help pay the emergency energy costs of the truly needy.

And remember, your contributions are tax deductible. Your total Project Help contributions for the previous year will be reported on your January Empire District Electric bill each year.

Who is eligible for Project Help assistance and how do you apply? To be eliaible for Project Help, applicants must be 55 years of age or older, or be disabled to the extent that they cannot be economically self-sufficient and have no other resource available. To apply for assistance, contact the Southwest Missouri Chapter, American Red Cross at 410 S. Jackson, Joplin, Missouri 64801 or 417-624-4411.

> The Red Cross will verify each applicant's eligibility. Please Pleage Your Support to Project Help



SERVICES YOU COUNT ON

four Neighbors are Counting on You!



SOUTHWEST MISSOURI CHAPTER

GIPSON	GATZ
GIBSO	MARTIN
KNAPP	
BEECHER	BASS
PALMER	MAUS

### Check Us Out On The Web: www.empiredistrict.com

Our site contains general information about the company and its operation and is divided into seven segments:

**About Us —** Customers will find the company mission statement, company officer blos, some selected facts about Empire, a company history, a service territory map, safety tips, and the answers to some frequently asked questions.

**Products and Services** — This section contains the most common rate schedules and details product and service offerings for residential, commercial, and industrial customers.

**Investor Relations** — Stock quotes, dividend reinvestment information, SEC filings, recent annual reports, and the answers to frequently asked investor questions can be found in this segment.

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