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August 22, 2002

Executive Secretary  
Public Service Commission  
P. O. Box 360  
Jefferson City, MO 65102

**FILED**<sup>3</sup>

AUG 22 2002

Missouri Public  
Service Commission

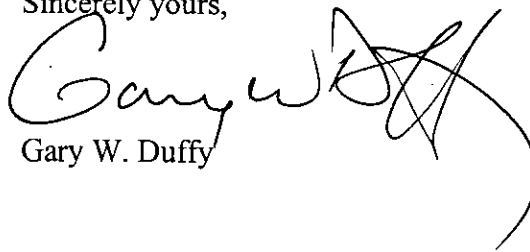
**RE:** Case No. ET-2002-1058

Dear Mr. Roberts:

Enclosed for filing in the above-referenced proceeding please find an original and eight copies of a Unanimous Stipulation and Agreement in this case.

If you have any questions, please give me a call.

Sincerely yours,

  
Gary W. Duffy

Enclosures

cc w/encl: John Coffman, Office of Public Counsel  
Denny Frey, Office of the General Counsel  
Mike Palmer, Empire  
Dave Gibson, Empire

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

**FILED<sup>3</sup>**  
AUG 22 2002

Missouri Public  
Service Commission

In the Matter of The Empire District Electric     )  
Company's Proposed Changes to Extension     )     Case No. ET-2002-1058  
Rules and Charges to New Customers.     )     Tariff File No. 200200888

**UNANIMOUS STIPULATION AND AGREEMENT**

COME NOW The Empire District Electric Company (Empire), the Staff of the Missouri Public Service Commission (Staff), and the Office of the Public Counsel (OPC) (collectively referred to as the parties) and submit this Unanimous Stipulation and Agreement (Stipulation and Agreement) for approval by the Commission.

**BACKGROUND**

1. On April 17, 2002, Empire submitted proposed tariff sheets (File No. 200200888) proposing to modify its electric line extension rules. The proposed sheets bore an effective date of May 17, 2002.
2. On May 6, 2002, the OPC filed a Motion to Reject Tariff. Empire responded to the OPC's motion on May 13, 2002. The Staff also filed a response and a motion to consolidate this case with Empire's pending rate case (Case No. ER-2002-424) on May 13, 2002.
3. The Commission issued an Order Suspending Tariff and Directing Notice on May 14, 2002. In that Order, the Commission suspended the effective date of the proposed tariff sheets to March 14, 2003. No requests to intervene were filed in response to the notice. It also provided that responses to the Staff's motion to

consolidate were due by May 23, 2002.

4. On May 22, 2002, Empire filed a motion requesting that the Commission allow it an additional 60 days in which to file its response to the Staff's motion to consolidate. Empire stated that settlement discussions were ongoing. On June 4, 2002, the Commission extended the deadline to July 22, 2002.

5. On July 22, 2002, Empire filed another motion to extend the deadline for its response for another 30 days, saying that meetings had been held on the subject tariff sheets with OPC and Staff and that additional time was necessary for settlement discussions.

6. As a result of those meetings and discussions, the parties have agreed to the following Stipulation and Agreement, which resolves all issues in this proceeding in the manner set out herein.

#### **RESOLUTION OF ISSUES**

7. **Tariff Sheets.** The parties agree that the Commission should approve the modifications to Empire's line extension policy embodied in the illustrative sheets shown in **Appendix A**, attached hereto, and should issue an order authorizing the filing by Empire of tariff sheets which are identical in content to the illustrative sheets shown in **Appendix A**. As indicated, the proposed sheets would institute new procedures for extensions by Empire, which would not take effect until February 1, 2003. The new procedures would appear in Empire's tariff before that time in order to give developers advance notice of the changes.

8. **Pending Tariff Sheets.** If the Commission issues an order as indicated in paragraph 7 approving of this stipulated resolution of this case, within five working days

of the effective date of such order, Empire agrees to file a letter withdrawing the tariff sheets identified as Tariff File No. 200200888 and submit compliance tariff sheets in conformance with an order approving this Stipulation and Agreement.

9. **Pending Motions.** If the Commission issues an order as indicated in paragraph 7 approving of this stipulated resolution of this case, OPC and Staff agree that their pending motions in this case shall be considered to have been withdrawn and by its approval of this Stipulation and Agreement, the Commission shall be considered to have approved said withdrawals.

10. **Revenue Impact.** Because the parties do not believe that the agreed-upon changes to Empire's line extension policy will result in a material change to its revenue requirement, the parties agree that no revenue requirement adjustment attributable to this policy change needs to be made in Case No. ER-2002-424. Accordingly, the parties to this agreement will not address this matter in Case No. ER-2002-424.

### **GENERAL PROVISIONS**

11. **Reservations.**

A. This Stipulation and Agreement has resulted from extensive negotiations among the parties and the terms hereof are interdependent. In the event the Commission does not adopt this Stipulation and Agreement in total, then this Stipulation and Agreement shall be void and no party shall be bound, prejudiced, or in any way affected by any of the agreements or provisions hereof. The stipulations herein are specific to the resolution of this proceeding, and all stipulations are made without prejudice to the rights of the parties to take other positions in other proceedings,

or in this proceeding should the Commission decide either not to approve this Stipulation and Agreement or to in any way condition its approval of same.

B. It is specifically understood and agreed that this Stipulation and Agreement represents a negotiated settlement of the issues in this proceeding settled in a manner that is in the public interest. Neither Empire, the Commission, its Staff, nor the OPC, shall be deemed to have approved, accepted, agreed, or consented to any accounting principle, ratemaking principle or cost of service determination underlying, or supposed to underlie any of the issues provided for herein.

C. All parties further understand and agree that the provisions of this Stipulation and Agreement relate only to the specific matters referred to herein, and no party or person waives any claim or right which it otherwise may have with respect to any matters not expressly provided for in this Stipulation and Agreement.

12. **Contingent Waiver of Rights.** In the event the Commission accepts the specific terms of this Stipulation and Agreement, the parties waive with respect to the issues resolved herein: their respective rights pursuant to Section 536.070(2), RSMo 2000 to call, examine and cross-examine witnesses; their respective rights to present oral argument or written briefs pursuant to Section 536.080.1, RSMo 2000; their respective rights to the reading of the transcript by the Commission pursuant to Section 536.080.2, RSMo 2000; their respective rights to seek rehearing pursuant to Section 386.500, RSMo 2000; and their respective rights to judicial review pursuant to Section 386.510, RSMo 2000. If this Stipulation and Agreement is not approved by the Commission, the parties request that a procedural schedule be established which

provides for the filing of testimony and a hearing, to include the opportunity for cross-examination.

13. **Staff's Rights.**

A. The Staff shall file suggestions or a memorandum in support of this Stipulation and Agreement and the other parties shall have the right to file responses within five (5) days of receipt of Staff's supporting pleading. The parties agree that any and all discussions related to this Stipulation and Agreement shall be privileged and shall not be subject to discovery, admissible in evidence, or in any way used, described or discussed in any proceeding, except as expressly specified herein. The contents of any memorandum provided by any party are its own and are not acquiesced in or otherwise adopted by the other signatories to this Stipulation and Agreement, whether or not the Commission approves and adopts this Stipulation and Agreement.

B. The Staff shall also have the right to provide, at any agenda meeting at which this Stipulation and Agreement is noticed to be considered by the Commission, whatever oral explanation the Commission requests, provided that the Staff shall, to the extent reasonably practicable, promptly provide other parties with advance notice of when the Staff shall respond to the Commission's request for such explanation once such explanation is requested from Staff. Staff's oral explanation shall be subject to public disclosure, except to the extent it refers to matters that are privileged or protected from disclosure pursuant to any Protective Order issued in this case.

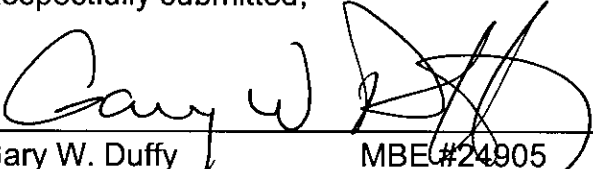
14. **Provision of Additional Information.** To assist the Commission in its review of this Stipulation and Agreement, the parties also request that the Commission advise them of any additional information that the Commission may desire from the

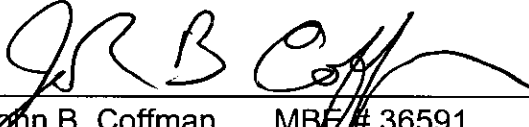
parties relating to the matters addressed in this Stipulation and Agreement, including any procedures for furnishing such information to the Commission.

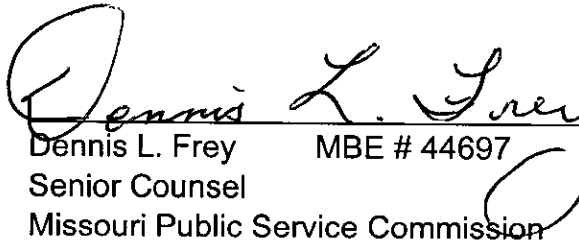
WHEREFORE, the undersigned parties respectfully request that the Commission issue its Order:

- a) Approving all of the specific terms and conditions of this Stipulation and Agreement; and,
- b) Granting such further relief as the Commission should find reasonable and just.

Respectfully submitted,

  
\_\_\_\_\_  
Gary W. Duffy MBE #24905  
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Attorneys for The Empire District Electric Company

  
\_\_\_\_\_  
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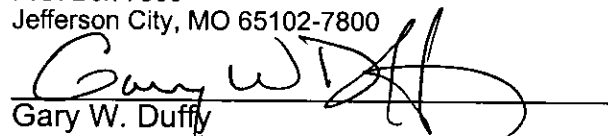
Attorney for the Staff of the Public Service  
Commission

Certificate of Service

I hereby certify that a true and correct copy of the above and foregoing document was hand-delivered, on this 22<sup>nd</sup> day of August, 2002, to:

Mr. Dennis L. Frey  
Missouri Public Service Commission  
Governor State Office Building  
P.O. Box 360  
Jefferson City, MO 65102-0360

Mr. John Coffman  
The Office of the Public Counsel  
6<sup>th</sup> Floor, Governor State Office Building  
P.O. Box 7800  
Jefferson City, MO 65102-7800

  
Gary W. Duffy

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## THE EMPIRE DISTRICT ELECTRIC COMPANY

Sec. 5 6th Revised Sheet No. 12  
Cancelling P.S.C. Mo. No. 5For ALL TERRITORYNo supplement to this rate schedule will be issued except  
for the purpose of cancelling this rate schedule.Sec. 5 5th Revised Sheet No. 12  
Which was issued 7-14-98RULES AND  
REGULATIONS

## CHAPTER III

## SERVICE SPECIFICATIONS

**DRAFT**

\*\*\*The following provisions on Section 5, Sheets 12 through 17, will cease to be effective at midnight Joplin time on January 31, 2003. They will be superseded by the provisions on Section 5, Sheets 17a through 17f, which become effective at 12:01 a.m. on February 1, 2003.

## A. GENERAL

## 1. Condition of Customer's Facilities:

The Company shall have the right to disconnect service to any installation which violates local, municipal, NEC, or NESC regulations or that is deemed by the Company to be detrimental or hazardous to the public, service to other customers, or Company's facilities.

## 2. Equipment Furnished:

For residential and small commercial customers the Company will furnish and install the Company's service drop or lateral and the meter. All other equipment will be furnished by customer and installed by customer's wireman according to Company specifications which are available at any Company office.

For large commercial or industrial installations the Company will furnish meter bases for a fee but will not install the meter base unless it is to be mounted on Company equipment. Specifications and division of responsibility with respect to installation of electrical service and the service entrance equipment are available to the customer and/or the customer's representative upon request at any Company office.

For rural customers, on the initial installation the Company will furnish and install a central service pole and run a service drop to it from Company's distribution lines or transformers. The various feed wires, however, from the central service pole to the customer's house, to the barn, and to the other out-buildings are the customer's property and are to be furnished and installed by the customer. The customer shall so arrange his wiring that the meter socket and service disconnect is located on the central service pole.

## B. ELECTRIC DISTRIBUTION POLICY

## 1. Overhead:

## a. Electric Distribution Extensions to Rural Residential Customers:

The Company will provide, at no cost, single-phase overhead electric service from its distribution system to serve any and all prospective customers occupying permanent residences who apply for such service, provided, however, that: I.) the customer shall pay the cost, including indirect costs of construction, of the extension in excess of one thousand (1,000) feet from the Company's existing distribution facilities as a contribution in aid of construction; II.) in the event that more than three hundred (300) feet of the extension is other than along and/or parallel to a public road, the customer shall pay the cost, including indirect costs of construction, of the extension in excess of three hundred (300) feet which is not along and/or parallel to a public road as a contribution in aid of construction; and III.) the Company will not make any extension over 1,000 feet unless customer, customer's agent, owner of the property served by such extension, or owner's agent, executes a contract in writing with suitable guarantee that s/he will use the service for at least two years and that s/he will pay any unpaid extension cost balance in full if service is disconnected at any time during the first five years of service.

## THE EMPIRE DISTRICT ELECTRIC COMPANY

Sec. 5 Original Sheet No. 17a  
Cancelling P.S.C. Mo. No. \_\_\_\_\_For ALL TERRITORYNo supplement to this rate schedule will be issued except  
for the purpose of cancelling this rate schedule.Sec. \_\_\_\_\_ Revised Sheet No. \_\_\_\_\_  
Which was issued \_\_\_\_\_RULES AND  
REGULATIONS

## CHAPTER III

## SERVICE SPECIFICATIONS

**DRAFT**  
**For Discussion Only**

\*\*\*The following provisions on Section 5, Sheets 17a through 17f, will become effective at 12:01 a.m. Joplin time on February 1, 2003. They will supersede the provisions on Section 5, Sheets 12 through 17 which cease to be effective at midnight on January 31, 2003.

## A. GENERAL

## 1. Condition of Customer's Facilities:

The Company shall have the right to disconnect service to any installation which violates local, municipal, NEC, or NESC regulations or that is deemed by the Company to be detrimental or hazardous to the public, service to other customers, or Company's facilities.

## 2. Equipment Furnished:

For residential and small commercial customers the Company will furnish and install the Company's service drop or lateral and the meter. All other equipment will be furnished by customer and installed by customer's wireman according to Company specifications which are available at any Company office.

For large commercial or industrial installations the Company will furnish meter bases for a fee but will not install the meter base unless it is to be mounted on Company equipment. Specifications and division of responsibility with respect to installation of electrical service and the service entrance equipment are available to the customer and/or the customer's representative upon request at any Company office.

For rural customers, on the initial installation the Company will furnish and install a central service pole and run a service drop to it from Company's distribution lines or transformers. The various feed wires, however, from the central service pole to the customer's house, to the barn, and to the other out-buildings are the customer's property and are to be furnished and installed by the customer. The customer shall so arrange his wiring that the meter socket and service disconnect is located on the central service pole.

## B. ELECTRIC DISTRIBUTION POLICY

## 1. Overhead:

## a. Electric Distribution Extensions to Residential Customers not in a subdivision:

The Company will provide, at no cost, single-phase overhead electric service from its distribution system to serve any and all prospective customers occupying permanent residences who apply for such service, provided, however, that: I.) the customer shall pay the cost, including indirect costs of construction, of the extension in excess of one thousand (1,000) feet from the Company's existing distribution facilities as a contribution in aid of construction; II.) in the event that more than three hundred (300) feet of the extension is other than along and/or parallel to a public road, the customer shall pay the cost, including indirect costs of construction, of the extension in excess of three hundred (300) feet which is not along and/or parallel to a public road as a contribution in aid of construction; and III.) the Company will not make any extension over 1,000 feet unless customer, customer's agent, owner of the property served by such extension, or owner's agent, executes a contract in writing with suitable guarantee that s/he will use the service for at least two years and that s/he will pay any unpaid extension cost balance in full if service is disconnected at any time during the first five years of service.

P-2067

## THE EMPIRE DISTRICT ELECTRIC COMPANY

Sec. 5 Original Sheet No. 17b

Cancelling P.S.C. Mo. No. \_\_\_\_\_

For ALL TERRITORY

No supplement to this rate schedule will be issued except  
for the purpose of cancelling this rate schedule.

Sec. \_\_\_\_\_ Revised Sheet No. \_\_\_\_\_

Which was issued \_\_\_\_\_

**DRAFT****RULES AND  
REGULATIONS****For Discussion Only**

The customer will pay a minimum of five percent (5%) of the customer's contribution at the time of application for such extension as evidence of good faith and the remainder on completion of the construction. With proper credit (as determined by the Company), the customer may pay the remainder in no more than sixty (60) equal monthly payments with an interest charge of six percent (6%) on an annual basis on the unpaid portion of the original amount put on monthly payments. For a period of five (5) years the Company will pay the customer or credit the customer's unpaid extension cost balance for each new customer added to the extension a pro rata amount of the original cost of the extension, based on the ratio of 1,000 feet to the original length of the extension in excess of 1,000 feet.

A copy of the Company's estimate of the cost of construction, including direct and indirect costs, shall be furnished to the customer upon request prior to construction.

The Company will not be required to obligate funds to secure private right-of-way for the purpose of making extension of distribution pole lines or other facilities to premises of prospective customers.

## b. Electric Distribution Extensions to Non-residential Customers:

The company will provide an overhead distribution extension to an individual non-residential customer at no cost to the customer provided the estimated revenue from one year of electric service equals or exceeds the estimated direct and indirect costs of construction of the distribution extension. The Company shall require contributions in aid of construction for the portion of the investment in the total extension of the service to the customer that cannot be supported with the estimated revenues. In addition, if the customer cannot establish adequate credit or accurately project revenues as determined by the Company, the entire cost of the construction shall be required from the customer before the construction is commenced, in combination with minimum monthly or annual guarantees in term contracts to guarantee performance that the sales will develop or that the Company investment will be protected. At the end of five (5) years, the portion of the construction cost justified by the revenue will be refunded to the customer.

The Company will not be required to obligate funds to secure private right-of-way for the purpose of making extension of distribution pole lines or other facilities to premises of prospective customers.

## c. Overhead Service Conditions:

Customer's service entrance shall be installed where it can be conveniently reached from Company's service drop without undue interference from trees, buildings and adjoining property, and in a location such that Company's service lines will have a clearance of not less than thirty-six (36) inches from windows, doors, porches or any building openings, as required by the NEC, for safety reasons. Where it appears impractical to provide thirty-six (36) inches clearance, customer should consult with the Company for assistance in working out the problem.

Customer shall not erect any structure or swimming pool under Company service lines or within Company easements without written approval from the Company.

DATE OF ISSUE \_\_\_\_\_  
ISSUED BY David W. Gibson, Vice President, Joplin, MO

DATE EFFECTIVE \_\_\_\_\_

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## THE EMPIRE DISTRICT ELECTRIC COMPANY

Sec. 5 Original Sheet No. 17c  
Cancelling P.S.C. Mo. No. \_\_\_\_\_For ALL TERRITORYNo supplement to this rate schedule will be issued except  
for the purpose of cancelling this rate schedule.Sec. \_\_\_\_\_ Revised Sheet No. \_\_\_\_\_  
Which was issued \_\_\_\_\_**DRAFT****RULES AND  
REGULATIONS**Complete instructions, specifications, construction requirements, and NEC standards are available at any office of  
the Company.In order to permit proper operation of Company's service lines and feeder lines serving the customer, the Company  
shall have the right, when and as necessary, to trim properly and keep trimmed any trees located upon the  
customer's premises which may interfere with service to customer or service to any other customer.

## d. Temporary Distribution and Service Lines:

The Company shall not be required to provide service to temporary locations, such as for mobile homes, construction  
sites, etc., even though the line facilities are already in place, unless such customer advances the sum stated in  
Schedule CA, Credit Action Fees, as a construction payment for the cost of installation and removal of the meter,  
service, and other necessary facilities. The title to such property shall be and remain in the Company. Should the  
customer utilize electric service at this location for a period of twelve consecutive months from the date of initial  
service, the above payment, plus interest as designated by State Law or Commission order, will be refunded to the  
customer by the Company.The Company shall not be required to provide electric service to temporary customers at locations that require the  
extension of the Company's lines unless the full cost of erection and removal, including indirect costs of  
construction, of the extension be contributed by the customer.

## 2. Underground and Overhead:

The Company's standard construction will be overhead. However, where feasible from engineering, operational, and  
economic considerations, new electric service to residential and commercial customers may be installed underground.  
Installation of facilities shall be made in accordance with the following provisions:

## a. Primary and Secondary Distribution Facilities to Residential Subdivisions:

When application is received from a developer for an extension of electric service to a subdivision in an area not  
served by existing facilities, the Company shall prepare a detailed estimate of the cost to install a distribution system  
to the subdivision, including services, transformers, and indirect costs of construction. A copy of the Company's  
estimate of the cost of construction, including direct and indirect costs, shall be furnished to the developer upon  
request prior to construction. The developer will make full payment of these estimated charges in advance of any  
construction by the company. When construction is completed, if the actual costs of the extension are less than the  
estimated costs, the portion of the developer contribution above the actual costs will be refunded to the customer.  
If actual costs are higher than the estimated costs the developer will not be required to pay more than the estimate.For each new permanent residential customer added during sixty (60) months following the completion of the  
extension, the Company will refund to the developer an amount equal to the Construction Allowance. The  
Construction allowance is described in the following paragraph. Refund totals will not exceed the original  
contribution by the developer. The developer may make arrangements to offset a portion of the cost of an  
underground system by performing certain work such as trenching and back-filling. However, any work performed  
by the developer shall be done in accordance with Company requirements and specifications and shall be coordinated  
with the Company representative.As a Construction Allowance for residential subdivisions, the Company will calculate at the beginning of each  
calendar year the value of 225 feet of overhead single phase primary conductor, one (1) forty foot wood pole and  
necessary fixtures, one (1) down guy and anchor, one (1) fifteen (15) KVA transformer, transformer ground rod, one  
hundred (100) feet of overhead service conductor and related connectors, and one (1) two hundred (200) amp  
meter.

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## THE EMPIRE DISTRICT ELECTRIC COMPANY

Sec. 5 Original Sheet No. 17d  
Cancelling P.S.C. Mo. No. \_\_\_\_\_For ALL TERRITORYNo supplement to this rate schedule will be issued except  
for the purpose of cancelling this rate schedule.Sec. \_\_\_\_\_ Revised Sheet No. \_\_\_\_\_  
Which was issued \_\_\_\_\_

**RULES AND  
REGULATIONS**

In all cases, the developer will be responsible for obtaining any easements or rights-of-way required by the Company and will have them indicated on the subdivision plot and filed with the proper authorities for dedication.

- b. The Company will provide overhead or underground residential service to apartments and other multi-family dwellings provided that the estimated revenue from one (1) year of electric service equals or exceeds the estimated direct and indirect cost of construction for the extension. A copy of the Company's estimate of the cost of construction, including direct and indirect costs shall be furnished to the developer upon request prior to construction.

When construction is completed, if the actual costs of the extension are less than the estimated costs, the portion of the developer contribution above the actual costs will be refunded to the customer. If actual costs are higher than the estimated costs the developer will not be required to pay more than the estimate.

- c. Underground Services to Residential Customers:

The Company will furnish and install cable sufficient to provide underground service runs to individual customers from the Company's underground primary distribution systems, up to 100 feet in length. Any conduit required for the service trench will be the responsibility of the customer. Where a service exceeds 100 feet in length, the Company shall prepare a detailed estimate of the cost to install the entire underground run, including indirect costs. The customer will be required to pay the cost, including indirect costs of construction, of the underground service for that portion in excess of 100 feet. The developer may make arrangements to pay a portion of the excess cost of the underground service by performing certain work such as trenching and back-filling. However, any work performed by the customer shall be done in accordance with Company requirements and specifications and shall be coordinated with the Company representative. After installation, the Company shall own and maintain the underground service.

Where the Company's existing distribution system is installed underground, only underground service conductors to individual customers will be installed. Where the Company's existing facilities are overhead, the service will be overhead unless the customer agrees to pay the estimated difference between the cost of underground and overhead service.

Customers having existing overhead service conductors from the Company's overhead distribution system may have underground service provided they compensate the Company for the unused life and removal costs less salvage value of the existing overhead service conductors in addition to meeting the requirements listed above.

A rural customer whose point of delivery is located at a central service pole shall be responsible for all circuits beyond that point, whether overhead or underground. If the rural customer does not have a central service pole, the Company policy for providing underground service shall be the same as described above for other residential customers.

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## THE EMPIRE DISTRICT ELECTRIC COMPANY

Sec. 5 Original Sheet No. 17e  
Cancelling P.S.C. Mo. No. \_\_\_\_\_For ALL TERRITORYNo supplement to this rate schedule will be issued except  
for the purpose of cancelling this rate schedule.Sec. \_\_\_\_\_ Revised Sheet No. \_\_\_\_\_  
Which was issued \_\_\_\_\_

**RULES AND  
REGULATIONS**

## d. Underground Service to Commercial or Industrial Customers:

When application is received from a commercial or industrial customer for underground electric service, the Company shall prepare a detailed estimate of the cost to install an overhead system to the customer, including indirect costs of construction. The Company shall also perform a detailed estimate to determine the cost to install an underground system of the same scope as the overhead system to the same customer, including indirect costs of construction. If the underground system is more expensive than the overhead system, and the customer insists upon an underground system, the customer shall be required to pay the difference between the estimated cost of the underground system and the overhead system. The customer may make arrangements to pay a portion of the excess cost of the underground system by performing certain work such as trenching and back-filling. However, any work performed by the customer shall be done in accordance with Company requirements and specifications and shall be coordinated with the Company representative.

## e. Underground Service to Authorized Public Street Lighting:

Any authorized street lighting lines installed in a subdivision with underground distribution will be installed underground. When public street lighting lines are installed underground, the estimated direct and indirect costs of construction to install the facilities shall be charged to the appropriate governing agency. The governing agency may make arrangements to pay a portion of the cost of the underground system by performing certain work such as trenching and back-filling. However, any work performed by the governing agency shall be done in accordance with Company requirements and specifications and shall be coordinated with the Company representative.

Arrangements for public street lighting, however, are made between the customer and the governing agency in the area, such as a duly incorporated city, town, village, etc., which has the right to authorize public street lighting in the subdivision. This agency will then contract with the Company for public street lighting service.

If the street lighting lines are required to be installed underground where adequate overhead distribution already exists, then a charge of the estimated direct and indirect costs of construction for underground service to the street lighting, plus compensation for any unused life and the removal costs of any overhead distribution requiring removal, shall be charged to the appropriate governing agency. The governing agency may make arrangements to pay a portion of the cost of the underground system by performing certain work such as trenching and back-filling. However, any work performed by the governing agency shall be done in accordance with Company requirements and specifications and shall be coordinated with the Company representative.

## f. Underground or Overhead Distribution Systems for Mobile Home Parks:

Distribution systems will be provided for mobile home parks when the Company is satisfied that the park will be permanent and where the developer guarantees to protect the investment of the Company in event the park closes or is not utilized sufficiently for revenues to cover the direct and indirect costs of construction.

When application is received from a developer for an extension of electric service to a mobile home park in an area not served by existing facilities, the Company shall prepare a detailed least cost estimate to install a distribution system to the mobile home park, including services, transformers, and indirect costs of construction. A copy of the Company's estimate of the cost of construction, including direct and indirect costs, shall be furnished to the developer upon request prior to construction.

The developer will make full payment of the estimated charges, in excess of one years estimated revenue for the project, in advance of any construction by the Company. When construction is completed, if the actual costs of the extension are less than the estimated costs, the portion of the customer contribution above the actual costs will be refunded to the customer. If actual costs are higher than the estimated costs the customer will not be required to pay more than the estimate.

Upon request, the Company shall install underground services to each mobile home site from an overhead distribution system in accordance with the terms and provisions of Section B.2.c of the Company's filed Rules and Regulations For Electric Service. A combination meter pedestal and power outlet box will be located at each mobile home location. The combination pedestal as well as the necessary meter will be furnished, owned and maintained by the Company. The mobile home park owner or operator will be expected to furnish the trenching and back filling for underground services. In addition, the park owner or operator will be responsible for payment of the cost difference between the combination meter pedestal and a normal underground meter pedestal without a power supply box.

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## THE EMPIRE DISTRICT ELECTRIC COMPANY

Sec. 5 Original Sheet No. 17f  
Cancelling P.S.C. Mo. No.       For ALL TERRITORYNo supplement to this rate schedule will be issued except  
for the purpose of cancelling this rate schedule.Sec.        Revised Sheet No.         
Which was issued       RULES AND  
REGULATIONS

- g. In those situations where the Company determines that, due to economic or safety concerns it would be in the Company's interest to install underground facilities, such facilities may be installed without additional cost to the customer. When it appears that underground construction may be in the Company's economic interest, the Company shall prepare a detailed estimate of the cost to install an overhead system, including indirect costs of construction. The Company shall also perform a detailed estimate to determine the cost to install an underground system of the same scope as the overhead system, including indirect costs of construction.

If the Company determines that either employee or public safety will be affected in the case of reverse feed construction, airport runways, commercial traffic, or state and local codes, the Company will install underground facilities without additional cost to the customer.

## 3. Unregulated competition:

Where the Company competes for business with unregulated competition, the Company may waive all or part of any charges associated with extensions of service and/or construction deposits, provided for in the Empire Distribution Policy, Chapter III B, Empire District Electric Company Rules and Regulations, and any additional non-rate schedule charges, required in order to effectively compete with offers made to developers and/or customers by unregulated competition after notifying the Missouri Public Service Commission and receiving an Order granting the waiver for good cause shown.

## C. METERING

## 1. Meters:

Meters necessary to measure the power and energy purchased and delivered hereunder will be installed, owned and maintained by the Company at its expense. Periodic tests of the accuracy of the metering equipment will be made by the Company according to approved modern practice. No adjustment in charges for service hereunder will be made unless an average error of more than two (2) percent, plus or minus, in the accuracy of such metering is found. Should an error in excess of an average of 2% be found, proper adjustment for the full amount of such error will be made as stated in Chapter V, Section B.1. The Company shall have such meters promptly corrected. Upon the request of the customer, a representative of the customer may witness such periodic tests. The customer will have the right to request that a special meter test be made at any time. If the test made at the customer's request discloses that the meter tested is registering correctly or with an average error of not more than 2% and the meter has been tested in the last 12 months, the customer will bear the expense of such test. The expense of all other tests will be borne by the Company.

The readings of the Company's meter measuring service to customer (subject to determination of accuracy of the meter, as provided above) will be taken as prima facie evidence of the customer's use of service.

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