

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

In the Matter of the Small Company Rate)
Increase Request of The Empire District) Case No. WR-2006-0215
Electric Company of Joplin, Missouri)

**PRE-LOCAL PUBLIC HEARING INFORMATIONAL FILING
REGARDING SMALL COMPANY RATE INCREASE REQUEST**

COMES NOW the Staff of the Missouri Public Service Commission ("Staff"), by and through Counsel, and for its Pre-Local Public Hearing Informational Filing Regarding Small Company Rate Increase Request ("Informational Filing") states the following to the Missouri Public Service Commission ("Commission").

1. On November 21, 2005, in accordance with Commission Rule 4 CSR 240-3.635, The Empire District Electric Company of Joplin, Missouri ("Company") filed revised tariff sheets to implement the provisions of a *Company/Staff Agreement Regarding Disposition of Small Water Company Rate Increase Request* ("Disposition Agreement") between the Company and the Staff, and the instant case was established.

2. On November 30, 2005, the Staff filed the above-referenced Disposition Agreement in this case. (Additional documents regarding the Company's rate increase request, including the Company's customer notices, have also been filed in the case papers, or were previously submitted to the EFIS tracking file for the request [QW-2005-0012]).

3. On December 23, 2005, the Commission issued its **Order Scheduling Local Public Hearing** in this case, pursuant to a request filed by the Office of the Public Counsel. In that order, the Commission established January 11, 2006, as the date for a local public hearing in this case.

4. On December 29, 2005, the Commission issued its **Order Suspending Tariff** and suspended the Company's pending revised tariff sheets until February 4, 2006.

5. Consistent with established internal operating procedures that apply to small company rate cases in which the Commission has scheduled a local public hearing, the Staff documents listed below are included in the document that is attached hereto and identified as Appendix A:

Summary of Company's Annual
Operating Revenues at Current Rates

Ratemaking Income Statement

Rate Design Worksheet

Summary of Company's Annual
Operating Revenues at Proposed Rates

Residential Customer Billing Comparison

Revenue Requirement Audit Workpapers

Summary of Customer Responses to Notice
of Company/Staff Disposition Agreement

Copies of Customer Correspondence re: Notice
of Company/Staff Disposition Agreement

6. Lastly, the Staff states that the Commission does not need to act on the Company's pending revised tariff sheets until after the Staff files its formal recommendation regarding the Commission's approval of those sheets. The Staff will file that recommendation after the completion of any Commission-ordered activities (such as the recently scheduled local public hearing) and/or any additional Staff-initiated activities (such as investigations of service-related customer complaints noted at the local public hearing). However, consistent with the established internal operating procedures that apply to small company rate increase cases, the Staff will file its formal recommendation at least seven (7) working days prior to the current proposed effective date for the pending revised tariff sheets, unless some action is taken to suspend/extend that date.

WHEREFORE, the Staff respectfully submits this Informational Filing for the Commission's information in this case.

Respectfully Submitted,

/s/ Keith R. Krueger

Keith R. Krueger
Deputy General Counsel
Missouri Bar No. 23857

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Missouri Public Service Commission

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CERTIFICATE OF SERVICE

I hereby certify that copies of this Informational Filing have been mailed, hand delivered, transmitted by facsimile or electronically mailed to all counsel and/or parties of record this 6th day of January 2006.

/s/ Keith R. Krueger

APPENDIX A

PRE-LOCAL PUBLIC HEARING INFORMATIONAL FILING

CASE NO. WR-2006-0215

Note: To browse through this document by item, click on the "Bookmark" tab at the top of the menu bar to the left of the screen and then click on the item that you want to see.

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- 6) Revenue Requirement Audit Workpapers
- 7) Summary of Customer Responses to Notice of Company/Staff Disposition Agreement
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Summary of Company's Annual
Operating Revenues at Current Rates

THE EMPIRE DISTRICT ELECTRIC COMPANY-WATER

Revenue Annualizations at Current Rates-Water

Annualized Customer Counts and Service Charge Revenues

Retail Metered Customers

| Meter Size | Residential | Commercial/ Industrial | Total Meters | Rate * | Annual Revenue |
|--------------|--------------|---------------------------|--------------|-----------|-------------------|
| 5/8" | 4,050 | 348 | 4,397 | \$ 7.52 | \$ 396,815 |
| 1" | 16 | 60 | 76 | \$ 16.47 | \$ 14,922 |
| 2" | 5 | 73 | 78 | \$ 49.29 | \$ 46,234 |
| 4" | 1 | 6 | 7 | \$ 150.71 | \$ 12,660 |
| 6"+ | 0 | 0 | 0 | \$ 299.85 | \$ - |
| Total | 4,071 | 487 | 4,558 | | \$ 470,631 |

*monthly service charge

Annualized Commodity Sales - Volumes and Revenues

sales shown in Mgallons

| Meter Size | <100,001 gal | Rate | >100,000 gal. | Rate | Annual Revenue |
|-------------------|------------------|-------------|-----------------|----------|-------------------|
| Residential | 233,661.0 | \$ 2.50 | 923.0 | \$ 0.880 | \$ 584,965 |
| Commercial | 62,064.0 | \$ 2.50 | 22,085.0 | \$ 0.880 | \$ 174,595 |
| Industrial | 5,966.0 | \$ 2.50 | 58,036.0 | \$ 0.880 | \$ 65,987 |
| Municipal | 2,517.0 | \$ 2.50 | 1,509.0 | \$ 0.880 | \$ 7,620 |
| Interdepartmental | 51.0 | \$ 2.50 | | \$ 0.880 | \$ 128 |
| Bulk/Tank Water | 118.0 | \$ 10.67 | | | \$ 1,259 |
| Total | 304,377.0 | 23.2 | 82,553.0 | | \$ 834,553 |

Annualized Adjustment for Billing Adjustments for Over-Reads & Leaks

\$ -

Net Annualized Commodity Revenues

\$ 834,553

Calculated Annualized Commodity Sales

386,905

Other Operating Revenues

| | |
|------------------------------------------------|------------------|
| Revenue Adjustment for Partial and Final Bills | \$ 5,314 |
| Fire Hydrant Rental | \$ 53,563 |
| Late Charge Fees | \$ 11,372 |
| Turn-Off/Turn-On/Penalty Charges | \$ 30 |
| Sprinkler Systems | \$ 3,913 |
| Returned Check Fee | \$ 192 |
| Total Other Revenues | \$ 74,384 |

Total Operating Revenues

| | |
|-----------------------------------------|---------------------|
| Service Charges - Retail Customers | \$ 470,631 |
| Commodity Revenues - Retail Customers | \$ 834,553 |
| Sub-Total Tariffed Rate Revenues | \$ 1,305,184 |
| Other Operating Revenues | \$ 74,384 |
| Total Operating Revenues | \$ 1,379,568 |

Ratemaking Income Statement

THE EMPIRE DISTRICT ELECTRIC COMPANY-WATER

Rate Making Income Statement-Water

Operating Revenues at Current Rates

| | | | |
|---|----------------------------------------------|-----------|------------------|
| 1 | Tariffed Rate Revenues * | \$ | 1,305,184 |
| 2 | Other Operating Revenues * | \$ | 74,384 |
| 3 | Total Operating Revenues | \$ | 1,379,568 |
| 4 | * See "Revenues - Current Rates" for Details | | |

Cost of Service

| Item | Amount |
|----------------------------------------------------|---------------------|
| 1 Operation Supervision & Engineering | \$ 77,622 |
| 2 Maintenance Supervision & Engineering | \$ 28,606 |
| 3 Purchased Power for Pumping | \$ 93,869 |
| 4 Transmission & Distribution Lines | \$ 77,030 |
| 5 Maintenance of Reservoirs & Standpipes | \$ 45,132 |
| 6 Maintenance of Transmission & Dist. Mains | \$ 243,381 |
| 7 Maintenance of Services | \$ 100,198 |
| 8 Supervision-Operation | \$ 5,223 |
| 9 Meter Reading Expenses | \$ 7,958 |
| 10 Customer Records & Collection Exp. | \$ 42,976 |
| 11 Uncollectible Accounts | \$ 5,942 |
| 12 Administration & General - Salaries | \$ 12,130 |
| 13 Injuries & Damages | \$ 4,045 |
| 14 Bookkeeping | \$ - |
| 15 Employee Pensions & Benefits | \$ 116,649 |
| 16 Regulatory Commission Expense | \$ 7,814 |
| 17 Miscellaneous Expense-Rent | \$ 20 |
| 18 Sub-Total Operating Expenses | \$ 868,595 |
| 19 Property Taxes | \$ 83,856 |
| 20 MO Franchise Taxes | \$ - |
| 21 Employer FICA Taxes | \$ - |
| 22 Federal Unemployment Taxes | \$ - |
| 23 State Unemployment Taxes | \$ - |
| 24 State & Federal Income Taxes | \$ 171,108 |
| 25 Sub-Total Taxes | \$ 254,964 |
| 26 Depreciation Expense | \$ 258,844 |
| 27 Amortization of Utility Plant (computer system) | \$ - |
| 28 Sub-Total Depreciation/Amortization | \$ 258,844 |
| 29 Return on Rate Base | \$ 466,303 |
| 30 Total Cost of Service | \$ 1,848,706 |
| 31 Overall Revenue Increase Needed | \$ 469,138 |

Rate Design Worksheet

THE EMPIRE DISTRICT ELECTRIC COMPANY-WATER

Development of Tariffed Rates-Water

Agreement is to increase currently tariffed rates by a percentage equal to the agreed-upon overall revenue increase divided by the revenues generated by the currently tariffed rates.

| | |
|-----------------------------------------------------|---------------------|
| Revenues Generated by Current Tariffed Rates | \$ 1,305,184 |
| Agreed-Upon Overall Revenue Increase | \$ 469,138 |
| Percentage Increase Needed | 35.944% |

| Metered Customer Rates | | | | | | |
|-------------------------------|-------------------------------|--------------------------------|---------------------------|----------------------------|---------------------------|----------------------------|
| Meter Size | Current Service Charge | Proposed Service Charge | Current Usage Rate | Proposed Usage Rate | Current Usage Rate | Proposed Usage Rate |
| 5/8" | \$ 7.52 | \$ 10.22 | \$ 2.500 | \$ 3.40 | \$ 0.880 | \$ 1.196 |
| 1" | \$ 16.47 | \$ 22.39 | \$ 2.500 | \$ 3.40 | \$ 0.880 | \$ 1.196 |
| 2" | \$ 49.29 | \$ 67.01 | \$ 2.500 | \$ 3.40 | \$ 0.880 | \$ 1.196 |
| 4" | \$ 150.71 | \$ 204.88 | \$ 2.500 | \$ 3.40 | \$ 0.880 | \$ 1.196 |
| 6" | \$ 299.85 | \$ 407.63 | \$ 2.500 | \$ 3.40 | \$ 0.880 | \$ 1.196 |
| Bulk/Tank | \$ - | \$ - | \$ 10.670 | \$ 14.51 | \$ - | \$ - |

Summary of Company's Annual
Operating Revenues at Proposed Rates

THE EMPIRE DISTRICT ELECTRIC COMPANY-WATER

Revenue Annualizations at Proposed Rates-Water

Annualized Customer Counts and Service Charge Revenues

Retail Metered Customers

| Meter Size | Residential | Commercial/ Industrial | Total Meters | Rate * | Annual Revenue |
|--------------|--------------|---------------------------|--------------|-----------|-------------------|
| 5/8" | 4,050 | 348 | 4,397 | \$ 10.22 | \$ 539,447 |
| 1" | 16 | 60 | 76 | \$ 22.39 | \$ 20,285 |
| 2" | 5 | 73 | 78 | \$ 67.01 | \$ 62,852 |
| 4" | 1 | 6 | 7 | \$ 204.88 | \$ 17,210 |
| 6" | 0 | 0 | 0 | \$ 407.63 | \$ - |
| Total | 4,071 | 487 | 4,558 | | \$ 639,795 |

monthly service charge

Annualized Commodity Sales - Volumes and Revenues

| Meter Size | <100,001 gal | Rate | >100,000 gal. | Rate | Annual Revenue |
|-------------------|------------------|-------------|-----------------|----------|---------------------|
| Residential | 233,661.0 | \$ 3.40 | 923.0 | \$ 1.196 | \$ 795,226 |
| Commercial | 62,064.0 | \$ 3.40 | 22,085.0 | \$ 1.196 | \$ 237,352 |
| Industrial | 5,966.0 | \$ 3.40 | 58,036.0 | \$ 1.196 | \$ 89,705 |
| Municipal | 2,517.0 | \$ 3.40 | 1,509.0 | \$ 1.196 | \$ 10,360 |
| Interdepartmental | 51.0 | \$ 3.40 | - | \$ 1.196 | \$ 173 |
| Bulk/Tank Water | 118.0 | \$ 14.51 | - | \$ - | \$ 1,712 |
| Total | 304,377.0 | 31.5 | 82,553.0 | | \$ 1,134,527 |

volumes adjusted as needed per net revenue annualization at current rates

Other Operating Revenues

| | |
|------------------------------------------------|------------------|
| Revenue Adjustment for Partial and Final Bills | \$ 5,314 |
| Fire Hydrant Rental | \$ 53,563 |
| Late Charge Fees | \$ 11,372 |
| Turn-Off/Turn-On/Penalty Charges | \$ 30 |
| Sprinkler Systems | \$ 3,913 |
| Returned Check Fee | \$ 192 |
| Total Other Revenues | \$ 74,384 |

Total Operating Revenues

| | |
|-----------------------------------------|---------------------|
| Service Charges - Retail Customers | \$ 639,795 |
| Commodity Revenues - Retail Customers | \$ 1,134,527 |
| Sub-Total Tariffed Rate Revenues | \$ 1,774,322 |
| Other Operating Revenues | \$ 74,384 |
| Total Revenues at Proposed Rates | \$ 1,848,706 |

Revenue Check - Proposed Rates vs. Current Rates

| | |
|--------------------------------------------|--------------|
| Total Revenues at Proposed Rates | \$ 1,848,706 |
| Total Revenues at Current Rates | \$ 1,379,568 |
| Increase In Revenues at Proposed Rates | \$ 469,138 |
| Agreed-Upon Increase in Operating Revenues | \$ 469,138 |

Residential Customer Billing Comparison

THE EMPIRE DISTRICT ELECTRIC COMPANY-WATER

Residential Customer Bill Comparison-Water

Rates for 5/8" Meter

| <u>Current Base</u> | <u>Proposed Base</u> | <u>Current</u> | <u>Proposed</u> |
|-----------------------|-----------------------|-------------------|-------------------|
| <u>Service Charge</u> | <u>Service Charge</u> | <u>Usage Rate</u> | <u>Usage Rate</u> |
| \$7.52 | \$10.22 | \$2.500 | \$3.399 |

current service charge is monthly charge

MONTHLY BILL COMPARISON

6,000 gallons

Current Rates

| | |
|----------------|----------|
| Service Charge | \$ 7.52 |
| Usage Charge | \$ 15.00 |
| Total Bill | \$ 22.52 |

Proposed Rates

| | |
|----------------|----------|
| Service Charge | \$ 10.22 |
| Usage Charge | \$ 20.39 |
| Total Bill | \$ 30.61 |

INCREASES

Service Charge

| | |
|-------------|--------|
| \$ Increase | \$2.70 |
| % Increase | 35.94% |

Usage Charge

| | |
|-------------|--------|
| \$ Increase | \$5.39 |
| % Increase | 35.94% |

Total Bill

| | |
|-------------|--------|
| \$ Increase | \$8.09 |
| % Increase | 35.94% |

Revenue Requirement Audit Workpapers

The Empire Water
 Case: QW-05-012A
 Year ending Dec.31, 2004

Revenue Requirement

| Line | | 8.88% |
|-------|----------------------------------|--------------|
| | | Return |
| (A) | | (B) |
| 1 | Net Orig Cost Rate Base (Sch 2) | \$ 5,251,156 |
| 2 | Rate of Return | 8.88% |
| ***** | | |
| 3 | Net Operating Income Requirement | \$ 466,303 |
| 4 | Net Income Available (Sch 8) | \$ 168,273 |
| ***** | | |
| 5 | Additional NOIBT Needed | \$ 298,030 |
| 6 | Income Tax Requirement (Sch 0) | |
| 7 | Required Current Income Tax | \$ 171,108 |
| 8 | Test Year Current Income Tax | \$ 0 |
| ***** | | |
| 9 | Additional Current Tax Required | \$ 171,108 |
| 10 | Required Deferred ITC | \$ 0 |
| 11 | Test Year Deferred ITC | \$ 0 |
| ***** | | |
| 12 | Additional Deferred ITC Required | \$ 0 |
| ***** | | |
| 13 | Total Additional Tax Required | \$ 171,108 |
| ***** | | |
| 14 | Gross Revenue Requirement | \$ 469,138 |
| ***** | | |

The Empire Water
 Case: QW-05-012A
 Year ending Dec.31, 2004

Rate Base

| Line Description | | Amount |
|-----------------------------|-------------------------------------|--------------|
| (A) | | (B) |
| 1 | Total Plant in Service (Sch 3) | \$ 9,549,516 |
| Subtract from Total Plant | | |
| 2 | Depreciation Reserve (Sch 6) | \$ 2,809,187 |
| ----- | | |
| 3 | Net Plant in Service | \$ 6,740,329 |
| Add to Net Plant in Service | | |
| 4 | Cash Working Capital (Sch) | \$ 0 |
| 5 | Materials and Supplies-Exempt | 28,670 |
| 6 | Prepaid Insurance | 0 |
| Subtract from Net Plant | | |
| 7 | Federal Tax Offset 0.0000 % | \$ 0 |
| 8 | State Tax Offset 0.0000 % | 0 |
| 9 | City Tax Offset 0.0000 % | 0 |
| 10 | Interest Expense Offset 0.0000 % | 0 |
| 11 | Customer Advances for Construction | 478,614 |
| 12 | Contribution in Aid of Construction | 0 |
| 13 | CIAC Depreciation | 0 |
| 14 | Liberalized Depreciation | 1,039,229 |
| 15 | Customer Deposits | 0 |
| ----- | | |
| 16 | Total Rate Base | \$ 5,251,156 |
| ===== | | |

The Empire Water
Case: QW-05-012A
Year ending Dec.31, 2004

Total Plant in Service

| Line No | Acct | Description | Missouri Jurisdictional | Jurisdictional Adjustment | Adjusted Jurisdictional |
|------------------------|---------|------------------------------------|-------------------------|---------------------------|-------------------------|
| | (A) | | (B) | (C) | (D) |
| Intangible Plant | | | | | |
| 1 | 301.000 | Organization | \$ 0 | \$ 0 P-1 | \$ 0 |
| 2 | 302.000 | Franchises | 0 | 0 P-2 | 0 |
| 3 | 303.000 | Miscellaneous Intangible Plant | 0 | 0 P-3 | 0 |
| 4 | | Total | \$ 0 | \$ 0 | \$ 0 |
| Source of Supply Plant | | | | | |
| 5 | 310.000 | Land & Land Rights | \$ 103,700 | \$ 0 P-4 | \$ 103,700 |
| 6 | 311.000 | Structures & Improvements | 412,211 | 0 P-5 | 412,211 |
| 7 | 312.000 | Collecting & Impounding Reservoirs | 0 | 0 P-6 | 0 |
| 8 | 313.000 | Lake, River & Other Intakes | 0 | 0 P-7 | 0 |
| 9 | 314.000 | Wells & Springs | 296,802 | 0 P-8 | 296,802 |
| 10 | 315.000 | Infiltration Galleries & Tunnels | 0 | 0 P-9 | 0 |
| 11 | 316.000 | Supply Mains | 0 | 0 P-10 | 0 |
| 12 | 317.000 | Other Water Source Plant | 0 | 0 P-11 | 0 |
| 13 | | Total | \$ 812,713 | \$ 0 | \$ 812,713 |
| Pumping Plant | | | | | |
| 14 | 320.000 | Land and Land Rights | \$ 0 | \$ 0 P-12 | \$ 0 |
| 15 | 321.000 | Structures and Improvements | 0 | 0 P-13 | 0 |
| 16 | 322.000 | Boiler Plant Equipment | 0 | 0 P-14 | 0 |
| 17 | 323.000 | Other Power Production Equipment | 0 | 0 P-15 | 0 |
| 18 | 324.000 | Steam Pumping Equipment | 0 | 0 P-16 | 0 |
| 19 | 325.000 | Electric Pumping Equipment | 403,008 | 0 P-17 | 403,008 |
| 20 | 326.000 | Diesel Pumping Equipment | 0 | 0 P-18 | 0 |
| 21 | 327.000 | Hydraulic Pumping Equipment | 0 | 0 P-19 | 0 |
| 22 | 328.000 | Other Pumping Equipment | 0 | 0 P-20 | 0 |
| 23 | | Total | \$ 403,008 | \$ 0 | \$ 403,008 |
| Water Treatment Plant | | | | | |
| 24 | 330.000 | Land & Land Rights | \$ 0 | \$ 0 P-21 | \$ 0 |
| 25 | 331.000 | Structures & Improvements | 0 | 0 P-22 | 0 |
| 26 | 332.000 | Water Treatment Equipment | 15,716 | 0 P-23 | 15,716 |
| 27 | | Total | \$ 15,716 | \$ 0 | \$ 15,716 |

The Empire Water
Case: QW-05-012A
Year ending Dec.31, 2004

Total Plant in Service

| Line No | Acct | Description | Missouri Jurisdictional | Jurisdictional Adjustment | Adjusted Jurisdictional |
|-----------------------------------|---------|-------------------------------------|-------------------------|---------------------------|-------------------------|
| | (A) | | (B) | (C) | (D) |
| Transmission & Distribution Plant | | | | | |
| 28 | 340.000 | Land & Land Rights | \$ 1,732 | \$ 0 P-24 | \$ 1,732 |
| 29 | 341.000 | Structures & Improvements | 0 | 0 P-25 | 0 |
| 30 | 342.000 | Distribution Reservoirs & Standpipe | 334,802 | 0 P-26 | 334,802 |
| 31 | 343.000 | Transmission & Distribution Mains | 3,801,218 | 0 P-27 | 3,801,218 |
| 32 | 343.001 | C.I | 0 | 0 P-28 | 0 |
| 33 | 345.000 | Services | 2,996,428 | 0 P-29 | 2,996,428 |
| 34 | 346.000 | Meters | 503,936 | 0 P-30 | 503,936 |
| 35 | 347.000 | Meter Installation | 0 | 0 P-31 | 0 |
| 36 | 348.000 | Hydrants | 400,749 | 0 P-32 | 400,749 |
| 37 | 349.000 | Other Plant & Miscellaneous Equip | 0 | 0 P-33 | 0 |
| 38 | | Total | \$ 8,038,865 | \$ 0 | \$ 8,038,865 |
| General Plant | | | | | |
| 39 | 389.000 | Land & Land Rights | \$ 0 | \$ 0 P-34 | 0 |
| 40 | 390.000 | Structures & Improvements | 0 | 0 P-35 | 0 |
| 41 | 391.000 | Office Furniture and Equipment | 567 | 0 P-36 | 567 |
| 42 | 392.000 | Transportation Equipment | 0 | 0 P-37 | 0 |
| 43 | 393.000 | Stores Equipment | 442 | 0 P-38 | 442 |
| 44 | 394.000 | Tools, Shop & Garage Equipment | 46,483 | 0 P-39 | 46,483 |
| 45 | 395.000 | Laboratory Equipment | 1,503 | 0 P-40 | 1,503 |
| 46 | 396.000 | Power Operated Equipment | 0 | 0 P-41 | 0 |
| 47 | 397.000 | Communication Equipment | 0 | 0 P-42 | 0 |
| 48 | 398.000 | Miscellaneous Equipment | 230,219 | 0 P-43 | 230,219 |
| 49 | 399.000 | Other Tangible Plant | 0 | 0 P-44 | 0 |
| 50 | | Total | \$ 279,214 | \$ 0 | \$ 279,214 |
| ***** | | | | | |
| 51 | | Total Plant In Service | \$ 9,549,516 | \$ 0 | \$ 9,549,516 |
| ***** | | | | | |

The Empire Water
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Year ending Dec.31, 2004

Adjustments to Total Plant

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

The Empire Water
Case: QW-05-012A
Year ending Dec.31, 2004

Depreciation Expense

| Line No | Acct | Description | Adjusted Jurisdictional | Depreciation Rate | Depreciation Expense |
|------------------------|---------|------------------------------------|-------------------------|-------------------|----------------------|
| | (A) | | (B) | (C) | (D) |
| Intangible Plant | | | | | |
| 1 | 301.000 | Organization | \$ 0 | 0.0000 | \$ 0 |
| 2 | 302.000 | Franchises | 0 | 0.0000 | 0 |
| 3 | 303.000 | Miscellaneous Intangible Plant | 0 | 0.0000 | 0 |
| 4 | | Total | \$ 0 | | \$ 0 |
| Source of Supply Plant | | | | | |
| 5 | 310.000 | Land & Land Rights | \$ 103,700 | 0.0000 | \$ 0 |
| 6 | 311.000 | Structures & Improvements | 412,211 | 2.5000 | 10,305 |
| 7 | 312.000 | Collecting & Impounding Reservoirs | 0 | 0.0000 | 0 |
| 8 | 313.000 | Lake, River & Other Intakes | 0 | 0.0000 | 0 |
| 9 | 314.000 | Wells & Springs | 296,802 | 2.0000 | 5,936 |
| 10 | 315.000 | Infiltration Galleries & Tunnels | 0 | 0.0000 | 0 |
| 11 | 316.000 | Supply Mains | 0 | 2.0000 | 0 |
| 12 | 317.000 | Other Water Source Plant | 0 | 10.0000 | 0 |
| 13 | | Total | \$ 812,713 | | \$ 16,241 |
| Pumping Plant | | | | | |
| 14 | 320.000 | Land and Land Rights | \$ 0 | 0.0000 | \$ 0 |
| 15 | 321.000 | Structures and Improvements | 0 | 2.0000 | 0 |
| 16 | 322.000 | Boiler Plant Equipment | 0 | 100.0000 | 0 |
| 17 | 323.000 | Other Power Production Equipment | 0 | 100.0000 | 0 |
| 18 | 324.000 | Steam Pumping Equipment | 0 | 100.0000 | 0 |
| 19 | 325.000 | Electric Pumping Equipment | 403,008 | 10.0000 | 40,301 |
| 20 | 326.000 | Diesel Pumping Equipment | 0 | 100.0000 | 0 |
| 21 | 327.000 | Hydraulic Pumping Equipment | 0 | 100.0000 | 0 |
| 22 | 328.000 | Other Pumping Equipment | 0 | 100.0000 | 0 |
| 23 | | Total | \$ 403,008 | | \$ 40,301 |
| Water Treatment Plant | | | | | |
| 24 | 330.000 | Land & Land Rights | \$ 0 | 0.0000 | \$ 0 |
| 25 | 331.000 | Structures & Improvements | 0 | 0.0000 | 0 |
| 26 | 332.000 | Water Treatment Equipment | 15,716 | 2.9000 | 456 |
| 27 | | Total | \$ 15,716 | | \$ 456 |

The Empire Water
 Case: QW-05-012A
 Year ending Dec.31, 2004

Depreciation Expense

| Line No | Acct | Description | Adjusted Jurisdictional | Depreciation Rate | Depreciation Expense |
|-----------------------------------|---------|-------------------------------------|-------------------------|-------------------|----------------------|
| | | (A) | (B) | (C) | (D) |
| Transmission & Distribution Plant | | | | | |
| 28 | 340.000 | Land & Land Rights | \$ 1,732 | 0.0000 | \$ 0 |
| 29 | 341.000 | Structures & Improvements | 0 | 0.0000 | 0 |
| 30 | 342.000 | Distribution Reservoirs & Standpipe | 334,802 | 2.5000 | 8,370 |
| 31 | 343.000 | Transmission & Distribution Mains | 3,801,218 | 2.0000 | 76,024 |
| 32 | 343.001 | C.I | 0 | 2.0000 | 0 |
| 33 | 345.000 | Services | 2,996,428 | 2.5000 | 74,911 |
| 34 | 346.000 | Meters | 503,936 | 3.3000 | 16,630 |
| 35 | 347.000 | Meter Installation | 0 | 2.9000 | 0 |
| 36 | 348.000 | Hydrants | 400,749 | 2.0000 | 8,015 |
| 37 | 349.000 | Other Plant & Miscellaneous Equip | 0 | 0.0000 | 0 |
| 38 | | Total | \$ 8,038,865 | | \$ 183,950 |
| General Plant | | | | | |
| 39 | 389.000 | Land & Land Rights | \$ 0 | 0.0000 | \$ 0 |
| 40 | 390.000 | Structures & Improvements | 0 | 2.5000 | 0 |
| 41 | 391.000 | Office Furniture and Equipment | 567 | 5.0000 | 28 |
| 42 | 392.000 | Transportation Equipment | 0 | 5.0000 | 0 |
| 43 | 393.000 | Stores Equipment | 442 | 10.0000 | 44 |
| 44 | 394.000 | Tools, Shop & Garage Equipment | 46,483 | 5.0000 | 2,324 |
| 45 | 395.000 | Laboratory Equipment | 1,503 | 5.0000 | 75 |
| 46 | 396.000 | Power Operated Equipment | 0 | 6.7000 | 0 |
| 47 | 397.000 | Communication Equipment | 0 | 5.0000 | 0 |
| 48 | 398.000 | Miscellaneous Equipment | 230,219 | 6.7000 | 15,425 |
| 49 | 399.000 | Other Tangible Plant | 0 | 2.5000 | 0 |
| 50 | | Total | \$ 279,214 | | \$ 17,896 |
| ***** | | | | | |
| 51 | | Total Depreciation Expense | \$ 9,549,516 | | \$ 258,844 |
| ***** | | | | | |

The Empire Water
Case: QW-05-012A
Year ending Dec.31, 2004

Depreciation Reserve

| Line No | Acct Description | Missouri Jurisdictional | Jurisdictional Adjustment | Adjusted Jurisdictional |
|-----------------------------------|---------------------------------------------|-------------------------|---------------------------|-------------------------|
| | (A) | (B) | (C) | (D) |
| Intangible Plant | | | | |
| 1 | 301.000 Organization | \$ 0 | \$ 0 R-1 | \$ 0 |
| 2 | 302.000 Franchises | 0 | 0 R-2 | 0 |
| 3 | 303.000 Other Plant & Miscellaneous Equip | 0 | 0 R-3 | 0 |
| 4 | Total | \$ 0 | \$ 0 | \$ 0 |
| Source of Supply & Pumping Plant | | | | |
| 5 | 310.000 Land & Land Rights | \$ 0 | \$ 0 R-4 | \$ 0 |
| 6 | 311.000 Structures & Improvements | 96,985 | 0 R-5 | 96,985 |
| 7 | 312.000 Collecting & Impounding Reservoirs | 0 | 0 R-6 | 0 |
| 8 | 313.000 Lake, River & Other Intakes | 0 | 0 R-7 | 0 |
| 9 | 314.000 Wells & Springs | 83,064 | 0 R-8 | 83,064 |
| 10 | 315.000 Infiltration Galleries & Tunnels | 0 | 0 R-9 | 0 |
| 11 | 316.000 Supply Mains | 0 | 0 R-10 | 0 |
| 12 | 325.000 Electric Pumping Equipment | 191,891 | 0 R-11 | 191,891 |
| 13 | 328.000 Other Supply & Pumping Plant | 0 | 0 R-12 | 0 |
| 14 | 339.200 Other Plant & Miscellaneous Equip | 0 | 0 R-13 | 0 |
| 15 | Total | \$ 371,940 | \$ 0 | \$ 371,940 |
| Water Treatment Plant | | | | |
| 16 | 331.000 Structures and Improvements | \$ 0 | \$ 0 R-14 | \$ 0 |
| 17 | 332.000 Water Treatment Equipment | 4,981 | 0 R-15 | 4,981 |
| 18 | Total | \$ 4,981 | \$ 0 | \$ 4,981 |
| Transmission & Distribution Plant | | | | |
| 19 | 341.000 Structures and Improvements | \$ 0 | \$ 0 R-16 | \$ 0 |
| 20 | 342.000 Distribution Reservoirs & Standpipe | 166,678 | 0 R-17 | 166,678 |
| 21 | 343.000 Transmission & Distribution Mains | 986,844 | 0 R-18 | 986,844 |
| 22 | 345.000 Services | 856,741 | 0 R-19 | 856,741 |
| 23 | 344.000 Fire Meters | 0 | 0 R-20 | 0 |
| 24 | 346.000 Meters | 241,692 | 0 R-21 | 241,692 |
| 25 | 347.000 Meter Installation | 0 | 0 R-22 | 0 |
| 26 | 348.000 Hydrants | 100,575 | 0 R-23 | 100,575 |
| 27 | Total | \$ 2,352,530 | \$ 0 | \$ 2,352,530 |

The Empire Water
 Case: QW-05-012A
 Year ending Dec.31, 2004

Depreciation Reserve

| Line No | Acct | Description | Missouri Jurisdictional | Jurisdictional Adjustment | Adjusted Jurisdictional |
|---------------|---------|--------------------------------|-------------------------|---------------------------|-------------------------|
| | (A) | | (B) | (C) | (D) |
| General Plant | | | | | |
| 28 | 390.000 | Structures & Improvements | \$ 0 | \$ 0 R-24 | \$ 0 |
| 29 | 389.000 | Land & Land Rights | 0 | 0 R-25 | 0 |
| 30 | 391.000 | Office Furniture & Equipment | 567 | 0 R-26 | 567 |
| 31 | 392.000 | Transportation Equipment | 0 | 0 R-27 | 0 |
| 32 | 393.000 | Stores Equipment | 744 | 0 R-28 | 744 |
| 33 | 394.000 | Tools, Shop & Garage Equipment | 20,701 | 0 R-29 | 20,701 |
| 34 | 395.000 | Laboratory Equipment | 1,967 | 0 R-30 | 1,967 |
| 35 | 396.000 | Power Operated Equipment | 0 | 0 R-31 | 0 |
| 36 | 397.000 | Communication Equipment | 0 | 0 R-32 | 0 |
| 37 | 398.000 | Miscellaneous Equipment | 55,757 | 0 R-33 | 55,757 |
| 38 | 399.000 | Other Tangible Plant | 0 | 0 R-34 | 0 |
| 39 | | Total | \$ 79,736 | \$ 0 | \$ 79,736 |
| ***** | | | | | |
| 40 | | Total Depreciation Reserve | \$ 2,809,187 | \$ 0 | \$ 2,809,187 |
| ***** | | | | | |

The Empire Water
 Case: QW-05-012A
 Year ending Dec.31, 2004

Cash Working Capital

| Line No | Acct Description | Test Year Expenses | Revenue Lag | Expense Lag | Net Lag (C) - (D) | Factor (Col E/365) | CWC Req (B) x (F) |
|-----------------------------------|-----------------------------------------|--------------------|-------------|-------------|-------------------|--------------------|-------------------|
| | (A) | (B) | (C) | (D) | (E) | (F) | (G) |
| Operation and Maintenance Expense | | | | | | | |
| 1 | Cash Vouchers | \$ 952,451 | 0.0000 | 0.0000 | 0.0000 | 0.000000 | \$ 0 |
| 2 | Total Operation and Maintenance Expense | \$ 952,451 | | | | | \$ 0 |
| ***** | | | | | | | |
| 3 | Total Taxes | \$ 0 | | | | | \$ 0 |
| ***** | | | | | | | |
| 4 | Total Cash Working Capital Req | | | | | | \$ 0 |
| ***** | | | | | | | |

The Empire Water
Case: QW-05-012A
Year ending Dec.31, 2004

Adjustments to Depreciation Reserve

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

The Empire Water
Case: QW-05-012A
Year ending Dec.31, 2004

Income Statement

| Line No | Acct | Description | Missouri Jurisdictional | Jurisdictional Adjustment | Adjusted Jurisdictional |
|--------------------|---------|-------------------------------------|-------------------------|---------------------------|-------------------------|
| | (A) | | (B) | (C) | (D) |
| Operating Revenues | | | | | |
| 1 | 460.100 | Unmetered Sales to Customers | \$ 0 | \$ 0 S-1 | \$ 0 |
| 2 | 460.200 | Unmetered Sales to Commercial Cus | 0 | 0 S-2 | 0 |
| 3 | 460.300 | Unmetered Sales to Industrial Cust | 0 | 0 S-3 | 0 |
| 4 | 460.400 | Unmetered Sales to Public Authority | 0 | 0 S-4 | 0 |
| 5 | 461.100 | Metered Sales to Residential Cust | 1,008,273 | (51,655) S-5 | 956,618 |
| 6 | 461.200 | Metered Sales to Commercial Cust | 271,969 | (7,338) S-6 | 264,631 |
| 7 | 461.300 | Metered Sales to Industrial Cust | 74,835 | 320 S-7 | 75,155 |
| 8 | 461.400 | Metered Sales to Public Authorities | 0 | 0 S-8 | 0 |
| 9 | 462.000 | Private Fire Protection Service | 0 | 57,476 S-9 | 57,476 |
| 10 | 464.000 | Other Sales to Public Authorities | 12,793 | (888) S-10 | 11,905 |
| 11 | 467.000 | Interdepartmental Sales | 1,446 | (516) S-11 | 930 |
| 12 | 471.000 | Miscellaneous Service Revenues | 0 | 30 S-12 | 30 |
| 13 | 474.000 | Other Water Revenue | 0 | 12,823 S-13 | 12,823 |
| 14 | | Total | \$ 1,369,316 | \$ 10,252 | \$ 1,379,568 |

The Empire Water
Case: QW-05-012A
Year ending Dec.31, 2004

Income Statement

| Line No | Acct Description | Missouri Jurisdictional | Jurisdictional Adjustment | Adjusted Jurisdictional |
|---------------------------------|------------------------------------------------|-------------------------|---------------------------|-------------------------|
| (A) | | (B) | (C) | (D) |
| Operation & Maintenance Expense | | | | |
| 15 | 600.000 Operation Supervision & Engineering \$ | 2,109 | \$ (10) S-14 | \$ 2,099 |
| 16 | 602.000 Purchased Water | 0 | 0 S-15 | 0 |
| 17 | 610.000 Maintenance Supervision and Enginee | 19,708 | (2,125) S-16 | 17,583 |
| 18 | 620.000 Operation Supervision and Engineer | 41,361 | (2,150) S-17 | 39,211 |
| 19 | 623.000 Fuel or Power Purchased for Pumping | 93,869 | 0 S-18 | 93,869 |
| 20 | 630.000 Maintenance Supervision & Engineeri | 9,994 | 1,029 S-19 | 11,023 |
| 21 | 640.000 Operation Supervision & Engineering | 36,582 | (958) S-20 | 35,624 |
| 22 | 641.000 Chemicals | 0 | 0 S-21 | 0 |
| 23 | 643.000 Misc Expense Snowremoval Grass cut | 0 | 0 S-22 | 0 |
| 24 | 660.000 Operation Supervision & Engineering | 901 | (213) S-23 | 688 |
| 25 | 662.000 Transmission & Distribution Lines | 82,357 | (5,327) S-24 | 77,030 |
| 26 | 672.000 Maint of Dist Reservoirs & Standpip | 23,400 | 21,732 S-25 | 45,132 |
| 27 | 673.000 Maint of Transmission & Dist Mains | 239,914 | 3,467 S-26 | 243,381 |
| 28 | 675.000 Maintenance of Services | 98,258 | 1,940 S-27 | 100,198 |
| 29 | 901.000 Supervision - Operation | 5,247 | (24) S-28 | 5,223 |
| 30 | 902.000 Meter Reading Expenses | 6,872 | 1,086 S-29 | 7,958 |
| 31 | 903.000 Customer Records & Collection Exp | 36,818 | 6,158 S-30 | 42,976 |
| 32 | 904.000 Uncollectible Accounts | 6,000 | (58) S-31 | 5,942 |
| 33 | 920.000 Adminstrative & General Salaries | 12,130 | 0 S-32 | 12,130 |
| 34 | 925.000 Injuries & Damages | 4,929 | (884) S-33 | 4,045 |
| 35 | 926.000 Employee Pensions & Benefits | 123,304 | (6,655) S-34 | 116,649 |
| 36 | 928.000 Regulatory Commission Expenses | 8,457 | (643) S-35 | 7,814 |
| 37 | 930.000 Rents | 20 | 0 S-36 | 20 |
| 38 | 931.000 Taxes other than income - Property | 80,403 | 3,453 S-37 | 83,856 |
| 39 | 934.400 Interest Expense Customer Deposits | 0 | 0 S-38 | 0 |
| 40 | Total | \$ 932,633 | \$ 19,818 | \$ 952,451 |
| Depreciation Expense | | | | |
| 41 | Depreciation Expense | \$ 0 | \$ 258,844 S-49 | \$ 258,844 |
| 42 | Total | \$ 0 | \$ 258,844 | \$ 258,844 |
| 43 | Other Operating Expenses | \$ 0 | \$ 0 | \$ 0 |
| 44 | Total Operating Expenses | \$ 932,633 | \$ 278,662 | \$ 1,211,295 |

The Empire Water
 Case: QW-05-012A
 Year ending Dec.31, 2004

Income Statement

| Line No | Acct Description | Missouri Jurisdictional | Jurisdictional Adjustment | Adjusted Jurisdictional |
|-----------------------|-------------------------|-------------------------|---------------------------|-------------------------|
| | (A) | (B) | (C) | (D) |
| 45 | Net Income Before Taxes | \$ 436,683 | \$ (268,410) | \$ 168,273 |
| ***** | | | | |
| Current Income Taxes | | | | |
| 46 | Current Income Taxes | \$ 0 | \$ 0 | \$ 0 |
| 47 | Total | \$ 0 | \$ 0 | \$ 0 |
| Deferred Income Taxes | | | | |
| 48 | Deferred Income Taxes | \$ 0 | \$ 0 | \$ 0 |
| 49 | Total | \$ 0 | \$ 0 | \$ 0 |
| ***** | | | | |
| 50 | Total Income Taxes | \$ 0 | \$ 0 | \$ 0 |
| ***** | | | | |
| ***** | | | | |
| 51 | Net Operating Income | \$ 436,683 | \$ (268,410) | \$ 168,273 |
| ***** | | | | |

The Empire Water
Case: QW-05-012A
Year ending Dec.31, 2004

Adjustments to Income Statement

| Adj No Description | Total Co Adjustment | Mo Juris Adjustment |
|----------------------------------------------------------------------------------------|------------------------|------------------------|
| ***** | | |
| Metered Sales to Residential Cust | S-5 | \$ (51,655) |
| ***** | | |
| 1. To reflect customer growth updated through June 2005. (Oligschlaeger) | | \$ 7,848 |
| 2. To remove the amount for Hydrant Rental reflected in account 461.100. (Eaves) | | \$ (47,720) |
| 3. To reflect the reclass of sprinkler syestem revenue to account 474.00 (Eaves) | | \$ (3,913) |
| 4. To reflect the reclass of bulk sales to acct 461.100 (Eaves) | | \$ (331) |
| 5. To reflect the removal of primacy fees from water sales. (Eaves) | | \$ (7,539) |
| ***** | | |
| Metered Sales to Commercial Cust | S-6 | \$ (7,338) |
| ***** | | |
| 1. To reflect customer growth updated through June 2005. (Oligschlaeger) | | \$ 70 |
| 2. To reflect the removal of hydrant rental fees for reclass purposes. (Eaves) | | \$ (5,378) |
| 3. To reflect the removal of primacy fees from sale of water revenue. (Eaves) | | \$ (1,102) |
| 4. To reflect the reclass of bulk water sale revenue. (Eaves) | | \$ (928) |

The Empire Water
Case: QW-05-012A
Year ending Dec.31, 2004

Adjustments to Income Statement

| Adj No Description | Total Co Adjustment | Mo Juris Adjustment |
|-----------------------------------------------------------------------------------------------|------------------------|------------------------|
| ***** | | |
| Metered Sales to Industrial Cust | S-7 | \$ 320 |
| ***** | | |
| 1. To reflect customer growth updated through June 2005. (Oligschlaeger) | | \$ 579 |
| 2. To reflect the removal of hydrant rental fees for reclass purposes. (Eaves) | | \$ (155) |
| 3. To reflect the removal of primacy fees from water sale revenue. (Eaves) | | \$ (104) |
| ***** | | |
| Private Fire Protection Service | S-9 | \$ 57,476 |
| ***** | | |
| 1. To reflect the reclassification of Hydrant Rental Revenue to account 462.000 (Eaves) | | \$ 53,563 |
| 2. To reflect the reclass of sprinkler sytem revenue to acct 462.000 (Eaves) | | \$ 3,913 |
| ***** | | |
| Other Sales to Public Authorities | S-10 | \$ (888) |
| ***** | | |
| 1. To reflect customer growth updated through June 2005. (Oligschlaeger) | | \$ (523) |
| 2. To reflect the removal of hydrant rental fees for reclass purposes. (Eaves) | | \$ (307) |
| 3. To reflect the removal of primacy fees from water sale revenue. (Eaves) | | \$ (58) |

The Empire Water
Case: QW-05-012A
Year ending Dec.31, 2004

Adjustments to Income Statement

| Adj No Description | Total Co Adjustment | Mo Juris Adjustment |
|---------------------------------------------------------------------------------------------------|------------------------|------------------------|
| ***** | | |
| Interdepartmental Sales | S-11 | \$ (516) |
| ***** | | |
| 1. To reflect customer growth updated through June 2005. (Oligschlaeger) | | \$ (471) |
| 2. To reflect the removal of hydrant rental fees for reclass purposes. (Eaves) | | \$ (33) |
| 3. To reflect the removal of primacy fees from the sale of water revenue. (Eaves) | | \$ (12) |
| ***** | | |
| Miscellaneous Service Revenues | S-12 | \$ 30 |
| ***** | | |
| 1. To reflect the amount of reclass for reconnect charges. (Eaves) | | \$ 30 |
| ***** | | |
| Other Water Revenue | S-13 | \$ 12,823 |
| ***** | | |
| 1. To reflect the amount of late fees and returned check fees. (Eaves) | | \$ 11,564 |
| 2. To reclass bulk water sales from acct 461.100 (Eaves) | | \$ 928 |
| 3. To reflect the reclass bulk sales revenue from acct 461.100. (Eaves) | | \$ 331 |
| ***** | | |
| Operation Supervision & Engineering | S-14 | \$ (10) |
| ***** | | |
| 1. To adjust test year payroll to reflect Staff's annualization of payroll. (Oligschlaeger) | | \$ (30) |

The Empire Water
Case: QW-05-012A
Year ending Dec.31, 2004

Adjustments to Income Statement

| Adj No | Description | Total Co Adjustment | Mo Juris Adjustment |
|-----------|---------------------------------------------------------------------------------------------------|------------------------|------------------------|
| 2. | To adjust test year payroll taxes to reflect Staff's annualization. (Oligschlaeger) | | \$ 25 |
| 3. | To adjust test year 401K expense to reflect Staff's annualization. (Oligschlaeger) | | \$ (5) |
| ***** | | | |
| | Maintenance Supervision and Engineeer S-16 | | \$ (2,125) |
| ***** | | | |
| 1. | To adjust test year payroll to reflect Staff's annualization of payroll. (Oligschlaeger) | | \$ (165) |
| 2. | To adjust test year payroll taxes to reflect Staff's annualization of payroll. (Oligschlaeger) | | \$ 140 |
| 3. | To adjust test year 401K expense to reflect Staff's annualization. (Oligschlaeger) | | \$ (29) |
| 4. | To adjust test year level of expense to reflect a 3 year average. (Eaves) | | \$ (2,071) |
| ***** | | | |
| | Operation Supervision and Engineer S-17 | | \$ (2,150) |
| ***** | | | |
| 1. | To adjust test year payroll to reflect Staff's annualization of payroll. (Oligschlaeger) | | \$ (439) |
| 2. | To adjust test year payroll taxes to reflect Staff's annualization of payroll. (Oligschlaeger) | | \$ 371 |

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The Empire Water
Case: QW-05-012A
Year ending Dec.31, 2004

Adjustments to Income Statement

| Adj No Description | Total Co Adjustment | Mo Juris Adjustment |
|------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| 3. To adjust test year 401K expense to reflect Staff's annualization. (Oligschlaeger) | | \$ (78) |
| 4. To adjust test year level of expense to reflect a 3 year average. (Eaves) | | \$ (2,004) |
| ***** | | |
| Fuel or Power Purchased for Pumping | S-18 | |
| ***** | | |
| 1. | | |
| ***** | | |
| Maintenance Supervision & Engineeri | S-19 | \$ 1,029 |
| ***** | | |
| 1. To adjust test year payroll to reflect Staff's annualization of payroll. (Oligschlaeger) | | \$ (36) |
| 2. To adjust test year payroll taxes to reflect Staff's annualization of payroll. (Oligschlaeger) | | \$ 30 |
| 3. To adjust test year 401K expense to reflect Staff's annualization of payroll. (Oligschlaeger) | | \$ (6) |
| 4. To adjust test year expense level to reflect a 3 year average. (Eaves) | | \$ 1,041 |
| ***** | | |
| Operation Supervision & Engineering | S-20 | \$ (958) |
| ***** | | |
| 1. To adjust test year payroll to reflect Staff's annualization of payroll. (Oligschlaeger) | | \$ (297) |

The Empire Water
Case: QW-05-012A
Year ending Dec.31, 2004

Adjustments to Income Statement

| Adj No Description | Total Co Adjustment | Mo Juris Adjustment |
|------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| 2. To adjust test year payroll taxes to reflect Staff's annualization of payroll. (Oligschlaeger) | | \$ 251 |
| 3. To adjust test year 401K expense to reflect Staff's annualization. (Oligschlaeger) | | \$ (53) |
| 4. To adjust test year level of expense to reflect a 3 year averages. (Eaves) | | \$ (859) |
| ***** | | |
| Operation Supervision & Engineering S-23 | | \$ (213) |
| ***** | | |
| 1. To adjust test year level of expense to reflect a 3 year average. (Eaves) | | \$ (213) |
| ***** | | |
| Transmission & Distribution Lines S-24 | | \$ (5,327) |
| ***** | | |
| 1. To adjust test year payroll to reflect Staff's annualization of payroll. (Oligschlaeger) | | \$ (690) |
| 2. To adjust test year payroll taxes to reflect Staff's annualization of payroll. (Oligschlaeger) | | \$ 583 |
| 3. To adjust test year 401K expense to reflect Staff's annualization. (Oligschlaeger) | | \$ (122) |
| 4. To adjust test year level of expense to reflect a 3 year average. (Eaves) | | \$ (5,098) |

The Empire Water
Case: QW-05-012A
Year ending Dec.31, 2004

Adjustments to Income Statement

| Adj No Description | Total Co Adjustment | Mo Juris Adjustment |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| ***** | | |
| Maint of Dist Reservoirs & Standpip | S-25 | \$ 21,732 |
| ***** | | |
| 1. To adjust test year paryoll to reflect Staff's annualization of pyroll. (Oligschlaeger) | | \$ (203) |
| 2. To adjust test year payroll taxes to reflect Staff's annualization. (Oligschlaeger) | | \$ 172 |
| 3. To adjust test year 401K expense to reflect Staff's annualization. (Oligschlaeger) | | \$ (36) |
| 4. To adjust test year balance for new tank maintenance contract with a ten year amortization period. \$48,574 per year for ten years. (Eaves) | | \$ 25,174 |
| 5. To reflect the Company's adjustment for costs associated with the inspection for Utility Service Company. (Eaves) | | \$ (3,375) |
| ***** | | |
| Maint of Transmission & Dist Mains | S-26 | \$ 3,467 |
| ***** | | |
| 1. To adjust test year payroll to reflect Staff's annualization cf payroll. (Oligschlaeger) | | \$ (1,571) |
| 2. To adjust test year payroll to reflect Staff's annualization cf payroll. (Oligschlaeger) | | \$ 1,328 |
| 3. To adjust test year 401K expense to reflect Staff's annualization. (Oligschlaeger) | | \$ (278) |

The Empire Water
Case: QW-05-012A
Year ending Dec.31, 2004

Adjustments to Income Statement

| Adj No Description | Total Co Adjustment | Mo Juris Adjustment |
|------------------------------------------------------------------------------------------------|------------------------|------------------------|
| 4. To adjust the test year level of expense to reflect a 3 year average. (Eaves) | | \$ 3,988 |
| ***** | | |
| Maintenance of Services | S-27 | \$ 1,940 |
| ***** | | |
| 1. To adjust test year payroll to reflect Staff's annualization of payroll. (Oligschlaeger) | | \$ (275) |
| 2. To adjust test year payroll taxes to reflect Staff's annualization. (Oligschlaeger) | | \$ 233 |
| 3. To adjust test year 401K expenses to reflect Staff's annualization. (Oligschlaeger) | | \$ (49) |
| 4. To adjust the test year expense level to reflect a 3 year average. (Eaves) | | \$ 2,031 |
| ***** | | |
| Supervision - Operation | S-28 | \$ (24) |
| ***** | | |
| 1. To adjust test year payroll to reflect Staff's annualization of payroll. (Oligschlaeger) | | \$ (75) |
| 2. To adjust test year payroll taxes to reflect Staff's annualization. (Oligschlaeger) | | \$ 64 |
| 3. To adjust test year 401K expense to reflect Staff's annualization. (Oligschlaeger) | | \$ (13) |

The Empire Water
Case: QW-05-012A
Year ending Dec.31, 2004

Adjustments to Income Statement

| Adj No Description | Total Co Adjustment | Mo Juris Adjustment |
|---------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| ***** | | |
| Meter Reading Expenses | S-29 | \$ 1,086 |
| ***** | | |
| 1. To adjust test year payroll to reflect Staff's annualization of payroll. (Oligschlaeger) | | \$ (90) |
| 2. To adjust test year payroll taxes to reflect Staff's annualization. (Oligschlaeger) | | \$ 76 |
| 3. To adjust test year 401K expense to reflect Staff's annualization. (Oligschlaeger) | | \$ (16) |
| 4. To adjust test year expense level to reflect a 3 year average. (Eaves) | | \$ 1,116 |
| ***** | | |
| Customer Records & Collection Exp | S-30 | \$ 6,158 |
| ***** | | |
| 1. To adjust test year payroll to reflect Staff's annualization fo payroll. (Oligschlaeger) | | \$ (514) |
| 2. To adjust test year payroll taxes to reflect Staff's annualization of payroll. (Oligschlaeger) | | \$ 435 |
| 3. To adjust test year 401K expense to reflect Staff's annualization. (Oligschlaeger) | | \$ (91) |
| 4. To adjust the test year expense level to reflect a 3 year average. (Eaves) | | \$ 6,328 |

The Empire Water
Case: QW-05-012A
Year ending Dec.31, 2004

Adjustments to Income Statement

| Adj No Description | Total Co Adjustment | Mo Juris Adjustment |
|---------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| ***** | | |
| Uncollectible Accounts | S-31 | \$ (58) |
| ***** | | |
| 1. To adjust test year payroll to reflect staff's annualization of payroll. (Oligschlaeger) | | \$ (174) |
| 2. To adjust test year payroll taxes to reflect Staff's annualization of payroll. (Oligschlaeger) | | \$ 147 |
| 3. To adjust test year 401K expense to reflect Staff's annualization. (Oligschlaeger) | | \$ (31) |
| ***** | | |
| Injuries & Damages | S-33 | \$ (884) |
| ***** | | |
| 1. To adjust the test year expense level to reflect a 3 year average. | | \$ (884) |
| ***** | | |
| Employee Pensions & Benefits | S-34 | \$ (6,655) |
| ***** | | |
| 1. To adjust healthcare costs related water employees share of total company expense. (Eaves) | | \$ (1,390) |
| 2. To adjust FAS 106 amount in test year to reflect the Staff's annualization. (Eaves) | | \$ (5,265) |
| ***** | | |
| Regulatory Commission Expenses | S-35 | \$ (643) |
| ***** | | |
| 1. To adjust PSC annual assessment fee to the 2006 assessment amount. (Eaves) | | \$ (2,086) |

The Empire Water
Case: QW-05-012A
Year ending Dec.31, 2004

Adjustments to Income Statement

| Adj No Description | Total Co Adjustment | Mo Juris Adjustment |
|----------------------------------------------------------------------------------------------------|------------------------|------------------------|
| 2. To adjust rate case expense to reflect a 3 year amortization of an ongoing level. (Eaves) | | \$ 1,443 |
| ***** | | |
| Taxes other than income - Property S-37 | | \$ 3,453 |
| ***** | | |
| 1. To adjust test year property tax expense to reflect Staff's annualization. (Eaves) | | \$ 3,453 |

The Empire Water
Case: QW-05-012A
Year ending Dec.31, 2004

Income Tax

| Line | | Test Year | 8.88% Return |
|------|------------------------------------|--------------|-----------------|
| (A) | | (B) | |
| 1 | Net Income Before Taxes (Sch 8) | \$ 168,273 | \$ 637,411 |
| | Add to Net Income Before Taxes | | |
| 2 | Book Depreciation Expense | \$ 258,844 | \$ 258,844 |
| 3 | Total | \$ 258,844 | \$ 258,844 |
| | Subtr from Net Income Before Taxes | | |
| 4 | Interest Expense 3.4400 % | \$ 180,640 | \$ 180,640 |
| 5 | Book Depreciation | 258,844 | 258,844 |
| 6 | Total | \$ 439,484 | \$ 439,484 |
| 7 | Net Taxable Income | \$ (12,367) | \$ 456,771 |
| | Provision for Federal Income Tax | | |
| 8 | Net Taxable Income | \$ (12,367) | \$ 456,771 |
| 9 | Deduct Missouri Income Tax 100.0 % | \$ 0 | \$ 23,949 |
| 10 | Deduct City Income Tax | 0 | 0 |
| 11 | Federal Taxable Income | (12,367) | 432,822 |
| 12 | Total Federal Tax | \$ 0 | \$ 147,159 |
| | Provision for Missouri Income Tax | | |
| 13 | Net Taxable Income | \$ (12,367) | \$ 456,771 |
| 14 | Deduct Federal Income Tax 50.0 % | \$ 0 | \$ 73,580 |
| 15 | Deduct City Income Tax | 0 | 0 |
| 16 | Missouri Taxable Income | (12,367) | 383,192 |
| 17 | Total Missouri Tax | \$ 0 | \$ 23,949 |

The Empire Water
 Case: QW-05-012A
 Year ending Dec.31, 2004

Income Tax

| Line | (A) | Test Year | 8.88% Return |
|------|-------------------------------------|-------------|--------------|
| | | (B) | |
| | Provision for City Income Tax | | |
| 18 | Net Taxable Income | \$ (12,367) | \$ 456,771 |
| 19 | Deduct Federal Income Tax | \$ 0 | \$ 147,159 |
| 20 | Deduct Missouri Income Tax | 0 | 23,949 |
| 21 | City Taxable Income | (12,367) | 285,663 |
| 22 | Total City Tax | \$ 0 | \$ 0 |
| | Summary of Provision for Income Tax | | |
| 23 | Federal Income Tax | \$ 0 | \$ 147,159 |
| 24 | Missouri Income Tax | 0 | 23,949 |
| 25 | City Income Tax | 0 | 0 |
| 26 | Total | \$ 0 | \$ 171,108 |
| | Deferred Income Taxes | | |
| 27 | Deferred Investment Tax Credit | \$ 0 | \$ 0 |
| 28 | Deferred Repair Allowance | 0 | 0 |
| 29 | Deferred Tax Depreciation | 0 | 0 |
| 30 | Amort of Deferred Tax Depreciation | 0 | 0 |
| 31 | Amort of Repair Allowance | 0 | 0 |
| 32 | Amort of Deferred ITC | 0 | 0 |
| 33 | Deferred Unbilled | 0 | 0 |
| 34 | Total | \$ 0 | \$ 0 |
| 35 | Total Income Tax | \$ 0 | \$ 171,108 |

Summary of Customer Responses to Notice of Company/Staff Disposition Agreement

Missouri Public Service Commission
Second Notice Public Comments Report

From Date : 11/01/2005 To Date : 12/13/2005

| Public Comment ID. | Utility Type | Company Name | First Name | Last Name | City | State | Public Comments | Office Receiving Comment | Staff person | Resolution of Service/Quality Issue |
|--------------------|--------------|-----------------------------------------------|------------|-----------|-------------|-------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------|-------------------------------------|
| P200600185 | Water | Empire District Electric Company, The-(Water) | Michael | Bauer | Aurora | MO | (Pam) Opposes rate increase. Has poor water quality. | PSC | BN | Investigation in Process |
| P200600182 | Water | Empire District Electric Company, The-(Water) | Jim | Burgridge | Aurora | MO | (Pam) Opposes rate increase. | PSC | | N/A |
| P200600198 | Water | Empire District Electric Company, The-(Water) | Melody | Cline | Aurora | MO | She understand's and agrees with the rate increase in general, but does not think that the service connection fee is reasonable. States that those that allready live in the area are low income and this will be a hardship for many people. | PSC | BN | Investigation in Process |
| P200600191 | Water | Empire District Electric Company, The-(Water) | Curtis | Crawford | Aurora | MO | (Pam) Has received two conflicting letters from Co. Feels either rate is too high. On a fixed income. He would like to get these kind of raised with the social security. Opposes rate increase. | PSC | | N/A |
| P200600186 | Water | Empire District Electric Company, The-(Water) | Ginnie | French | Aurora | MO | (Pam) Opposes rate increase. Water quality is poor and Empire won't do anything about it. | PSC | BN | Investigation in Process |
| P200600189 | Water | Empire District Electric Company, The-(Water) | Don | Garner | Aurora | MO | (Pam) Feels the proposed increase is too much for people on a fixed income to bear. Feels Empire should do something like Monett does, has a flat rate for senior citizens for both water and sewer. Please do not allow such a hugh increase. | PSC | | N/A |
| P200600194 | Water | Empire District Electric Company, The-(Water) | Lloyd | Garougte | Marionville | MO | (Pam) This rate increase will be a hardship for the senior citizens in this area. Co. does not deserve any increase. Always a battle to get anything done. Lines are rusted. Opposes rate increase. Every rate increase is against the customer. | PSC | BN | Investigation in Process |
| P200600184 | Water | Empire District Electric Company, The-(Water) | Denny | Harmon | Aurora | MO | (Pam) Water is undrinkable. Upset over report Empire filed regarding the wells. Opposes rate increase. | PSC | BN | Investigation in Process |
| P200600187 | Water | Empire District Electric Company, The-(Water) | Carol | Hartley | Aurora | MO | (Pam) Opposes rate increase. Company just got an increase no long ago. On fixed income. Lines are always busting and leaking. Feels Empire doesn't take good care of the lines now. Feels rates are misrepresented. | PSC | BN | Investigation in Process |
| P200600199 | Water | Empire District Electric Company, The-(Water) | Kelley | Hartley | Marionville | MO | Disagrees with rate increase. Thinks customers are being charged enough allready. This will be hard with people that live on fixed income. Low income people have faced enough increases this year. | PSC | | |

| | | | | | | | | | | |
|------------|-------|-----------------------------------------------|---------|--------------|--------------|----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|----|-----------------------------------------------------------|
| P200600205 | Water | Empire District Electric Company, The-(Water) | Carol | Hartley | Aurora | MO | Org letter from Empire states that consumers are paying \$.88/ 1,000 gallons.Co just sent that a correction letter stating that consumers really pay \$2.50 now which means that rate increase is going to be 38%.Every letter sent has contradictions. | PSC | | N/A |
| P200600181 | Water | Empire District Electric Company, The-(Water) | David | Linn | Aurora | MO | (Pam) Opposes rate increase. On a fixed income and this increase is too much for the elderly to pay for. Please consider the poor consumer. | PSC | | N/A |
| P200600197 | Water | Empire District Electric Company, The-(Water) | Terrie | Rice | Ozark | MO | (Pam) Opposes rate increase. Rates are already too high. | PSC | | N/A |
| P200600183 | Water | Empire District Electric Company, The-(Water) | Lisa | Schessmacher | Aurora | MO | (Pam) Co. sent out report and it stated two wells are of poor water quality. The report also stated that they might mix some of the poor water with some of the good water and no one could tell the difference. Feels water is already undrinkable. | PSC | BN | Investigation in Process |
| P200600180 | Water | Empire District Electric Company, The-(Water) | Ilene | Skinner | Aurora | MO | Customer states that co should not get any more money that what they already have. Thinks that \$585 service connection fee is a hardship on a lot of people | PSC | BN | Investigation in Process |
| P200600188 | Water | Empire District Electric Company, The-(Water) | Ralph | Wilson | Marionville | MO | Living on fixed income and thinks prices now are already too much despite conserving usage. Against rate increase because it is excessive. Increase will make it that much harder for the elderly to pay bills. | PSC | | N/A |
| Letter | Water | Empire District Electric Company, The-(Water) | Bill | Allen | | | See attached | PSC | | No return address on envelope |
| E-mail | Water | Empire District Electric Company, The-(Water) | Melissa | Briggs | | | See attached | OPC | | N/A |
| E-mail | Water | Empire District Electric Company, The-(Water) | Jackie | Dinley | | | See attached | PSC | BN | Investigation in Process |
| Fax | Water | Empire District Electric Company, The-(Water) | D F | Eukel | Mount Vernon | MO | See attached | OPC | | N/A |
| Fax | Water | Empire District Electric Company, The-(Water) | Carol | Jones | Aurora | MO | See attached | Both | | N/A |
| E-mail | Water | Empire District Electric Company, The-(Water) | Connie | Kaye | Monett | MO | See attached | Both | BN | Explained the connection fee and the rate case procedure. |
| Letter | Water | Empire District Electric Company, The-(Water) | Richard | Waltrip | Aurora | MO | See attached | Both | | N/A |

Copies of Customer Correspondence re: Notice
of Company/Staff Disposition Agreement

TO WHOM IT MAY CONCERN:

Please be advised that we would like to ask that the rates not be allowed to be raised higher. We are on a fixed income and we are already paying \$300.00 a month on level pay and our temp in our house is set at 72 degrees. We already had to put in a pellet stove because we could not keep warm on just electricity. Social Security is only around \$860.00 and that doesn't leave much after the electric and water is paid.

Please reconsider allowing rates to change. Before we were married he received a really large bill and he turned everything off that could be unplugged and was watching it very carefully and he came home one day and he caught the guys that were suppose to be reading the meter turning the screw that makes it run faster and he asked them what they were doing and they would not tell him they just put it back together and left.

Bill F. Allen

Russo, Jim

From: Wheatley, Mark [mark.wheatley@ded.mo.gov]
Sent: Thursday, December 15, 2005 11:50 AM
To: Russo, Jim
Cc: Robertson, Ted
Subject: FW:water rate increase (EMPIRE)

Jim:

Here is another comment on Empire. I believe you should have received our other comments yesterday. Thanks!

MDW

From: Stratton, Kendelle
Sent: Thursday, December 15, 2005 11:37 AM
To: Wheatley, Mark
Subject: FW: water rate increase

Kendelle Stratton

From: Melissa Briggs [mailto:ayarep@yahoo.com]
Sent: Thursday, December 15, 2005 10:34 AM
To: mopco
Subject: water rate increase

Dear Mark,

I would like to comment on the water rate increase of 38.13% by Empire Electric for the town of Aurora, MO.

I am stongly opposed to this increase for a couple of reasons. The main one is the quality of my water. It is essentially unfit to drink. I have tried to work with Empire in the past to rectify this problem, but they continue to assure me there is nothing wrong with the water OR that it is caused by my pipes. Well, I took that last excuse to heart and 3 years ago I spent \$500 replacing the water line to my home. It is now new, PCV pipe. The water is still bad. I hardly believe Empire's notion that is is my fault the water is of poor quality. I think it is more likely the means of Empire getting the water to me, hence THEIR pipes, that are of inferior quality. I currently spend \$1.75-\$2.75 per week purchasing drinkable water for my home. Nevermind t he inconvenience of having to go back and forth to the store to do so. However, I feel there is no other option. I merely cannot stomach the water from Empire. Perhaps the employees of Empire would like for me to bottle water from my home for them and their families to drink! I would like to witness that!

Another reason I oppose the increase is because of the amount. I'm sorry, but 38.13% is unresonable.

Honestly, I have not been satified with Empire Electric as a whole. I have experienced much trouble with my electricity and water since I've

lived in my home. That has been 10 years. My power often goes out as many as 8 times per month. I've had to replace power supplies to my computer because of the surges. Instead of this problem being addressed by Empire, I am just told to purchase a surge protector to put outside of my home.

Sure I can spend in excess of a \$1,000 putting new water lines in my home, replacing my water heater, installing a water softener and putting a surge protector on my home, hoping to get the standard service I deserve. I just don't feel it is the consumers responsibility to do all of this AND be expected to pay for higher rates.

I hope my concerns are taken seriously.

Melissa Briggs

Yahoo! Shopping
Find Great Deals on Holiday Gifts at Yahoo! Shopping
<http://us.rd.yahoo.com/mail_us/footer/shopping/*http://shopping.yahoo.com/_ylc=X3oDMTE2bzVzaHJtBF9TAzk1OTQ5NjM2BHNlYwNtYWlscGFnBHNSawNob2xpZGF5LTA1>

CONFIDENTIALITY STATEMENT:

This e-mail and any attachments are intended only for those to which it is addressed and may contain information which is privileged, confidential and prohibited from disclosure and unauthorized use under applicable law. If you are not the intended recipient of this e-mail, you are hereby notified that any use, dissemination, or copying of this e-mail or the information contained in this e-mail is strictly prohibited by the sender. If you have received this transmission in error, please return the material received to the sender and delete all copies from your system.

Russo, Jim

From: jackie dinley [dinleyb@yahoo.com]
Sent: Wednesday, November 30, 2005 7:12 PM
To: water.sewer@psc.mo.gov; mopco@ded.mo.gov
Subject: sewer increase for taneycomo highlands

our names are russ and jackie dinley. 121 monarch lane, branson, mo 65616. we are protesting the increase for the sewers here in taneycomo highlands. they are not properly maintained . they even hauled a lot of trucks of sewage out this summer. the system is not supposed to operate like that. no one checks on it regularly. our sewer line was not put in properly and we have it plug up several times a year. sincerly, jackie and russ dinley

Yahoo! Music Unlimited - Access over 1 million songs. Try it free.

12/1/2005

FILE COPY

Derf & Dee Eukel

The Joy of The L-RD is Our Strength Nehemiah 8:10



5 December, 2005

Office of the Public Counsel
 Attn: Mark Wheatley (FAX # 573.751.5562)
 PO Box 2230
 Jefferson city, Missouri 65102

Shalom!

This letter is in reference to Commission Case No. WR-2006-0215, The Empire District Electric Company's proposed water rate increase. I am sending a copy of this correspondence by FAX to the Public Service Commission (#573.751.1847) and David Gibson [Gipson?] of Empire (# 417.625.5153), also by FAX.

I received a letter dated 28 July, 2005 from Lewis Mills, Acting Public Counsel in response to my first letter. James Russo, Assistant Manager-Rates for the Water & Sewer Department of the Missouri Public Service Commission sent a letter dated 25 August, 2005. David Gibson, Vice President-Regulatory & General Services for Empire sent a "Customer Notice Correction" letter dated 2 December, 2005 to clarify information provided to us in a previous notice regarding the proposed water rate increase.

It appears to us that a rate increase will occur based on the audits The Staff conducted and is now recommending. We continue to strongly object to the increase, its size and the efficiencies of Empire. A Public Hearing is clearly warranted. Thank you for keeping us informed.

D F Eukel

541 Country Lane - Mount Vernon, MO 65712

- PH\FX: 417.466.7251 - rabbi@eukel.org -

Erev Shabbat (Friday) 6:45 PM Kindling of Lights 7:00 PM



DEC 05 2005

11/29/05

RE: CUSTOMER NOTICE

DEAR SIR:

I AM DISTRESSED ABOUT YOUR CONSIDERATION
OF INCREASING RATES.

THE COST OF LIVING CONTINUES TO ESCULATE AND
MISSOURI WAGES REMAIN CONSISTANTLY LOWER
THEN NEARLY ALL OTHER STATES.

PEOPLE CANNOT CONTINUE ON THIS PATH.

I DISAGREE STRONGLY WITH YOUR RATE HIKE.

RESPECTFULLY,

CAROL A. JONES

CAROL A. JONES
407 SAMUEL CT.
AURORA, MO
65605

ATTN:

10-7-5

Dear Sirs:

I would like to protest the rate hike that you are proposing.

Missouri residents are receiving little to NO pay increases; and customers are daily being bombarded with increased prices.

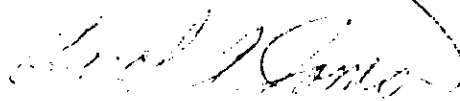
I would think the the Public Service Commission could be creative enough to search out a better method to meet budget. I haven't seen a company yet that couldn't resort to improved money management. Although, most companies are caught up in (put it on the people).

Get ready for the public to rebel. Wage increases in Missouri are in order if the cost of living continues to increase.

We the people are becoming less and less able to manage .

Please consider.

Respectfully,



Carol A. Jones

cc: Public Service Commission
Office of The Public Utility Counsel

Russo, Jim

From: Connie Kaye [CKaye@jackhenry.com]
Sent: Wednesday, November 30, 2005 1:04 PM
To: water.sewer@psc.mo.gov
Subject: Proposed rate changes

I received the notice for the proposed rate changes for The Empire district Electric Company-Water and would like to voice my opinion. My main concern is the proposed rate of \$580.00 for service connection fee. That amount is outrageous! As a new customer in this service area, this type of cost is not realistic when you consider the costs to purchase a home, move, and just connect to the basic services. I can understand a cost if the home is new construction and lines have to be placed but just to connect to service is not understandable. Most people don't have an extra \$580 to throw away on a phone call to begin service. I would hope you sincerely reconsider this fee. The other fees proposed are not extremely out of line as the service connection fee.

Thanks,

*Connie Kaye, PMP
Project Manager, PMO
Jack Henry & Associates
663 Highway 60
Monett, MO 65708
PH: (417)236-8919 Ext: 177176
Cell: (913)219-5516
E-mail: ckaye@jackhenry.com*

11/30/2005

Wheatley, Mark

From: Stratton, Kendelle
Sent: Wednesday, November 30, 2005 1:21 PM
To: Wheatley, Mark
Subject: FW: Proposed rate changes

FILE COPY

Kendelle Stratton

From: Connie Kaye [mailto:CKaye@jackhenry.com]
Sent: Wednesday, November 30, 2005 1:08 PM
To: mopco
Subject: FW: Proposed rate changes

Commission Case No. WR-2006-0215

From: Connie Kaye
Sent: Wednesday, November 30, 2005 1:04 PM
To: 'water.sewer@psc.mo.gov'
Subject: Proposed rate changes

I received the notice for the proposed rate changes for The Empire district Electric Company-Water and would like to voice my opinion. My main concern is the proposed rate of \$580.00 for service connection fee. That amount is outrageous! As a new customer in this service area, this type of cost is not realistic when you consider the costs to purchase a home, move, and just connect to the basic services. I can understand a cost if the home is new construction and lines have to be placed but just to connect to service is not understandable. Most people don't have an extra \$580 to throw away on a phone call to begin service. I would hope you sincerely reconsider this fee. The other fees proposed are not extremely out of line as the service connection fee.

Thanks,

*Connie Kaye, PMP
Project Manager, PMO
Jack Henry & Associates
663 Highway 60
Monett, MO 65708
PH: (417)236-8919 Ext: 177176
Cell: (913)219-5516
E-mail: ckaye@jackhenry.com*

11/30/2005

RECEIVED

DEC 13 2005

UTILITY OPERATIONS
DIVISION

Dear Sirs,

In response to your notice of a rate increase, I would like to ask you a question. Are any of your employees working for lower wages? I doubt it! I'm making four dollars an hour less than I was two years ago. I'm also driving seventy miles a day to have employment. Gas is, as you know, at an all time high, as is food and other necessities. I'm sure all of your employees earn and deserve a pay raise, but the working class deserves a break as well. Don't you agree? If it is necessary to increase your rates, why not choose people who can absorb the cost by passing the cost onto their customers, like industries, car washes, laundry mats, etc. This would give the working class a chance to do better with the income they earn.

Why are you considering a connection fee, when you will have a full time payment for years to come? That's like charging a person to come into your store to buy your wares, isn't it?

Please take some of this into consideration when you make your decision on this matter.

Sincerely,

Richard Waltrip