# LAW OFFICES BRYDON, SWEARENGEN & ENGLAND

DAVID V.G. BRYDON (1937-2012) JAMES C. SWEARENGEN WILLIAM R. ENGLAND, III JOHNNY K. RICHARDSON GARY W. DUFFY PAUL A. BOUDREAU CHARLES E. SMARR DEAN L. COOPER PROFESSIONAL CORPORATION 312 EAST CAPITOL AVENUE P.O. BOX 456 JEFFERSON CITY, MISSOURI 65102-0456 TELEPHONE (573) 635-7166 FACSIMILE (573) 635-0427 DCarter@brydonlaw.com

GREGORY C. MITCHELL BRIAN T. MCCARTNEY DIANA C. CARTER SCOTT A. HAMBLIN JAMIE J. COX L. RUSSELL MITTEN ERIN L. WISEMAN

August 29, 2014

Chief RLJ Morris L. Woodruff, Secretary Missouri Public Service Commission P. O. Box 360 Jefferson City, MO 65102

## RE: The Empire District Electric Company ("Empire") MoPSC Case No. ER-2014-0351

Dear Judge Woodruff:

On behalf of Empire, I am providing herewith for filing with the Missouri Public Service Commission, in electronic form, certain tariff sheets consisting of revised rate schedules designed to increase Empire's gross annual electric revenues by approximately \$24.3 million, exclusive of applicable gross receipts and sales, franchise, and occupational fees or taxes. Each rate schedule bears an issue date of August 29, 2014, and an effective date thirty days thereafter (September 28, 2014).

Also provided is a letter from Kelly Walters, setting forth the specific rate schedules being submitted and the dominant factor driving the need for this rate case, and the remaining information required by Commission Rule 3.030(3)(B). In accordance with Rule 2.065(1), also being provided in electronic form are the verified direct testimonies and schedules of Empire witnesses Brad P. Beecher, Kelly S. Walters, W. Scott Keith, Dr. James H. Vander Weide, Robert W. Sager, Joan E. Land, Aaron J. Doll, Todd W. Tarter, Brent A. Baker, Jeffrey P. Lee, Blake A. Mertens, Stephen C. Williams, and H. Edwin Overcast.

Please let me know if you have any questions or concerns regarding these filings.

Sincerely,

BRYDON, SWEARENGEN & ENGLAND P.C.

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Diana C. Carter

# MINIMUM FILING REQUIREMENTS

THE EMPIRE DISTRICT ELECTRIC COMPANY

ER-2014-0351

## The Empire District Electric Company

#### **Statement of Missouri Revenue Increase Request**

The amount of annual revenue, from Missouri electric customers, which would result from the application of the proposed rates in this case, would be \$24,319,353 more than the annual revenue under existing rates. This would represent an overall increase of 5.54% for Missouri jurisdictional revenues.

4 CSR-240-3.030 (3)(B)(1)

#### Explanation of Why Rate Relief is Needed

To recover investment in the Company's Asbury environmental retrofit; to recover increased RTO transmission fees; to recover increase in property taxes; to recover costs from new long term maintenance contract for the Company's Riverton 12 gas fired generating unit.

4 CSR-240-3.030 (3)(B)(7)

Barry County	Greene County (cont,)	Lawrence County (cont.)	Newton County (cont.)				
Butterfield	Walnut Grove	Halltown	Silver Creek				
Purdy	Willard	Hoberg	Stark City				
		Marionville	Stella				
Barton County	Hickory County	Miller	Wentworth				
Golden City	Cross Timbers	Phelps *					
Kenoma *	Hermitage	Pierce City	Polk County				
	Preston	Stotts City	Aldrich				
Cedar County	Weaubleau	Verona	Bolivar				
Caplinger Mills *	Wheatland		Brighton*				
Stockton		McDonald County	Dunnegan*				
	Jasper County	Anderson	Fair Play				
Christian County	Airport Drive	Ginger Blue	Flemington				
Billings	Alba	Goodman	Halfway				
Clever	Asbury	Lanagan	Humansville				
Fremont Hills	Avilla	Noel	Morrisville				
Ozark	Brooklyn Heights	Pineville	Pleasant Hope				
Sparta	Carl Junction	Southwest City					
	Carterville		St Clair County				
Dade County	Duneweg	Newton County	Collins				
Arcola	Duquesne	Cliff Village	Gerster				
Everton	Fidelity	Dennis Acres	Vista				
Greenfield	Jasper	Diamond					
South Greenfield	Joplin	Fairview	Stone County				
	LaRussell	Fort Crowder *	Branson West				
Dallas County	Neck City	Granby	Galena				
Buffalo	Oronogo	Leawood	Hurley				
Louisburg	Purcell	Loma Linda	Reeds Spring				
Urbana	Reeds	Neosho					
	Sarcoxie	Newtonia	Taney County				
Greene County	Waco	Redings Mill	Branson				
Ash Grove	Webb City	Ritchey	Forsyth				
Bois D'Arc *		Saginaw	Forsyth Sub*				
Fair Grove	Lawrence County	Seneca	Hollister				
Republic	Aurora	Shoal Creek Drive	Mount Branson*				
Strafford	Freistatt	Shoal Creek Estates	Powersite *				

#### **Missouri Counties and Communities Affected**

\* Not Incorporated

4 CSR-240-3.030 (3)(B)(2)

## Empire District Electric Company ER-2014-0351 4 CSR-240-3.030 (3)(B) 3, 4, and 5

	(3)											(5)	(4) & (5)		(4)	
												Proposed Avg		Proposed		
	Avg No.	Total		Total		Average \$		Proposed Prop		roposed \$	Proposed		Proposed	Monthly Increase		Increase
MO Rate Schedules	of Customers	kWh Sales	R	Rate Revenue		per kWh		Rate Revenue		per kWh		te Increase	% Increase	per Customer		per kWh
Residential - RES	125,629	1,700,248,668	\$	200,356,205	\$	0.1178	\$	215,891,967	\$	0.1270	\$	15,535,762	7.75%	\$	10.31	\$ 0.0091
Commercial - CB	17,630	312,439,452	\$	41,479,537	\$	0.1328	\$	44,382,535	\$	0.1421	\$	2,902,998	7.00%	\$	13.72	\$ 0.0093
Small Heating - SH	3,075	90,036,157	\$	10,077,393	\$	0.1119	\$	10,791,306	\$	0.1199	\$	713,913	7.08%	\$	19.35	\$ 0.0079
General Power -GP	1,657	849,457,342	\$	83,057,567	\$	0.0978	\$	84,314,060	\$	0.0993	\$	1,256,493	1.51%	\$	63.19	\$ 0.0015
Special Transmission - ST	1	59,793,049	\$	3,319,615	\$	0.0555	\$	3,365,615	\$	0.0563	\$	46,000	1.39%	\$	3,833.33	\$ 0.0008
Total Electric Building - TEB	924	368,399,990	\$	36,325,029	\$	0.0986	\$	36,872,380	\$	0.1001	\$	547,351	1.51%	\$	49.36	\$ 0.0015
Feed Mill - PFM	8	461,883	\$	82,808	\$	0.1793	\$	83,998	\$	0.1819	\$	1,190	1.44%	\$	12.40	\$ 0.0026
Large Power - LP	38	704,569,425	\$	55,514,655	\$	0.0788	\$	58,830,300	\$	0.0835	\$	3,315,645	5.97%	\$	7,271.15	\$ 0.0047
Traffic signals - MS	1	132,827	\$	13,762	\$	0.1036	\$	13,762	\$	0.1036	\$	-	0.00%	\$	-	\$-
Municipal Lighting - SPL	6	18,239,576	\$	2,264,411	\$	0.1241	\$	2,264,411	\$	0.1241	\$	-	0.00%	\$	-	\$-
Private Lighting - PL	299	13,590,522	\$	4,345,220	\$	0.3197	\$	4,345,220	\$	0.3197	\$	-	0.00%	\$	-	\$-
Special Lighting - LS	135	659,094	\$	120,077	\$	0.1822	\$	120,077	\$	0.1822	\$	-	0.00%	\$	-	\$-
TOTALS	149,403	4,118,027,985	\$	436,956,279			\$	461,275,632			\$	24,319,353	5.57%			





# FOR IMMEDIATE RELEASE

## Contact:

MEDIA COMMUNICATIONS Julie Maus Manager of Media Relations 417-625-5101 jmaus@empiredistrict.com INVESTOR RELATIONS Jan Watson Secretary – Treasurer 417-625-5108 jwatson@empiredistrict.com

# THE EMPIRE DISTRICT ELECTRIC COMPANY FILES FOR NEW MISSOURI ELECTRIC RATES

JOPLIN, MO – August 29, 2014 – The Empire District Electric Company (NYSE:EDE) announced today it has filed a request with the Missouri Public Service Commission (MPSC) for changes in rates for its Missouri electric customers. The Company is seeking an annual increase in base rate revenues of approximately \$24.3 million, or about 5.5 percent. If approved by the MPSC, a residential customer using 1,000 kilowatt hours would see a monthly increase of about \$9.87, which reflects the finding of a cost of service study.

The most significant factor driving the need for a rate increase is the cost associated with the installation of the Air Quality Control System (AQCS) at the Asbury Power Plant. Additional factors include increased operating costs, a new maintenance contract covering the Riverton 12 gas fired generating unit, the increase in Regional Transmission Organization charges and increases in property taxes.

In making the announcement, Brad Beecher, president and CEO, stated, "The AQCS we are installing at the Asbury Power Plant carries a cost of between \$112 and \$130 million and includes a scrubber, fabric filter, and powder activated carbon injection system. This will allow the plant to meet the Environmental Protection Agency (EPA) rules on air quality, namely the Mercury Air Toxic Standards."

(more)

# Page 2/Missouri rate filing

Beecher continued, "Several factors did allow us to hold down the size of our request. These include savings experienced through the Southwest Power Pool Integrated Marketplace that began March 1, 2014, lower debt cost and a reduction in expenses related to vegetation management."

The Company is also asking to continue the use of the Fuel Adjustment Clause (FAC). The continuation of the FAC will allow the Company to adjust customers' bills twice each year, on June 1 and December 1, based on the varying costs of fuel used to generate electricity at the Company's generating units and electric energy the Company purchases on behalf of its customers.

After today's filing, the MPSC will perform an audit of Empire's operations, hold public hearings, and hold an evidentiary hearing.

Based in Joplin, Missouri, The Empire District Electric Company (NYSE: EDE) is an investorowned, regulated utility providing electric, natural gas (through its wholly owned subsidiary The Empire District Gas Company), and water service, with approximately 217,000 customers in Missouri, Kansas, Oklahoma, and Arkansas. A subsidiary of the company provides fiber optic services. For more information regarding Empire, visit www.empiredistrict.com.

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Certain matters discussed in this press release are "forward-looking statements" intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. Such statements address future plans, objectives, expectations, and events or conditions concerning various matters. Actual results in each case could differ materially from those currently anticipated in such statements, by reason of the factors noted in our filings with the SEC, including the most recent Form 10-K and Form 10-Q.