

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION
JEFFERSON CITY
September 21, 2001**

CASE NO: ER-2001-299

Office of the Public Counsel
P.O. Box 7800
Jefferson City, MO 65102

General Counsel
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102

Stuart W. Conrad, Esq.
Finnegan, Conrad & Peterson, L.C.
3100 Broadway, 1209 Penntower Office
Kansas City, MO 64111

**James C. Swearengen/Gary W. Duffy/
Dean L. Cooper**
Brydon, Swearengen & England, P. C.
P. O. Box 456
Jefferson City, MO 65102-0456

Henry T. Herschel
308 E. High Street Suite 301
Jefferson City, MO 65101

Enclosed find certified copy of a CONCURRING OPINION in the above-numbered case(s).

Sincerely,



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of The Empire District Electric Company's Tariff)
Sheets Designed to Implement a General Rate Increase for) **Case No. ER-2001-299**
Retail Electric Service Provided to Customers in the Missouri) **Tariff No. 200100518**
Service Area of the Company.)

CONCURRING OPINION OF COMMISSIONER STEVE GAW

On September 20, 2001, this Commission issued, by means of a 3-1 vote, a Report and Order regarding The Empire District Electric Company's proposed rate increase. Because the Report and Order rejects the Company's proposed tariff, I reluctantly concur in the Commission's decision.

Although I do not fully support the Report and Order, I am compelled to vote for its issuance as the effect of my voting against it would result in a split decision of the Commission. In that case, the Company's proposed tariff would have gone into effect, giving the Company a greater permanent revenue increase.

The most significant portion of the revenue increase comes as a result of the Stipulation and Agreements signed by the parties, including Public Counsel and Staff. For example, the Stipulation and Agreement regarding the State Line Combined Cycle Unit Capital Cost, filed May 25, 2001, allows the substantial cost overruns of the State Line Combined Cycle Power Plant to be passed on to the ratepayers. Questions concerning the prudence of Empire's decisions in this area have not been resolved to my satisfaction. I am not convinced that the cost overruns associated with the plant are justified, nor that they should be borne by ratepayers.

I also have concerns with the Unanimous Stipulation and Agreement Regarding Fuel and Purchased Power Expense and Class Cost of Service. This agreement was entered into during a period when related legislation was proposed and passed by the Legislature, but before its subsequent veto by the Governor. Public Counsel and Staff both indicated that the agreement on Fuel and Purchased Power Expense was preferable to the 2001 legislation promoted by Empire. I am not convinced that all the parties would have entered into the agreement if their discussions had taken place after the legislation's veto, nor am I totally persuaded that this portion of the Stipulation and Agreement is in the public interest.

The Interim Energy Charge created by the Stipulation and Agreement Regarding Fuel and Purchased Power Expense is an experimental program. Customers of Empire may someday recover a portion of the fuel charges they pay under this Stipulation and Agreement; however, families are often not in a position to advance more for their utilities than they would have normally paid when not under the experimental program. I am troubled that is a possible result in this case.

In spite of my concerns, I have no viable option but to vote with the majority to approve the Report and Order and prevent the company's original request from going into effect.

Respectfully submitted,



Steve Gaw, Commissioner

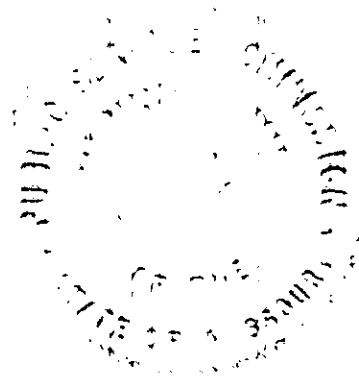
Dated at Jefferson City, Missouri,
on this 21st day of September, 2001.

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and
I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City,
Missouri, this 21st day of Sept. 2001.





Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge