Exhibit No.:	503
Witness:	Maurice Brubaker
Type of Exhibit:	Rebuttal Testimony
Issue:	Revenue Requirement / Rate Design
Sponsoring Parties:	Enbridge Energy, LP Explorer Pipeline Company General Mills Praxair, Inc. Wal-Mart Stores, Inc.
Case No.:	ER-2008-0093

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of The Empire District Electric Company of Joplin, Missouri for Authority to File Tariffs Increasing Rates for Electric Service Provided to Customers in the Missouri Service Area of the Company	**)** **)** **)** **)** **)** **)**	**Case No. ER-2008-0093**

Rebuttal Testimony of

Maurice Brubaker
on Revenue Requirement / Rate Design

On Behalf of

Enbridge Energy, LP
Explorer Pipeline Company
General Mills
Praxair, Inc.
Wal-Mart Stores, Inc.

April 4, 2008

BRUBAKER & ASSOCIATES, INC.
ST. LOUIS, MO 63141-2000

Project 8875

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of The Empire District Electric Company of Joplin, Missouri for Authority to File Tariffs Increasing Rates for Electric Service Provided to Customers in the Missouri Service Area of the Company	))))))	**Case No. ER-2008-0093**

STATE OF MISSOURI	)	
	)	**SS**
COUNTY OF ST. LOUIS	)	

Affidavit of Maurice Brubaker

Maurice Brubaker, being first duly sworn, on his oath states:

1. My name is Maurice Brubaker. I am a consultant with Brubaker & Associates, Inc., having its principal place of business at 1215 Fern Ridge Parkway, Suite 208, St. Louis, Missouri 63141-2000. We have been retained by Enbridge Energy, LP; Explorer Pipeline Company; General Mills; Praxair, Inc. and Wal-Mart Stores, Inc. in this proceeding on their behalf.

2. Attached hereto and made a part hereof for all purposes is my rebuttal testimony on revenue requirement / rate design which was prepared in written form for introduction into evidence in Missouri Public Service Commission Case No. ER-2008-0093.

3. I hereby swear and affirm that the testimony is true and correct and that it shows the matters and things that it purports to show.

Maurice Brubaker

Subscribed and sworn to before me this 3rd day of April, 2008.

TAMMY S. KLOSSNER
Notary Public - Notary Seal
STATE OF MISSOURI
St. Charles County
My Commission Expires: Mar. 14, 2011
Commission # 07024862

Notary Public

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In the Matter of The Empire District Electric Company of Joplin, Missouri for Authority to File Tariffs Increasing Rates for Electric Service Provided to Customers in the Missouri Service Area of the Company	**)**	**Case No. ER-2008-0093**

Rebuttal Testimony of Maurice Brubaker

Q PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A Maurice Brubaker. My business address is 1215 Fern Ridge Parkway, Suite 208, St. Louis, Missouri 63141-2000.

Q WHAT IS YOUR OCCUPATION?

A I am a consultant in the field of public utility regulation and president of Brubaker & Associates, Inc., energy, economic and regulatory consultants.

Q HAVE YOU PREVIOUSLY FILED DIRECT TESTIMONY IN THIS PROCEEDING?

A Yes. I have previously filed direct testimony on revenue requirement issues on February 22, 2008; and direct testimony on rate design issues on March 7, 2008. My qualifications and experience appear in Appendix A to my revenue requirement filing.

Q WHAT SUBJECTS ARE ADDRESSED IN YOUR REBUTTAL TESTIMONY?

A I address two subjects. They are:

1. The allocation of any revenue increase among customer classes; and
2. The design of rates.

Q WHAT POSITION HAVE THE PARTIES TAKEN WITH RESPECT TO THE ALLOCATION OF ANY INCREASE AMONG CUSTOMER CLASSES?

A Empire proposed to allocate any allowed revenue increase among customer classes as an equal percentage of current revenues. Commission Staff makes the same recommendation, and it is my understanding that the Office of Public Counsel (OPC) concurs in that recommendation.

Q DO YOU HAVE A POSITION ON INTERCLASS REVENUE ALLOCATION?

A Yes. I concur with the position of all of the other parties who have addressed this issue that any allowed revenue increase should be allocated as an equal percent across-the-board to all customer classes.

Q HAVING ALLOCATED ANY INCREASE AS AN EQUAL PERCENT ACROSS-THE-BOARD, WHAT ARE THE POSITIONS OF THE PARTIES WITH RESPECT TO HOW TO ADJUST THE COMPONENTS OF THE INDIVIDUAL TARIFFS TO IMPLEMENT THAT INCREASE?

A Empire proposes to uniformly increase the charges by approximately the same percentage. Commission Staff proposes to do the same, after making some intraclass rate design adjustments to demand charges. OPC, on the other hand, appears to recommend only increasing the volumetric charges within each tariff.

Q DO YOU AGREE WITH OPC'S RECOMMENDATION?

A No. There is no basis for OPC's recommendation. No studies have been presented which would suggest that any one component of the rate schedule should either be exempted from any rate increase, or receive a percentage rate increase different than any other component.

Within the commercial and industrial tariffs, OPC's proposed rate design would disproportionately burden high load factor customers and is inequitable.

OPC's proposal should be rejected.

Q WHAT HAS STAFF PROPOSED WITH RESPECT TO THE GENERAL POWER SERVICE SCHEDULE (GP), THE TOTAL ELECTRIC BUILDINGS SCHEDULE (TEB), THE LARGE POWER SERVICE SCHEDULE (LP) AND THE PRAXAIR & SPECIAL TRANSMISSION SERVICE SCHEDULES (SC-P,ST)?

A Staff has proposed to institute a separately stated facilities charge which would be designed to reflect the cost of local facilities. Costs associated with these facilities are currently collected in the demand charges. Staff appears to have commensurately reduced the revenues collected from demand charges in order to compensate for this additional revenue collection mechanism.

Q DO YOU HAVE ANY CONCERNS WITH RESPECT TO STAFF'S PROPOSED RATE RE-DESIGN?

A In general, the design changes that Staff is proposing appear reasonable. However, any time that there is a change in rate blocks and billing provisions, there is a concern as to whether the re-designed rate is truly revenue neutral, and whether there are any significant adverse impacts as a result of the changes. We are currently in the process of reviewing Staff's proposed changes and determining their impact on participating customers. At this point in time, assuming that the rates are truly designed to be revenue neutral, we have not identified any concerns. Should we identify any such concerns, we will promptly notify the parties.

Q DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?

A Yes, it does.

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