

BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION

In the Matter of the Third Prudence)	
Review of Costs Subject to the)	File No. EO-2013-0114
Commission-Approved Fuel Adjustment)	
Clause of The Empire District Electric)	
Company.)	

**DOGWOOD ENERGY, LLC'S REPLY TO EMPIRE'S OPPOSITION TO
APPLICATION TO INTERVENE**

COMES NOW Dogwood Energy, LLC ("Dogwood") and pursuant to 4 CSR 240-2.080 respectfully submits its Reply to Empire's Opposition to Dogwood's Application to Intervene.

In support of its Application, Dogwood states as follows:

1. Empire's inaccurately asserts that only its customers could be adversely affected by the Commission's orders in this proceeding. A fuel adjustment clause (FAC) by definition "means a mechanism ... that allows periodic rate adjustments outside a general rate proceeding, to reflect increases and decreases in an electric utility's **prudently** incurred fuel and **purchased power costs.**" 4 CSR 240-3.161(0(B)(emphasis added). Empire concedes that Dogwood correctly states in its Application to Intervene that it owns a majority interest in a 650 MW combined cycle generating facility located in Pleasant Hill, Missouri, and is a potential provider of supply-side energy resources to Empire. (Opposition, p. 2). If the Commission was not fully informed in its review of the prudence of Empire's decisions regarding purchases of fuel to operate its own plants and purchases of power from alternative providers, and as a result approved imprudent purchases, then Empire would receive improper encouragement to continue to make such imprudent purchasing decisions. By participating in this proceeding, Dogwood can review the results of staff's examination and if necessary provide additional information and perspective to try to help make certain that the Commission is properly and fully informed, in an

effort to guard against inadvertent approval of any imprudent decisions. As described in its Application to Intervene, Dogwood seeks to participate to “ensure robust access for power suppliers in the region” and to protect its “interests as a potential supply side resource to Empire.” Dogwood submits it has sufficiently articulated its interests in the case for purposes of intervention.

2. Likewise, Dogwood’s interests and perspective as an existing independent power producer actively selling power at wholesale to electric utilities in western Missouri, are clearly distinct from those of the general public and make it a unique source of perspective and information whose participation would serve the public interest as described in its Application.

3. Dogwood does not object to the application of the Commission’s standard rule 2.135 concerning the protection of confidential information, but submits that Empire has provided no basis for the Commission to impose additional constraints beyond the rule. Indeed, Empire bases its request on rescinded rule 2.085. The rule already addresses limits on internal access, location of inspections, and limits on use, which are fully sufficient to protect Empire’s confidential information in this proceeding. Empire proposes additional limitations that would only serve to place an undue and discriminatory burden on Dogwood’s participation in the proceeding.

WHEREFORE, Dogwood respectfully requests that the Commission grant its Application to Intervene together with any further and/or additional relief the Commission deems just and proper.

Respectfully submitted,

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CERTIFICATE OF SERVICE

A true and correct copy of the foregoing was emailed, faxed or mailed by U.S. Mail, postage paid, this 12 day of February, 2013, to the persons shown on the following list.

/s/ Carl J. Lumley

File/Case No. EO-2013-0114 and ER-2012-0345

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