

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

In the Matter of an Investigation of the Cost to)
Missouri's Electric Utilities Resulting from) **File No. EW-2012-0065**
Compliance with Federal Environmental Regulations)

**EMPIRE'S RESPONSE TO ORDER DIRECTING RESPONSE TO
ADDITIONAL QUESTIONS**

ADDITIONAL STAKEHOLDER QUESTIONS

III. Building Block 3 – Increase generation from zero- and low-emitting sources

- d. Please comment on EPA's treatment of "at risk nuclear" in computing Missouri's emissions target.

Response: The EPA assumed 6% of every nuclear generator was "at risk" generation. This was the result of their application of a study performed by the Energy Information Administration (EIA) regarding the aging nuclear fleet. Empire, however, believes the EPA's treatment of this generation is counter-intuitive to how the state should be "credited" for keeping this generation online. The EPA took 6% of Callway's generation and reduced the MO goal by this number. But, if they wanted to "credit" MO for keeping this generation online then it should not have been included in the goal calculation but rather credited toward actual compliance. For example, when determining compliance this generation should be treated similarly to RE and EE.

- e. Please comment on EPA's treatment of a revenue shortfall for "at risk nuclear".

Response: Empire has no comment on this matter as it does not have a nuclear generator in its fleet.

- f. Please comment on EPA's treatment of nuclear generation generally.

Response: See Empire's comment above on III d.

- g. Please comment on the potential to use Callaway Energy Center or Wolf Creek Generating Station to comply with the EPA's proposal.

Response: Please see comment above on III d.

- h. Please provide information regarding the remaining useful life of Callaway Energy Center and Wolf Creek Generating Station, and any upgrades that will increase their generating capacity, or extend their useful life. If part of your response is the same as information you provided in a previously submitted Integrated Resource Plan or other similar document filed with this Commission, you may state where the information can be found as part of your answer. Please specify the exact location of the information by filing, document, and page number.

Response: At this time Empire does not own or operate any nuclear generating capacity and has no comment.