

In the Matter of an Investigation of)
The Empire District Electric Company's) Case No. EO-2008-0215
Storm Preparation and Restoration Efforts)

1. On January 2, 2008, the Commission issued an order directing Staff to investigate Empire's response to the December 2007 ice storm experienced in its service territory. On April 3, 2008, Staff filed an initial report of its investigation with the Commission, followed by a final report submitted on June 17, 2008.
2. Staff's June 17, 2008 Final Report contained twenty-five (25) recommendations on how Empire could improve its response in future storms. Empire filed a response to Staff's recommendations on August 13, 2008.
3. On September 9, 2008, the Commission issued an order directing "Empire to provide Staff with additional information regarding its progress in complying with Staff's recommendations." The Commission further ordered Staff to file a brief supplemental report evaluating the Company's compliance with Staff's recommendations.
4. Attached hereto is Staff's Memorandum, completed by Dan Beck, Utility Regulatory Engineering Supervisor, and Nila Hagemeyer, Utility Management Analyst.

5. Staff's Memorandum contains specific discussion on certain recommendations, along with the overall conclusion that Empire has achieved compliance with Staff's June 17, 2008 recommendations, or is taking appropriate action to do so.
6. Staff will continue to monitor Empire's actions toward completion of Staff's recommendations.

WHEREFORE, the Staff submits its Supplemental Report to the Missouri Public Service Commission.

Respectfully submitted,

/s/ Jennifer Hernandez

Jennifer Hernandez

Legal Counsel

Missouri Bar No. 59814

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CERTIFICATE OF SERVICE

I certify that a true and accurate copy of the foregoing was served via U.S. Mail, electronic mail, or facsimile upon all counsel of record this 9th day of January, 2009.

/s/ Jennifer Hernandez

Memorandum

TO: Missouri Public Service Commission Official Case File
Case No. EO-2008-0215, Investigation of The Empire District Electric
Company's Storm Preparation and Restoration Efforts

FROM: Dan Beck, Energy Department – Engineering Analysis
Nila Hagemeyer, Engineering and Management Services Department

/s/ Lena Mantle 1/9/09
Energy Department / Date

/s/ Jennifer Hernandez 1/9/09
General Counsel's Office / Date

Subject: Staff Supplemental Report

Date: January 9, 2009

The Staff of the Missouri Public Service Commission (Staff) has evaluated The Empire District Electric Company's (Empire's or Company's) Status Update to Staff Recommendations Regarding Storm Preparation and Restoration Efforts. The status update was submitted on November 10, 2008 to comply with a Commission Order issued September 9, 2008. The Order also required a Supplemental Report from Staff. The Staff also gathered additional information from Empire by participating in a conference call with Empire personnel and by reviewing additional information provided by Empire on January 5, 2009.

The Final Report of Staff's Investigation included twenty-five (25) recommendations, some recommendations contained multiple parts. Based on the Staff's evaluation of Empire's compliance with the recommendations contained in the report, the following determinations resulted.

1. Empire has agreed with the substance of all the recommendations and has initiated or completed action to implement appropriate changes to their procedures, processes, and policies with one exception. The exception is the Staff's recommendation twenty (20), which discussed partnering with local radio stations and providing advanced commitments to participate with talk radio shows during outages. Empire is concerned that at least half a dozen personnel would be required to adequately cover their entire service territory. Instead, Empire will communicate with customers and radio stations using e-mails and their Outage Center on Empire's web site. In addition, the Company will continue its previous practice of making its personnel available to the media as long as other outage restoration operations are not negatively impacted. The Staff finds this response to be reasonable.
2. Approximately 50% of Empire's actions are completed or scheduled for completion by January 31, 2009.
3. Approximately 20% of Empire's actions are related to the interactive voice response (IVR) system. Empire identified a problem with the Nortel 81-C switch system during recent testing and is working to resolve the problem prior to implementing the new

system. No specific timetable for completion of this work is currently available. Although the Staff maintains that this system will be an improvement when implemented, the Staff also agrees that implementation prior to fixing the known problems would be a detriment to customer service.

4. The remaining actions are scheduled for completion by the end of the third quarter of 2009, or will be completed at a time to be determined (these items include such actions as participation in a storm restoration workshop). Several of these actions include tasks that are ongoing in nature but specific plans have been put in place to implement these ongoing efforts.
5. The scheduled completion dates for all pending items appear reasonable.

The Staff determined that, from an overall perspective, Empire has achieved compliance with the Staff's recommendations or is taking appropriate action to do so.

The Staff will continue to monitor the progress of completion of Empire's actions.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

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Empire District Electric Company's Storm)
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Case No. EO-2008-0215

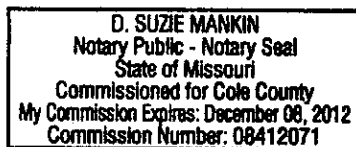
AFFIDAVIT OF NILA S. HAGEMEYER

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

Nila S. Hagemeyer, of lawful age, on her oath states: that she has participated in the preparation of the foregoing Staff Recommendation in memorandum form, to be presented in the above case; that the information in the Staff Recommendation was developed by her; that she has knowledge of the matters set forth in such Staff Recommendation; and that such matters are true and correct to the best of her knowledge and belief.

Nila S. Hagemeyer
Nila S. Hagemeyer

Subscribed and sworn to before me this 8th day of January, 2009.



D. Suzie Mankin
Notary Public