STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 15th day of August, 2012.

In the Matter of The Empire District Electric Company's) File No Submission of its 2012 RES Compliance Plan

File No. EO-2012-0336

NOTICE REGARDING THE EMPIRE DISTRICT ELECTRIC COMPANY'S 2011 RES COMPLIANCE REPORT AND 2012-2014 COMPLIANCE PLAN

Issue Date: August 15, 2012

On April 11, 2012, The Empire District Electric Company ("Empire"), filed its Renewable Energy Standard Compliance Report for 2011, and its Renewable Energy Standard Compliance Plan for 2012-2014, as it was required to do by Commission Rule 4 CSR 240-20.100(7). The Commission's rule requires the Staff of the Commission to review the utility's compliance report and plan and to file a report about its review within 45 days. Staff complied with that requirement by filing a report on May 29, reporting that it found no deficiencies in Empire's plan.

The Commission's rule also allows Public Counsel and other interested persons or entities to file comments regarding Empire's plan.² A group of environmental organizations,³ a pair of organizations advocating increased use of wind power,⁴ and the

¹ 4 CSR 240-20.100(7)(D).

² 4 CSR 240-20.100(7)(E).

³The environmental organizations are Earth Island Institute, d/b/a Renew Missouri, The Sierra Club, Missouri Coalition for the Environment, and Missouri Nuclear Weapons Education Fund, d/b/a Missourians for Safe Energy. The environmental organizations, while not asserting they

Missouri Department of Natural Resources (MDNR) filed such comments. Empire responded to those comments on July 3.

The environmental organizations and the wind advocates describe what they contend are three deficiencies in Empire's compliance report and plan. First, they contend that Empire may not rely on electrical output from its existing Osage Beach hydroelectric plant as a renewable resource. Second, they argue that Empire may not rely on renewable energy credits (RECs) collected before January 1, 2011, to meet its renewable energy requirements for 2011 and subsequent years. Third, they claim that Empire may not claim the solar energy requirement exemption in Section 393.1050, RSMo Supp. 2010. MDNR concedes that Empire's 2011 Report and its 2012-2014 Plan comply with the Commission's rules, but laments that that Missouri's renewable energy standard has not yet created significant additional renewable energy development.

The Commission's regulation does not specify what action, if any, the Commission is to take regarding Empire's RES compliance report and plan and any alleged deficiencies in that report and plan, except to allow the Commission to "establish a procedural schedule if necessary". After considering the submitted comments, the Commission concludes that no further order from the Commission is appropriate at this time.

If the organizations that submitted comments, or anyone else, wants to further pursue their contention that Empire has failed to comply with the requirements of the renewable energy statute or the Commission's implementing regulations, they may do so

represented them, also named 15 other entities that the environmental organizations claim have a business interest in the implementation of the RES.

2

⁴ The wind power advocates are Wind on the Wires and The Wind Coalition.

⁵ 4 CSR 240-20.100(7)(F).

by filing a complaint pursuant to Section 4 CSR 240-20.100(8)(A) and the statutes and regulations governing complaints before the Commission.

BY THE COMMISSION

Steven C. Reed

Secretary

(SEAL)

Gunn, Chm., Jarrett, Kenney, and Stoll, CC., concur.

Stearley, Deputy Chief Regulatory Law Judge