

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service  
Commission held at its office in  
Jefferson City on the 20<sup>th</sup> day of  
March, 2013.

In the Matter of the Application of The Empire                     )  
District Electric Company for Authorization to Manage        )  
Sulfur Dioxide Emission Allowance Inventory                     )

**File No. EO-2005-0020**

**ORDER APPROVING UNANIMOUS STIPULATION AND AGREEMENT**

Issue Date: March 20, 2013

Effective Date: March 30, 2013

On March 15, 2013, The Empire District Electric Company, the Commission's Staff, and the Office of the Public Counsel, filed a unanimous stipulation and agreement that would modify some provisions of a stipulation and agreement the Commission approved in 2005.

The 2005 stipulation and agreement established Empire's authority to manage its inventory of sulfur dioxide (SO<sub>2</sub>) emission allowances by utilizing various trading techniques without having to seek approval from the Commission for each such transaction. One provision in the 2005 stipulation and agreement requires Empire to make annual reports to Staff and Public Counsel about its management of the SO<sub>2</sub> emission allowances.

In the 2013 stipulation and agreement, Empire, Staff, and Public Counsel agree that those annual reports are no longer needed. They explain that Staff and Public Counsel now review the information in those reports as part of their review of the transactions connected with Empire's fuel adjustment clause. The 2013 stipulation and agreement provides that Empire should not be required to follow the reporting requirements

established in the 2005 stipulation and agreement so long as it continues to have a fuel adjustment clause that includes the costs and revenues associated with management of its SO<sub>2</sub> emissions allowances inventory.

In addition, another provision of the 2013 stipulation and agreement extends Empire's authority to manage SO<sub>2</sub> emissions allowances inventory to nitrogen oxide (NO<sub>x</sub>) emissions allowances, under the same terms it now uses to manage its SO<sub>2</sub> allowances.

After reviewing the 2013 unanimous stipulation and agreement, the Commission independently finds and concludes that it is a reasonable modification of the 2005 stipulation and agreement and should be approved. Since this is a unanimous stipulation and agreement, the Commission will make this order effective in ten days.

**THE COMMISSION ORDERS THAT:**

1. The Unanimous Stipulation and Agreement filed on March 15, 2013, is approved. The signatory parties are ordered to comply with the terms of that stipulation and agreement. A copy of the stipulation and agreement is attached to this order.
2. This order shall become effective on March 30, 2013.

**BY THE COMMISSION**



Shelley Brueggemann  
Acting Secretary

R. Kenney, Chm., Jarrett, Stoll, and  
W. Kenney, CC., concur.

Woodruff, Chief Regulatory Law Judge