

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED

FEB 16 2001

In the matter of tariff revisions of The)
Empire District Electric Company designed)
to increase rates on an interim basis for)
electric service to customers in its)
Missouri service area.)

Case No.

Missouri Public
Service Commission

ER-2001-452

MOTION FOR EXPEDITED TREATMENT AND
TO IMPLEMENT TARIFFS IN LESS
THAN THIRTY (30) DAYS

Comes now The Empire District Electric Company, ("Empire"), by counsel, pursuant to 4 CSR 240-2.080(17) and 4 CSR 240-2.065(2) and for its Motion for Expedited Treatment and to Implement Tariffs in less than Thirty (30) Days, respectfully states as follows to the Missouri Public Service Commission ("Commission"):

1. Contemporaneously herewith, Empire is filing with the Commission interim tariff sheets designed to allow Empire to put into place a two-step surcharge which will increase its electric revenues by approximately \$20,491,807 (total company) for the months of March through September, 2001, exclusive of applicable fees and taxes. This amounts to \$16,770,495 million on a Missouri jurisdictional basis. The surcharge is subject to refund pending a Commission decision in Empire's now pending general permanent electric rate increase request, Case No. ER-01-269. By this motion, Empire seeks a Commission order authorizing the interim tariff sheets to take effect in less than thirty (30) days.

2. Empire respectfully requests the Commission to give this tariff filing expedited treatment and to issue its order approving the tariff sheets as soon as possible and prior to March 1, 2001, the date of the rate increase proposed by the interim tariff sheets and prior to March 18, 2001, the proposed effective date of the interim tariff sheets. Such action by the Commission will benefit Empire by helping to alleviate the adverse financial impact which it is experiencing. Such action will not, however, result in any negative

effect on the customers of Empire or the general public because any rate increase will be subject to refund. Furthermore, this Motion for Expedited Treatment is filed with the Commission contemporaneously with the subject tariff filing and therefore as soon as possible.

3. The Commission clearly has the authority under the Missouri Public Service Commission Act to grant interim relief and to permit rates to become effective on less than thirty days notice. *State ex rel. Laclede Gas Company v. Public Service Commission* 535 S.W.2d 561, 567 (Mo. App. 1976). 4 CSR 240-2.065. The Court of Appeals in the *Laclede* case concluded that language in both §§ 393.140 and 393.150, RSMo "lead inexorably to the conclusion that the Commission does have discretionary powers to allow new rates to go into effect immediately or on a date sooner than that required for a full hearing as to what will constitute a fair and reasonable permanent rate." *Id.* at 566. Simply by non-action the Commission can permit a requested rate to go into effect. The *Laclede* case, and those which have followed it, clearly demonstrate that the Commission may allow an interim rate increase to take effect without a full comprehensive audit and without a hearing in which all possible adjustments are contested. Simply put, the Commission has the power to allow revised rates to go into effect without suspending them pending further investigation.

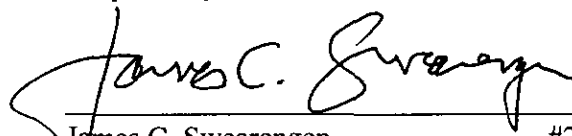
4. With respect to interim rate relief requests, the *Laclede* case also stands for the proposition that no emergency is necessary. In fact, the Commission has applied both an "emergency" as well as a "non-emergency" standard. In *Re Missouri Power & Light Company*, 22 Mo. P.S.C. (N.S.) 257, 259 (1978), in granting interim rate relief in non-emergency circumstances, the Commission stated that a company is entitled to rates that "will provide an opportunity to earn a fair return on the value of its property and in addition permitted to attract the capital necessary to make improvements and maintain service at an adequate level." *See also Missouri Public Service Company*, 22 Mo. P.S.C. (N.S.) 427, 429-435 (1978); (financial integrity harmed and safe and adequate service impaired without interim rate relief);

Kansas City Power & Light, 23 Mo. P.S.C. (N.S.) 413 (1980); (rates insufficient to allow reasonable profit); *Order Granting Interim Rates*, (Mo. P.S.C. Case No. TR-83-273 January 31, 1983); (to allow improvements in service); *Re Raytown Water Company*, 1 Mo. P.S.C. 3d 184 (1991) (interim relief would help to alleviate the possibility of inadequate service). More recently in Case No. ER-97-82 involving Empire, the Commission held that an emergency was not necessary for interim rate relief.

5. Simultaneously herewith, Empire is filing two interim tariff sheets and the verified direct testimony of W.L. Gipson, David W. Gibson and Stan M. Kaplan in support of the request for interim rate relief. The testimony of these witnesses, among other things, explains why interim rate relief is urgently needed and demonstrates good cause for the Commission to permit the interim rates to become effective, subject to refund, in less than thirty days.

WHEREFORE, Empire respectfully moves the Commission to expedite the processing of the subject tariff filing and to allow the interim tariff sheets filed this date to take effect on or before March 1, 2001, good cause having been shown.

Respectfully submitted,



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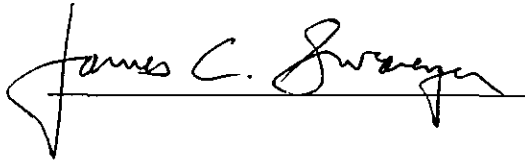
Attorneys for The Empire District Electric Company

Certificate of Service

I hereby certify that a true and correct copy of the above and foregoing document was sent by U.S. Mail, postage prepaid, or hand-delivered, on this 16TH day of February, 2001, to:

Dan Joyce
General Counsel
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102

John Coffman
Office of Public Counsel
P.O. Box 7800
Jefferson City, MO 65102

A handwritten signature in cursive script, reading "James C. Swearingen", is written over a horizontal line. The signature is written in dark ink and is positioned to the right of the center of the page.

FILED

FEB 16 2001

Missouri Public
Service Commission

CASE NO. ER-2001-452

**In the matter of THE EMPIRE DISTRICT
ELECTRIC COMPANY of Joplin, Missouri,
for authority to file interim tariffs increasing
rates for electric service provided to customers
in the Missouri service area of the Company.**

STATE OF MISSOURI, PUBLIC SERVICE COMMISSION
THE EMPIRE DISTRICT ELECTRIC COMPANY

P.S.C. Mo. No. 5

Sec. A 14th Revised Sheet No. 1
Cancelling P.S.C. Mo. No. 5

For ALL TERRITORY

No supplement to this tariff will be issued except
for the purpose of cancelling this tariff.

Sec. A 13th Revised Sheet No. 1
Which was issued 07-21-97

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DATE OF ISSUE February 16, 2001

DATE EFFECTIVE March 18, 2001

ISSUED BY R.B. FANCHER, Vice President-Finance, Joplin, MO

STATE OF MISSOURI, PUBLIC SERVICE COMMISSION
THE EMPIRE DISTRICT ELECTRIC COMPANY

P.S.C. Mo. No. 5

Sec. 4 Original Sheet No. 21
Cancelling P.S.C. Mo. No.

For ALL TERRITORY

No supplement to this tariff will be issued except
for the purpose of cancelling this tariff.

Sec. Revised Sheet No.
Which was issued

Electric Interim Rider
RIDER INT

APPLICATION:

This Electric Interim Rider is applicable to all electric service billed under any electric rate schedule, metered or unmetered, subject to the jurisdiction of the Missouri Public Service Commission (MPSC).

RATE:

In addition to the charges which Empire makes for electric service set forth in its approved and effective rate schedules, the following amount will be added:

Beginning March 1, 2001.....	.00619 per kwh
Beginning July 1, 2001, add an additional.....	.00222 per kwh

CONDITIONS:

This interim rider shall be in effect until September 30, 2001, or the effective date of such permanent schedules as may be authorized pursuant to the MPSC's Report and Order in Empire's electric rate case filed on November 3, 2000, whichever comes first. Empire shall refund with annual simple interest equal to the Company's short term interest rate, the amount, if any, by which the revenues produced by this interim rider exceed the aggregate revenues which would have been received under such permanent rate schedules. Such refund, if any, shall be made based upon the billing units of the customer to which these amounts were applied.

DATE OF ISSUE February 16, 2001
ISSUED BY R.B. FANCHER, Vice President-Finance, Joplin, MO

DATE EFFECTIVE March 18, 2001

THE EMPIRE DISTRICT ELECTRIC COMPANY

Minimum Filing Requirements

**Section B
Schedule 1**

The Empire District Electric Company

Statement of Missouri Revenue Increase Request

The aggregate amount of annual revenue from Missouri electric customers which would result from the application of the proposed rates in this case would be \$16,770,495 more than the annual revenue under existing rates. This would represent an increase of 8.18% in State of Missouri revenues.

Missouri Counties and Communities Affected

Barry County

Butterfield
Purdy

Barton County

Golden City
Kenoma *

Cedar County

Caplinger Mills *
Stockton

Christian County

Billings
Cleaver
Fremont Hills
Ozark
Sparta

Dade County

Arcola
Everton
Greenfield
South Greenfield

Dallas County

Buffalo
Louisburg
Urbana

Greene County

Ash Grove
Bois D'Arc *
Fair Grove
Republic
Strafford
Walnut Grove
Willard

Hickory County

Cross Timbers
Hermitage
Preston
Weaubleau
Wheatland

Jasper County

Airport Drive
Alba

Jasper County(cont.)

Asbury
Avilla
Brooklyn Heights
Carl Junction
Cartersville
Carthage
Duneweg
Fidelity
Iron Gates
Jasper
Joplin
LaRussell
Neck City
Oakland Park
Oronogo
Purcell
Reeds
Sarcoxie
Waco
Webb City

Lawrence County

Aurora
Freistatt
Halltown
Hoberg
Marionville
Miller
Phelps *
Pierce City
Stotts City
Verona

McDonald County

Anderson
Ginger Blue
Goodman
Lanagan
Noel
Pineville
Southwest City

Newton County

Cliff Village
Dennis Acres
Diamond
Fairview

Newton County(cont.)

Fort Crowder *
Granby
Leawood
Loma Linda *
Neosho
Newtonia
Redings Mill
Ritchey
Saginaw
Seneca
Shoal Creek Drive
Silver Creek
Southern Hills
Stark City
Stella
Wentworth

Polk County

Aldrich
Bolivar
Brighton
Dunnegan
Fair Play
Flemington
Halfway
Humansville
Morrisville
Pleasant Hope

St Clair County

Collins
Gerster
Vista

Stone County

Galena
Hurley
Reeds Spring
Branson West

Taney County

Branson
Forsyth
Hollister
Mount Branson
Powersite *
Rockaway Beach *
Kirbyville *

* Not Incorporated

THE EMPIRE DISTRICT ELECTRIC COMPANY

**Section B
Schedule 3**

MISSOURI

Number of Customers Affected by Rate Classification
TYE 12-31-2000 (true up to 5-31-2001)

RESIDENTIAL		
Schedule PL	277 *	
Schedule RG	109,356	
TOTAL RESIDENTIAL		109,633
COMERCIAL		
Schedule PL	399 *	
Schedule CB	14,822	
Schedule SH	3,283	
Schedule LS	73	
Schedule TEB	649	
Schedule GP	912	
Schedule LP	10	
TOTAL COMMERCIAL		20,149
INDUSTRIAL		
Schedule CB	51	
Schedule SH	5	
Schedule TEB	15	
Schedule PFM	19	
Schedule PF	3	
Schedule GP	158	
Schedule LP	24	
Schedule SC-P	1	
TOTAL INDUSTRIAL		276
STREET & HIGHWAY LIGHTING		
Schedule SPL	120	
Schedule CB	254	
Schedule SH	1	
Schedule GP	1	
Schedule MS	1 *	
Schedule PL	22	
Schedule LS	112	
TOTAL STREET & HIGHWAY LIGHTING		510
PUBLIC AUTHORITIES		
Schedule CB	835	
Schedule TEB	20	
Schedule GP	86	
Schedule SH	29	
Schedule RG	2	
TOTAL PUBLIC AUTHORITIES		971
INTERDEPARTMENTAL		
Schedule CB	6	
Schedule GP	4	
TOTAL INTERDEPARTMENTAL		10
TOTAL RETAIL CUSTOMERS		131,549

* 11,733 lighting customers are also counted as primary accounts.

Section B
Schedules 4 & 5

The Empire District Electric Company

NOT APPLICABLE

The requested increase is a cents per kWh rider.

Beginning March 1, 2001..... .00619 per kWh

Beginning July 1, 2001..... .00841 (additional .00222 cents per kWh)



PRESS RELEASE

FOR IMMEDIATE RELEASE

CONTACT: Jay McBee
417-625-5114

EMPIRE DISTRICT ELECTRIC FILES INTERIM MISSOURI ELECTRIC RATES

JOPLIN, MO – February 16, 2001 – The Empire District Electric Company announced today that it has filed a request with the Missouri Public Service Commission for interim rates. The Company is seeking to increase rates \$16,770,495, or 8.18%. The request comes as a result of drastic increases in the cost of natural gas and purchased power, and construction costs associated with the Company's new State Line Combined Cycle Power Plant.

In making the announcement, Mr. Myron McKinney, President and Chief Executive Officer, stated, "Since last spring, the price of natural gas to fuel our gas-fired plants has increased in excess of 100%. Additionally, the cost of power we must purchase for use by our customers has undergone significant changes as well. Because of these drastic increases, we believe immediate rate action is necessary."

Unlike natural gas distributors, electric utilities in Missouri are not allowed any recovery for fuel costs except through the rate case procedure. The Company has filed a \$41 million rate case with the Commission to be heard this summer. Any interim rates granted would be subject to adjustment at the conclusion of that case. McKinney stressed, "The interim rates are not in addition to our prior request, but would only be in effect until the permanent case is concluded."

The Company is asking the Commission to approved interim rates for fuel cost and purchased power recovery beginning March 1, 2001. An Empire customer using 750-kilowatt hours of electricity per month can expect to see their bill increase by \$4.64 if the Commission approves the increase. Additionally, Empire is asking for interim rates to be granted for State Line construction costs beginning July 1, 2001. This would increase the bill of a customer using 750-kilowatt hours by an additional \$1.67, for a total of \$6.31 if both parts of the request are approved.

(more)

Empire asks for interim rates – page 2

McKinney explained the rate filing further, "The rate request filed in November 2000, if allowed to progress at a normal pace, could take as much as eleven months. Because of this extreme increase in fuel prices, and recovery of State Line construction costs, we are asking for interim rates to be put into place."

The Empire District Electric Company is an investor-owned utility providing electric service to approximately 145,000 customers in southwest Missouri, southeast Kansas, northeast Oklahoma and northwest Arkansas. The Company also provides monitored security, energy services, fiber optic service and decorative lighting as well as water service in three incorporated communities in Missouri.

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Section B
Schedule 7

The Empire District Electric Company

Summary Explanation of Why Interim Rate Relief is Needed

This information is contained in the direct testimony of witnesses:

William Gipson

David Gibson

Stan Kaplan