

EXHIBIT

Exhibit No.:

Issue(s):

Modifications Related to the ELIP/
Other Need Based Efficiency Programs

Witness/Type of Exhibit:

Meisenheimer/Direct

Sponsoring Party:

Public Counsel

Case No.:

ER-2004-0570

DIRECT TESTIMONY

OF

BARBARA A. MEISENHEIMER

Submitted on Behalf of the Office of the Public Counsel

THE EMPIRE DISTRICT ELECTRIC COMPANY

CASE NO. ER-2004-0570

(Revenue Requirement)

September 20, 2004

FILED

DEC 28 2004

Missouri Public
Service Commission

Exhibit No. 91
Case No(s). ER-2004-0570
Date 12-06-04 Rptr KF

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DIRECT TESTIMONY

OF

BARBARA A. MEISENHEIMER

**EMPIRE DISTRICT ELECTRIC COMPANY
(REVENUE REQUIREMENT)**

CASE NO. ER-2004-0570

I. INTRODUCTION

Q. PLEASE STATE YOUR NAME, TITLE, AND BUSINESS ADDRESS.

A. Barbara A. Meisenheimer, Chief Utility Economist, Office of the Public Counsel, P. O.
2230, Jefferson City, Missouri 65102.

Q. PLEASE SUMMARIZE YOUR EDUCATIONAL AND EMPLOYMENT BACKGROUND.

A. I hold a Bachelor of Science degree in Mathematics from the University of Missouri-
Columbia (UMC) and have completed the comprehensive exams for a Ph.D. in Economics
from the same institution. My two fields of study are Quantitative Economics and Industrial
Organization. My outside field of study is Statistics. Over the past 10 years have taught
Economics courses for the following institutions: University of Missouri-Columbia,
William Woods University, and Lincoln University. I currently teach both undergraduate
and graduate level economics course for William Woods University.

Q. HAVE YOU TESTIFIED PREVIOUSLY BEFORE THIS COMMISSION?

A. Yes, I have testified on numerous issues before the Missouri Public Service Commission. (PSC or
Commission).

1 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

2 A. The purpose of my testimony is to review the experimental low-income rate discount
3 program and energy efficiency programs currently offered by Empire District Electric
4 Company (Empire or Company) and to propose limited modifications to the on-going
5 experimental low-income program that will reduce the Company's revenue requirement by
6 \$49,696, but which will not modify any existing program.

7 Public Counsel is not proposing any additional revenue requirement adjustments associated
8 with new low-income, weatherization or energy efficiency initiatives, or other modifications
9 to existing programs at this time. We are, however, mindful that the Company may face
10 increased demand-side pressure to add additional generation resources. Thus Public
11 Counsel will carefully consider supporting additional cost effective demand-side
12 management programs that might be proposed by other parties in this case provided that
13 such programs do not impose an undue burden on the Company's general body of
14 ratepayers.

15 **Q. WHAT EXPERIENCE DO YOU HAVE REGARDING WEATHERIZATION PROGRAMS**
16 **AND PROGRAMS TO ASSIST LOW-INCOME UTILITY CONSUMERS?**

17 A. In the area of telecommunications I have served on the Federal/State Universal Service Joint
18 Board Staff for a number of years. In this capacity I have reviewed information on the
19 design and cost of state and federal low-income programs, assisted the Federal/State Joint
20 Board in preparing recommendations for the FCC in implementing the Federal Lifeline and

1 Link-Up programs and in developing guidelines for state programs. In this capacity I also
2 review Joint Board Monitoring Reports and FCC Telephone Penetration Report designed to
3 evaluate the performance of programs that assist low-income customers. At the State level,
4 I participated in industry workshops to develop the low-income and disabled components of
5 the Missouri Universal Service Fund (MoUSF) and currently assist the Public Counsel in
6 his duties as a member of the Missouri Universal Service Board. I also served on the
7 committees that developed and provided oversight for the Telecommunications Equipment
8 Distribution Program for first the PSC and later the Missouri Department of Labor and
9 Industrial Relations. This program provides telecommunications equipment for Missouri's
10 disabled consumers including many that are low-income consumers.

11 On behalf of Public Counsel, I worked with the Department of the Census to develop data
12 designed to identify low-income household telephone subscribership stratified by
13 percentage of the federal poverty level in order to develop recommendations to better target
14 low-income support.

15 With respect to low-income programs and energy efficiency programs for natural gas
16 utilities, I have filed testimony in the most recent rate cases of Laclede Gas, Aquila Gas and
17 Missouri Gas Energy. I participated in meetings of the Public Service Commission's
18 Natural Gas Task Force and Long Term Energy Affordability Taskforce. I have also
19 participated in the collaborative workshops initiated to develop and implement a low-

1 income rate, weatherization and efficiency programs for AmerenUE and Aquila gas
2 customers.

3 **Q. WHAT DO YOU BELIEVE IS THE RELEVANCE OF THIS EXPERIENCE?**

4 A. In activities associated with developing recommendations to assist low-income consumers I
5 have had an opportunity to meet and learn about low-income issues from many individuals
6 who deal with those issues on a day to day basis including representatives from Missouri
7 Department of Natural Resources (MDNR), the Department of Social Services-Energy
8 Department, the American Association of Retired Persons, Community Action Agencies,
9 the Consumer Energy Council of America and a number of low-income and disabled
10 consumer advocates. Additionally, the familiarity I have gained with the issues of funding
11 constraints of the Federal Lifeline and High Cost programs and participation in evaluating
12 the effectiveness of programs targeted to assist low-income and disabled customers in
13 telecommunications and natural gas has provided insight into public policy questions
14 regarding targeted subsidies that are paid for by other ratepayers.

15 **Q. BASED ON YOUR EXPERIENCE, WHAT NEEDS DO YOU BELIEVE SHOULD BE**
16 **BALANCED IN ADOPTING LOW-INCOME, WEATHERIZATION AND OTHER**
17 **ENERGY EFFICIENCY PROGRAMS?**

18 A. I believe it is paramount to balance the need for low-income and energy efficiency programs
19 with the need to ensure that Missouri's utility consumers in general pay rates that are just
20 and reasonable. To the extent that ratepayers are called upon to fund low-income,
21 weatherization and other energy efficiency programs, the programs should be designed so

1 that they can reasonably be expected to balance the interests of those who receive support
2 with the interests of those who provide it. Ratepayer funding for programs that cannot
3 reasonably be expected to balance both interests should not be imposed through the
4 ratemaking process unless there is a specific legislative mandate to do so. Further, I believe
5 it is appropriate for the Commission to require that a party that proposes a particular
6 program to demonstrate the likely success of the program and to show how that program's
7 success will not come at an unreasonable cost.

8 **Q. HAS PUBLIC COUNSEL SUPPORTED EXPERIMENTAL LOW-INCOME AND**
9 **WEATHERIZATION PROGRAMS?**

10 **A.** Yes, Public Counsel has been active for over 10 years in proposing and supporting
11 weatherization and low-income proposals on an experimental basis in cases where we
12 believed such programs were likely to produce meaningful results while also reasonably
13 balancing the interests of the program recipients and the rate-payers who fund the programs.
14 Despite limited resources, the Public Counsel has been very committed to these efforts.
15 Public Counsel has been an active participant of the Committee to Keep Missourians Warm
16 for many years. Public Counsel has also retained national expert to testify on these subjects.
17 Public Counsel has also proposed and supported a variety of experimental low-income
18 weatherization programs. In particular, we have been very supportive of certain MDNR's
19 low-income weatherization programs. Most recently, Public Counsel has participated in the
20 Commission's Cold Weather Rule and Long Term Energy Affordability Taskforce.

II. MODIFICATIONS RELATED TO THE EXPERIMENTAL LOW-INCOME PROGRAM
(ELIP)

Q. PLEASE DESCRIBE THE EXPERIMENTAL LOW-INCOME RATE INITIATIVE DESIGNED TO ASSIST EMPIRE'S CUSTOMERS?

A. The Commission approved a Unanimous Stipulation & Agreement in Case No. ER-2002-424 that established a collaborative process to develop and implement an experimental low-income rate discount program targeted to low-income customers in Empire's Joplin service area. After a successful collaborative with the interested parties, a program was developed, and on April 24, 2003, the Commission approved tariff sheets establishing the program consistent with the collaborative's recommendations. Qualifying low-income program recipients with a household income of up to 50% of the Federal Poverty level (Group A) receive bill discounts of \$40. Program recipients with a household income of 51% to 100% of the Federal Poverty level (Group B) receive bill discounts of \$20. The discounts are available for up to 24 months under the current tariff. I have attached a copy of the ELIP tariff sheets as Schedule 1. The tariff sets forth the additional terms and conditions related to participation.

Q. HOW IS THE EXPERIMENTAL LOW-INCOME PROGRAM FUNDED?

A. The Unanimous Stipulation & Agreement in Case No. ER-2002-424, and subsequent agreement of the collaborative participants, provides a total of \$300,000 annually for the program. Of this amount, shareholders contribute \$150,000 annually. The remaining

1 \$150,000 of the total annual funding requirement for the program is collected from
2 ratepayers through an adder to customers' bills. The adder is reflected in existing rates as
3 \$0.10 per month per residential customer on Schedule RG and \$0.25 per month per
4 nonresidential customer on Schedules CB, SH, GP, LP, and TEB. Any excess funding that
5 remains upon termination of the program will be distributed as a contribution to Project
6 Help for use in assisting with emergency energy-related expenses of the elderly and disabled
7 residents in Empire's service area.

8 **Q. DO YOU SUPPORT CONTINUATION OF THE PROGRAM?**

9 **A.** Yes. As of August 5, 2004, there were a total of 593 applications for the ELIP program.¹
10 Of those, 94 were either canceled after some period of participation in the program or were
11 denied participation based on a deficiency in the application or very high balance or high
12 debt. This indicates that approximately 500 low-income customers are receiving assistance
13 from the program. Although the ELIP was designed to assist up to 1000 low-income
14 customers, I believe the current level of participation warrants continuation. Furthermore, I
15 am hopeful that the enrollment in the program may improve as awareness of the program
16 increases. I also believe that due to potential synergies between this program and the
17 Missouri Gas Energy Experimental Low-Income Program (ELIR), the ELIP program may
18 be more successful in the future at assisting low-income customers in the Joplin area.

¹ Initial applications that were later renewed are treated as a single application.

1 Q. WHAT ARE THE POTENTIAL SYNERGIES THAT YOU ENVISION BETWEEN
2 THIS PROGRAM AND THE MGE PROGRAM?

3 A. The Commission has before it in Case GR-2004-0209 a Non-Unanimous Stipulation &
4 Agreement (MGE Stipulation) between Public Counsel, the Staff of the Missouri Public
5 Service Commission and the City of Joplin. The MGE Stipulation proposes a low-income
6 rate discount/weatherization program for MGE gas customers in the Joplin area as well as
7 additional weatherization for MGE's low-income customers that do not participate in the
8 program. Under the terms of the MGE Stipulation, low-income customers will receive
9 support better targeted to the level of need and during the 5-month period when home
10 heating bills tend to be highest. In addition, the MGE Stipulation seeks to transfer
11 enrollment and other administrative duties to a local community action agency and
12 earmarks funds to raise awareness of the program through outreach. I believe that the
13 potential improvements to the MGE low-income rate discount program will increase as well
14 as better target support. Better targeting discounts coupled with mandatory weatherization
15 should make the total household expenditures on energy more affordable for low-income
16 consumers.² In addition, a condition of both the proposal for the Missouri Gas Energy
17 Experimental Low-Income Program and the Empire Experimental Low-Income Program
18 require participants to apply for additional, available, forms of energy assistance. Meeting
19

² The MGE Stipulation requires mandatory weatherization for new customers or existing customers that transition from the previous program requirements.

1 the dual need for both gas and electric assistance should diminish the risk that low-income
2 customers fail to make the timely utility payments required for continued participation.
3 Without adequate support, low-income customers may be forced to forgo timely payments
4 under one program in order to avoid disconnection of the other service. Finally, I anticipate
5 that the outreach funding provided for in the MGE Stipulation will have a "spill-over" effect
6 in drawing low-income customers to the Empire low-income program.

7 **Q. DO YOU PROPOSE ANY CHANGES TO THE PROGRAM AT THIS TIME?**

8 A. Yes. In this testimony, I propose three modifications to the ELIP. I believe the first two
9 modifications are not inconsistent with the existing program design. The first reduces the
10 adders used to generate ratepayer contributions to the \$150,000 level provided for in the
11 Stipulation & Agreement in ER-2002-424. My second recommendation is to use surplus
12 monies associated with "rounding" the adjusted adder to the nearest penny to conduct
13 outreach. I view these adjustments as consistent with the commitments Public Counsel and
14 other parties made in the Stipulation & Agreement in ER-2002-424 and subsequent
15 collaborative. As the final modification, I propose to lengthen the eligibility of qualified
16 customers conditioned on voluntary agreement by the parties in this case that were
17 signatories to the Stipulation & Agreement in ER-2002-424.

18 **Q. PLEASE DESCRIBE YOUR PROPOSED ADJUSTMENT TO THE RATE ADDERS.**

19 A. Currently, customer contributions to the ELIP funding requirement are collected through a
20 fixed \$.10 adder reflected in the existing rates paid by the Residential (RG) customers and a

1 fixed \$.25 adder reflected in the existing rates paid by Commercial Service (CB), Small
2 Heating (SH), General Power (GP), Large Power (LP) and Total Electric Building Service
3 (TEB) customers. The rate adder was originally designed to collect a combined total
4 amount of \$150,000 from these rate classes. Shareholders are to match customer
5 contributions on a dollar-for-dollar basis. However, based on the Company's reported
6 current customer numbers for each class, the \$.10 and \$.25 adders would collect
7 approximately \$202,529. In addition to exceeding the agreed upon \$150,000 from rate-
8 payers, it is not clear that the Company will voluntarily agree to match customer
9 contributions in excess of \$150,000 on a dollar-for-dollar basis. As shown in Schedule 2 of
10 this testimony, I propose to reduce the adders in roughly equal percentages for each affected
11 class in order to achieve the customer contribution of \$150,000 given the Company's
12 current customer counts for each class. The result provides about a 20% reduction, to \$.08
13 for the Residential class and a 28% reduction, to \$.18 for each of the remaining classes.
14 Due to rounding the respective adders to whole cents, there will be approximately \$6,833
15 collected in excess of the \$150,000 required customer contribution.

16 **Q. WHAT DO YOU PROPOSE SHOULD BE DONE WITH THE EXCESS \$6,833?**

17 **A.** I recommend that the \$6,833 be distributed to the two community action agencies that are
18 currently involved in qualifying low-income customers for the program. As of July 5, 2004,
19 Economic Security participated in processing 304 of the total 593 applications. OACAC
20 participated in processing the remaining 289. Given that the applications for each agency
21 constitutes roughly 50% of the total applications, I recommend that the surplus customer

1 contribution of \$6,833 be split equally between Economic Security and OACAC, with each
2 receiving \$3416.50 for target outreach activities to attract new qualifying customers to the
3 ELIP and to promote successful participation by current participants. I recommend that as a
4 condition of receiving outreach funding, each agency would be required to maintain and
5 provide records regarding how the money is spent.

6 Q. COULD YOUR RECOMMENDATION REGARDING THE PROPOSED LEVEL OF
7 ADDERS AND OUTREACH FUNDING CHANGE DURING THE COURSE OF THIS
8 PROCEEDING?

9 A. Yes, they could. I based my calculations on the Company's reported customer counts. To
10 the extent that the Staff's customer counts differ, I may need to update the proposed
11 adjustments to the adders and outreach funding.

12 Q. DO YOU RECOMMEND ANY ADDITIONAL MODIFICATIONS TO EMPIRE'S
13 EXPERIMENTAL LOW-INCOME PROGRAM?

14 A. I recommend that, conditioned upon the consent of parties to the Stipulation & Agreement
15 in ER-2002-424, customers should be allowed to receive credits beyond 24 months. Based
16 on the Company's August 5, 2002 Report, the ELIP is serving approximately 593
17 customers. Of these 593 customers, 221 or approximately 37% qualify for a \$40 bill credit
18 and 372 or approximately 63% qualify for a \$20 credit. The total annual discount provided
19 at these take rates equals \$195,360. This compares with a funding level of \$300,000. I
20 believe there is adequate funding to support at least 250 new participants even if funding
21 continues beyond 24 months for existing customers.

III. OTHER NEED BASED AND ENERGY EFFICIENCY PROGRAMS

Q. DOES THE COMPANY OFFER OTHER NEED-BASED ASSISTANCE PROGRAMS AND ENERGY EFFICIENCY PROGRAMS IN ITS MISSOURI SERVICE AREA?

A. Yes. The Company sponsors ProjectHELP program in conjunction with the Red Cross.³ The program uses voluntary customer contributions to assist the elderly and disabled with energy-related expenses. The company also offers the E.A.S.E. program designed to assist the elderly. Under the E.A.S.E. program, deposit and late penalties are waived, third party notification is available when an account becomes delinquent and due dates may be adjusted.⁴ With respect to conservation and energy efficiency efforts, the Company offers:

- 1) The Residential Conservation Service that provides home energy audits for a first-time fee of \$15 and subsequent audits for \$62.00.⁵
- 2) The Promotional Practices Schedule that provides no-interest loans to employees that purchase and install energy saving measures or appliances in their homes.⁶
- 3) An Experimental Green Power Schedule that, for an additional fee and subject to minimum use, allows customers to purchase more environmental friendly power.⁷
- 4) A Net Meter Service that allows customers to supply unused power.⁸

³ See Schedule 3 for additional information on the program.

⁴ See Schedule 3 for additional information on the program.

⁵ See Schedule 3 for additional information on the program.

⁶ See Schedule 3 for additional information on the program.

⁷ See Schedule 3 for additional information on the program.

1 || Q. OTHER THAN THE MODIFICATIONS TO THE ELIP THAT YOU DESCRIBED
2 || PREVIOUSLY IN YOUR TESTIMONY, DO YOU PROPOSE ANY NEW PROGRAMS
3 || OR MODIFICATIONS TO EXISTING NEED-BASED OR ENERGY EFFICIENCY
4 || PROGRAMS?

5 || A. Not at this time.

6 || Q. DOES THIS CONCLUDE YOUR TESTIMONY?

7 || A. Yes, it does.

⁸ See Schedule 3 for additional information on the program.

For ALL TERRITORYNo supplement to this tariff will be issued except
for the purpose of cancelling this tariff.**EXPERIMENTAL LOW-INCOME PROGRAM
("ELIP")****APPLICATION:**

This Experimental Low-Income Program is applicable for service billed under Schedule RG, Residential Service, to qualified customers. The ELIP will, on a pilot basis, provide up to 1,000 participants with a fixed credit on their monthly bill (ELIP credit). Customers participating in the ELIP program shall receive the credit for a period up to 12 months from the billing cycle designated by the Company (EDE) as the participants first month until the billing cycle designated as the participants last for ELIP. At the end of the 12 month period, a customer may reapply to participate further in the program. This experimental program was approved by the Missouri PSC in Case No. ER-2002-424.

DEFINITIONS:

Qualified Customer - An EDE customer receiving service under Schedule RG who is classified as low-income by the Missouri Department of Social Service criteria and whose annual household income is no greater than 100% of the federal poverty level, as established by the poverty guidelines updated periodically in the Federal Register by the U.S. Department of Health and Services under the authority of 42 U.S.C. 9902 (2).

Applicant - A qualified customer who submits an ELIP application form for the ELIP credit.

Participant - An applicant who agrees to the terms of the ELIP and is accepted by EDE.

Program Funds - Annual ratepayer funding for the ELIP is \$150,000.00 based upon the Unanimous Stipulation and Agreement in Case No. ER-2002-424. Ratepayer funding shall be matched dollar for dollar by EDE. The \$300,000.00 annual sum of ratepayer funding and the EDE matching funds shall be the "program funds".

Agencies - The social service agencies serving EDE's service territory that qualify and assist ELIP customers pursuant to written contract between EDE and the Agencies.

AVAILABILITY:

Service under this rate schedule shall be available to up to one thousand participants in the EDE service area who satisfy the following eligibility requirements:

1. Participant must be an EDE residential customer receiving service under the RG rate.
2. Participant's annual household income must be verified initially, and annually thereafter, as being no greater than 100 percent of the federal poverty level.
3. For purposes of determining the level of the ELIP credit to be received, the participants will be categorized as follows:
 - a. Group A - Participants whose annual income has been verified as being from 0 to 50 percent of the federal poverty level.
 - b. Group B - Participants whose annual income has been verified as being from 51 to 100 percent of the federal poverty level.
4. Participants shall be required to enroll in EDE's Average Payment Plan, (Rider AP) with adjustments to said plan limited to once per year.
5. Participants who have outstanding arrearages shall enter special pay agreements through which the arrearages shall be paid over a period of 12 to 24 months as mutually agreed to by both the Participant and the Company.

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

P.S.C. Mo. No. 5

Sec. 4 2nd Revised Sheet No. 10
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. 4 1st Revised Sheet No. 10
Which was issued 11-25-96

EXPERIMENTAL LOW-INCOME PROGRAM
("ELIP")

- Participants must provide, via an interview or questionnaire, information related to their energy use and program participation. Any information provided in these interviews or questionnaires that is later made public will not be associated with the participant's name.
- Any provision of the Company's rules and regulations applicable to the Company's RG customers will also apply to ELIP participants.

ENERGY ASSISTANCE:

- Participants who have not previously completed an application for a LIHEAP ("Low-Income Home Energy Assistance Program") grant agree to apply for a LIHEAP grant when such grants become available. EDE, through the Agencies, shall assist ELIP participants with completion of LIHEAP application forms when such assistance is requested.
- Applicants agree to apply for any other available energy assistance programs identified by the Company, including any available weatherization programs.

CREDIT AMOUNT:

Participants will receive the ELIP credit for up to 24 months so long as the participant continues to meet the ELIP eligibility requirements.

Up to 1,000 participants shall receive the ELIP credit in the following amounts (not to exceed the participant's fixed monthly Rider AP payment):

- Group A - Up to a maximum of \$40 per month.
- Group B - Up to a maximum of \$20 per month.

DISCONTINUANCE AND REINSTATEMENT:

EDE may discontinue a participant's ELIP credit for any of the following reasons:

- If EDE, through the Agencies, determines the participant no longer meets the eligibility requirements set forth in this tariff.
- If the participant submits a written request to EDE asking that the ELIP credit be discontinued.
- If the participant does not conform to EDE's rules and regulations as approved by the Missouri Public Service Commission, and as a result the participant has Schedule RG service discontinued by EDE.

Reinstatement of the ELIP credit following discontinuance in the above circumstances and after the participant again meets the eligibility requirements will be at the discretion of EDE.

If participant voluntarily leaves the ELIP, that customer shall be ineligible for participation in the ELIP for remainder of the term of this experimental program.

MISAPPLICATION OF THE ELIP CREDIT:

Providing incorrect or misleading information to obtain the ELIP credit shall constitute a misapplication of the ELIP credit. If this occurs EDE may discontinue the ELIP credit and rebill the account for the amount of all ELIP credits received by the participant. Failure to reimburse EDE for the misapplication of the ELIP credits may result in termination of customer's electric service pursuant to EDE's rules and regulations. However, nothing in this experimental tariff shall be interpreted as limiting EDE's rights under any provisions of any applicable law or tariff.

DATE OF ISSUE March 31, 2003
ISSUED BY David W. Gibson, Vice President, Joplin, MO

DATE EFFECTIVE April 30, 2003

STATE OF MISSOURI, PUBLIC SERVICE COMMISSION

P.S.C. Mo. No. 5

THE EMPIRE DISTRICT ELECTRIC COMPANY

Sec. 4 2nd Revised Sheet No. 11
Cancelling P.S.C. Mo. No. 5For ALL TERRITORYNo supplement to this tariff will be issued except
for the purpose of cancelling this tariff.Sec. 4 1st Revised Sheet No. 11
Which was issued 11-25-96EXPERIMENTAL LOW-INCOME PROGRAM
("ELIP")

OTHER CONDITIONS:

The ELIP program has been designed so that EDE neither profits from nor incurs losses as a result of offering this experimental program.

Costs of administering the program, including those costs charged by the Agencies, shall be paid from the program funds.

Participation may be limited so that the projected expenditures of the program should equal the projected revenue from the program funds; however, the program will not be limited to fewer than 200 participants from Group A and 200 participants from group B.

EDE will gather and maintain participant data on usage, arrears, payments and other relevant factors to be used in the evaluation of the program.

EDE shall make non-confidential data, as well as any and all program evaluations that are conducted, available to the parties to Case No. ER-2002-424.

Pursuant to a Unanimous Stipulation and Agreement in Case No. ER-2002-424, this experimental program may be evaluated in EDE's next rate or complaint case, but in any event, an evaluation of the effectiveness of the first two years of this experiment shall be initiated no later than thirty (30) months from the date that these tariff sheets become effective. The evaluation shall be conducted by an independent third party evaluator under contract with EDE, that is acceptable to EDE, Commission Staff and the Public Counsel. The costs of the evaluator shall be paid from the program funds.

If any program funds in excess of actual program expenses remain at the end of the ELIP program and evaluation, EDE shall contribute the excess funds to Project Help.

DATE OF ISSUE March 31, 2003
ISSUED BY David W. Gibson, Vice President, Joplin, MODATE EFFECTIVE April 30, 2003

STATE OF MISSOURI, PUBLIC SERVICE COMMISSION

P.S.C. Mo. No. 5

THE EMPIRE DISTRICT ELECTRIC COMPANY

Sec. 4 2nd Revised Sheet No. 11
Cancelling P.S.C. Mo. No. 5For ALL TERRITORYNo supplement to this tariff will be issued except
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DATE OF ISSUE March 31, 2003
ISSUED BY David W. Gibson, Vice President, Joplin, MODATE EFFECTIVE April 30, 2003

Line		RG	CB	SH	GP	TEB	LP	
1	Rate Class							
2	Customers	114707	16845	2514	1449	784	35	
3	Adder	\$ 0.10	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	Total
4	Annual Contribution	\$ 137,648	\$ 50,535	\$ 7,542	\$ 4,347	\$ 2,352	\$ 105	\$ 202,529
5	Required Contribution							<u>\$ 150,000</u>
6	Excess Contribution							\$ 52,529
7	Excess Percentage							25.94%
8	Proposed Adder	\$ 0.08	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	
9	Adjusted Annual Contribution	\$ 110,119	\$ 36,385	\$ 5,430	\$ 3,130	\$ 1,693	\$ 76	\$ 156,833
10	Ongoing Program Contribution							<u>\$ 150,000</u>
11	Balance							\$ 6,833
12	Proposed Outreach Funding							\$ 6,833



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Deposit & Fees

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Project Help is neighbors helping neighbors.



Helping our neighbors is a tradition in our area, built over the years and based on our common goals and needs. One beautiful example of how that neighborly spirit is still at work here is Project help.

What is Project Help?

Project Help is an assistance program created to meet energy-related emergency energy-related expenses of the elderly and/or disabled residents in Empire's service area. For many of these people, protection against extreme heat or cold can be matter of life or death.

Project Help is a joint effort of the Empire District Electric Company and the American Red Cross. It is totally funded through voluntary donations.

Who is eligible for Project Help Assistance?

To be eligible for Project Help applicants must be 55 years of age or older, or be disabled to the extent that they cannot economically self-sufficient and have no other resource available. The Red Cross will verify each applicant's eligibility.

What qualifies as "emergency energy-related expenses"?

Any energy bill of the truly needy for heating or cooling may qualify for Project Help assistance, regardless of fuel source. This includes electric or gas service, the costs of other fuels like propane or butane, minor home weatherization, emergency repair of vital heating and cooling equipment and other similar expenditures.

The Red Cross will determine when emergency needs exist and will administer the use of available funds to meet those needs. Project help is not intended to provide ongoing support, but to provide temporary assistance for those persons in a crisis situation.

How to make a donation

It's simple! Just complete the online [donation form](#).

All contributions received by Empire will be given monthly to the American Red Cross to be used to help pay emergency energy costs of the truly needed.

Naturally, your contributions are tax deductible.

Your total Project Help contributions for the previous year will be reported on your January bill each year.

All money goes to Project Help

Empire's role in Project Help is to encourage donations by offering Empire customers a convenient means of contributing. The full amount of each contribution to Project Help will go to the ultimate beneficiaries. There are no deductions for salaries, administrative costs or other expenses. And, of course, all the money stays within this area. Project help really is neighbors helping neighbors.

STATE OF MISSOURI, PUBLIC SERVICE COMMISSION

P.S.C. Mo. No. 5

THE EMPIRE DISTRICT ELECTRIC COMPANY

Sec. 4 Original Sheet No. 20
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 _____EMPIRE'S ACTION TO SUPPORT THE ELDERLY
RIDER EASE

JUL 21 1997

APPLICATION:

MISSOURI
Public Service Commission

"Registered Elderly or Disabled Customer" means one who is sixty (60) years old and above, or is disabled to the extent that s/he is unable to leave the premises without assistance and who files with Company a form approved by the Commission attesting to the fact that s/he meets these qualifications and which also may list an agency or person the Company shall contact as required in the Cold Weather Rule.

PLAN:

1. The late payment charge on these accounts will be waived.
2. No new security deposit will be required as long as a reasonable attempt is made to keep electric bills paid. For purposes of determining reasonable attempt, Empire will consider the following: any delinquent balance and the size of the balance; the time that the debt has been outstanding and the reason why; the Customer's ability to pay; the Customer's payment history; and any other relevant factors relating to the Customer's service.
3. Third party notification at customer's request (we will send a copy of any delinquent notices issued on these accounts to a third party).
4. Customer may choose a preferred payment date to make payments more convenient.

FILED

JUL 28 1997
97 - 81

MO. PUBLIC SERVICE COMM

DATE OF ISSUE July 24, 1997
ISSUED BY R.B. FANCHER, Vice President-Finance, Joplin, MODATE EFFECTIVE July 28, 1997

The Empire District Electric Company

Original
Sec. 4 5th Revised Sheet No. 7
Cancelling P.S.C.No. 5
Original
Sec. 4th Revised Sheet No. 7
Which was received 12-01-88

For ALL TERRITORY

RECEIVED

RESIDENTIAL CONSERVATION SERVICE
RIDER RCS

MAY 31 1989

APPLICATION:

A home energy audit service shall be available to eligible residential customers. An audit shall be performed upon the request of the customer.

MISSOURI

Public Service Commission

RATE:

First audit, per customer \$15.00
Each additional audit, per customer 62.00

* A charge of \$0.000 per month shall be applied to all customers billed on Schedules RG and RH, which are subject to this rider by reference.

CONDITIONS OF SERVICE:

1. The home energy audit shall be performed on residential buildings only.
2. To be eligible for a home audit, a customer must:
 - (a) Own or occupy a residential building.
 - (b) Receive a fuel bill for fuel used in such residential building.
3. A building shall fulfill the qualifications of a residential building (required for Conditions of Service No. 1 and No. 2, above) if:
 - (a) It is not a new building to which final standards under Sections 304(a) and 305 of the Energy Conservation and Production Act apply.
 - (b) It is used as living space.
 - (c) It has a system for heating and/or cooling.
 - (d) It does not contain a heating or cooling system which is a central system used for more than four dwelling units.
4. Except as otherwise stated in this rider, all terms and provisions of the applicable rate schedule will be in full force and effect.

The above rider is as provided for by the Missouri Public Service Commission in Docket No. 00-80-40. Annually, from the commencement of these charges, the estimated cost of the RCS Program will be compared with the actual cost. Any over-collection will be subtracted from the estimated cost of the program for the following year. If the program is terminated, any over-collection will be refunded to the Company's existing residential customers as a billing credit.

FILED

JUL 1 1989

00-80-40

Public Service Commission

DATE OF ISSUE JUNE 1, 1989

DATE EFFECTIVE JULY 1, 1989

ISSUED BY R. L. LAMB, President, Joplin, MO.

STATE OF MISSOURI, PUBLIC SERVICE COMMISSION

P.S.C. Mo. No. 5

THE EMPIRE DISTRICT ELECTRIC COMPANY

Sec. 4 1st Revised Sheet No. 8
Cancelling P.S.C. Mo. No. _____For ALL TERRITORYNo supplement to this tariff will be issued except
for the purpose of cancelling this tariff.Sec. _____ Original Sheet No. 8
Which was issued 6-18-93PROMOTIONAL PRACTICES
SCHEDULE PRO

AUG 23 1993

A. Employee Purchase Plan

- MISSOURI
Public Service Commission**
1. Participant in the plan must be a regular, full-time employee and a retail customer of the Company.
 2. The purchase plan will include insulation and appliances as well as the complete installation of electric HVAC (heating, ventilation and air conditioning). The installation of HVAC requires:
 - a. Existing Residence - The employee must be the owner of and living in the residence in which the system is to be installed.
 - b. New Construction - The employee, upon completion of construction, must be the owner of and occupy the residence in which the system is to be installed.
 3. Employee will be responsible for negotiating the price and arranging for delivery and installation. The invoice will be provided to the Company for payment.
 4. Appliance and insulation may be financed up to twelve (12) months without interest. Total house HVAC systems may be financed for up to sixty (60) months without interest. An allowance, not to exceed one hundred twenty-five dollars (\$125.00) per ton, will be paid by the Company to aid employees with the additional cost required to install above standard insulation levels and high efficiency HVAC systems.
 5. Employees will make monthly payments to the Company for the above mentioned purchases. The balance will become due in thirty (30) days if a regular payment is not met when due.

B. Dealer Cooperative Advertising

The Company may develop and implement various cooperative advertising programs to be made available to a dealer in appliances or equipment. Cooperative advertising funds supplied by the Company are limited to one-half (1/2) the reasonable cost or value and the Company's name (Empire) is to be prominently identified as a sponsor of the advertising.

C. Unregulated Competition Waivers

Where the Company competes for business with unregulated competition, the Company may waive all or part of any charges associated with extensions of service and/or construction deposits, provided for in The Empire District Electric Company Schedule No. 5 - Schedule of Rates for Electricity, and any additional non-tariff charges, required in order to effectively compete with offers made to developers and/or customers by unregulated competition after notifying the Missouri Public Service Commission and receiving an Order granting the waiver for good cause shown.

The following listed areas, individuals, and/or subdivisions have been granted waivers by the Commission per the associated order numbers:

<u>Order Number</u>	<u>Area and/or Subdivision</u>
EO-91-398	Bentwater Subdivision
EO-91-75	Quail Run Subdivision
EO-90-320	Gimlin Development
Underground Authority Order No. 1381	Loma Linda Estates

FILED

SEP 25 1993

MO. PUBLIC SERVICE COMM.DATE OF ISSUE AUGUST 26, 1993
ISSUED BY M. W. MCKINNEY, Vice President, Joplin, MODATE EFFECTIVE SEPTEMBER 25, 1993Schedule 3
Page 4 of 12

STATE OF MISSOURI, PUBLIC SERVICE COMMISSION

P.S.C. Mo. No. 5

THE EMPIRE DISTRICT ELECTRIC COMPANY

Sec. 4 10th Revised Sheet No. 2
Cancelling P.S.C. Mo. No. 5For ALL TERRITORYNo supplement to this tariff will be issued except
for the purpose of cancelling this tariff.Sec. 4 9th Revised Sheet No. 2
Which was issued 08-29-03EXPERIMENTAL GREEN POWER SCHEDULE
RIDER EGP

PURPOSE:

This experimental program is designed to provide our customers with the opportunity to support the use and development of renewable energy

AVAILABILITY:

This schedule is available to customers receiving service under any of Company's electric rate schedules, who voluntarily sign an Experimental Green Power (EGP) service application and agreement in order to support alternative renewable (Green Power) resources, such as wind, solar or biomass. This experimental program may be discontinued any time after two years from the effective date below, subject to notification by the company.

APPLICATION:

A customer that requests EGP service will pay an additional amount for Green Power, which represents Company's additional cost of supplying Green Power. Company in turn will purchase the agreed upon amount of energy from suppliers who generate power from environmentally friendly or Green Power sources such as wind, solar or biomass. Company reserves the right to limit the amount of power provided to individual customers under this tariff. This tariff does not constitute a commitment by Company to acquire or construct additional Green Power resources should Green Power subscriptions exceed available supply.

GREEN POWER RATES:

Blocks of 100 kWh can be purchased by a customer to be supplied using Green Power from listed sources. The charge for each block purchased, which is in addition to their charges for electric service, is shown below.

Source	Block size	Additional \$ per month, per block
Wind	100 kWh per month	\$3.50 *

*This is an estimated cost. Customers will be notified and offered the opportunity to withdraw from the program, if the actual charge will exceed this amount. Once the actual charge is known, the Company will file a revised tariff sheet identifying this amount.

TERMS AND CONDITIONS:

1. Participating customers agree to purchase Green Power for a minimum of 12 consecutive months, beginning after June 1, 2005 if the below participation requirements are met. After the initial term of 12 consecutive months, the customer may withdraw from this tariff with one month written notice.
2. Customers may subscribe for blocks of Green Power, up to the minimum monthly usage established during the previous 12 months, rounded down to the nearest 100 kWh. Customers that consume less energy in a month than that to which they have subscribed will still be charged for the subscribed Green Power.
3. Energy purchased by Company from a Green Power source in a given month may be applied to block commitments in another month. If Company's annual energy purchases from Green Power sources is not sufficient to meet annual commitment levels, Company will refund to each participating customer, following the anniversary date of the effective date shown below, an amount equal to the authorized additional \$ per kWh Green Power rate multiplied by the pro rata difference between the actual Green Power energy delivered and the Green Power energy customers committed to purchase.

DATE OF ISSUE March 4, 2004
ISSUED BY David W. Gibson, Vice President, Joplin, MODATE EFFECTIVE April 3, 2004

STATE OF MISSOURI, PUBLIC SERVICE COMMISSION

P.S.C. Mo. No. 5

THE EMPIRE DISTRICT ELECTRIC COMPANY

Sec. 4 8th Revised Sheet No. 3
Cancelling P.S.C. Mo. No. 5For ALL TERRITORYNo supplement to this tariff will be issued except
for the purpose of cancelling this tariff.Sec. 4 7th Revised Sheet No. 3
Which was issued 08-29-03EXPERIMENTAL GREEN POWER SCHEDULE
RIDER EGP

4. In order for Empire to provide service in accordance with this program, a minimum of 1,000 blocks of Green Power must be requested, in the form of customers signing the above-mentioned application and agreement by April 1, 2005. Prior to this date, information will be provided to customers about Green Power. If there is less than the 1,000 block minimum participation, this tariff will be discontinued on May 1, 2005. If minimum participation is exceeded, the two year experimental program will begin June 1, 2005, contingent on the availability of renewable resources, but in no case will the program begin after December 31, 2005.
5. Empire will provide certain information regarding the experimental green power program established by this tariff sheet to the Staff of the Missouri Public Service Commission and the Missouri Office of the Public Counsel on or before October 31 of the years 2005 and 2006. The reporting period will be one (1) year, ending with September 30 of the year of the report. The information to be provided is the following: 1) number of customers receiving service under the tariff; 2) the range and average blocks purchased per participant; 3) customer class of those receiving service under the tariff; number of customers terminating service under the tariff; 4) a description of the methods used to promote the program and copies of promotional materials used; 5) a description of the process used to acquire power supply; 6) demand for the program versus available power supply; 7) customer feedback on the program (solicited or unsolicited); 8) descriptions of unanticipated problems encountered in the program's implementation; and, 9) signed and dated wind contract.

DATE OF ISSUE March 4, 2004
ISSUED BY David W. Gibson, Vice President, Joplin, MODATE EFFECTIVE April 3, 2004

THE EMPIRE DISTRICT ELECTRIC COMPANY

Sec. 4 2nd Revised Sheet No. 12
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. 4 1st Revised Sheet No. 12
Which was issued 11-25-96NET METERING RIDER
RIDER NMINTERCONNECTION APPLICATION /AGREEMENT FOR NET METERING
SYSTEMS WITH A CAPACITY OF 100 KW OR LESS**For Customers Applying for Interconnection:**

If you are interested in applying for interconnection to The Empire District Electric Company's (Empire) electrical system, you should first contact Empire and ask for information related to interconnection of parallel generation equipment to Empire's system and you should understand this information before proceeding with this Application. If you wish to apply for interconnection to Empire's electrical system, please complete sections A, B, C and D, and attach the plans and specifications describing the net metering, parallel generation, and interconnection facilities (hereinafter collectively referred to as the "Customer-Generator's System") and submit them to Empire at:

The Empire District Electric Company
602 Joplin
Joplin, Missouri, 64801

You will be provided with an approval or denial of this Application within ninety (90) days of receipt by Empire. If this Application is denied, you will be provided with the reason(s) for the denial. If this Application is approved and signed by both you and Empire, it shall become a binding contract and shall govern your relationship with Empire.

**For Customers Who Have Received Approval of
Customer-Generator System Plans and Specifications:**

After receiving approval of your Application, it will be necessary to construct the Customer-Generator System in compliance with the plans and specifications described in the Application, complete sections E and F of this Application, and forward this Application to Empire for review and completion of section G at:

The Empire District Electric Company
602 Joplin
Joplin, Missouri, 64801

Empire will complete the utility portion of section G and, upon receipt of a completed Application/Agreement form and payment of any applicable fees, permit interconnection of the Customer-Generator System to Empire's electrical system within fifteen (15) days of receipt by Empire if electric service already exists to the premises, unless Customer-Generator and Empire agree to a later date. Similarly, upon receipt of a completed Application/Agreement form and payment of any applicable fees, if electric service does not exist to the premises, Empire will permit interconnection of the Customer-Generator System to Empire's electrical system no later than fifteen (15) days after service is established to the premises, unless the Customer-Generator and Empire agree to a later date.

**For Customers Who Are Assuming Ownership or Operational
Control of an Existing Customer-Generator System:**

If no changes are being made to the existing Customer-Generator System, complete sections A, D and F of this Application/Agreement and forward to Empire at:

The Empire District Electric Company
602 Joplin
Joplin, Missouri, 64801

Empire will review the new Application/Agreement and shall approve such, within fifteen (15) days of receipt by Empire if the new Customer-Generator has satisfactorily completed Application/Agreement, and no changes are being proposed to the existing Customer-Generator System. There are no fees or charges for the Customer-Generator who is assuming ownership or operational control of an existing Customer-Generator System if no modifications are being proposed to that System.

DATE OF ISSUE August 12, 2003
ISSUED BY David W. Gibson, Vice President, Joplin, MO

DATE EFFECTIVE August 28, 2003

STATE OF MISSOURI, PUBLIC SERVICE COMMISSION

P.S.C. Mo. No. 5

THE EMPIRE DISTRICT ELECTRIC COMPANY

Sec. 4 2nd Revised Sheet No. 13
Cancelling P.S.C. Mo. No. 5For ALL TERRITORYNo supplement to this tariff will be issued except
for the purpose of cancelling this tariff.Sec. 4 1st Revised Sheet No. 13
Which was issued 11-25-96NET METERING RIDER
RIDER NM**A. Customer-Generator's Information**Name: _____
Mailing Address: _____
City: _____ State: _____ Zip Code: _____
Service/Street Address (if different from above): _____
City: _____ State: _____ Zip Code: _____
Daytime Phone: _____ Fax: _____ E-Mail: _____
Emergency Contact Phone: _____
Empire Account No. (from Utility Bill): _____**B. Customer-Generator's System Information**Manufacturer Name Plate (if applicable) AC Powr Rating: _____ kW Voltage: _____ Volts
System Type: Solar _____ Wind _____ Biomass _____ Fuel Cell _____ Other (describe) _____
Service/Street Address: _____
Inverter/Interconnection Equipment Manufacturer: _____
Inverter/Interconnection Equipment Model No.: _____
Are Required System Plans & Specifications attached? Yes _____ No _____
Inverter/Interconnection Equipment Location (describe): _____
Outdoor Manual/Utility Accessible & Lockable Disconnect Switch Location (describe): _____Existing Electrical Service Capacity: _____ Amperes Voltage: _____ volts
Service Character: Single Phase _____ Three Phase _____**C. Installation Information / Hardware and Installation Compliance**Person or Company Installing: _____
Contractor's License No. (if applicable): _____
Approximate Installation Date: _____
Mailing Address: _____
City: _____ State: _____ Zip Code: _____
Daytime Phone: _____ Fax: _____ E-Mail: _____
Person or Agency Who Will Inspect/Certify Installation: _____

The Customer-Generator's proposed System hardware complies with all applicable National Electric Safety Code (NESC), National Electric Code (NEC), Institute of Electrical and Electronics Engineers (IEEE) and Underwriters Laboratories (UL) requirements for electrical equipment and their installation. As applicable to System type, these requirements include, but are not limited to, UL 1741 and IEEE 929-2000. The proposed installation complies with all applicable local electrical codes and all reasonable safety requirements of Empire. The proposed System has a lockable, visible disconnect device, accessible at all times to Empire personnel. The System is only required to include one lockable, visible disconnect device, accessible to Empire. If the interconnection equipment is equipped with a visible, lockable, and accessible disconnect, no redundant device is needed to meet this requirement.

The Customer-Generator's proposed System has functioning controls to prevent voltage flicker, DC injection, overvoltage, undervoltage, overfrequency, underfrequency, and overcurrent, and to provide for System synchronization to Empire's electrical system. The proposed System does have an anti-islanding function that prevents the generator from continuing to supply power when Empire's electrical system is not energized or operating normally. If the proposed System is designed to provide uninterruptible power to critical loads, either through energy storage or back-up generation, the proposed System includes a parallel blocking scheme for this backup source that prevents any backflow of power to Empire's electrical system when the electrical system is not energized or not operating normally.

Signed (Installer): _____ Date: _____
Name (Print): _____DATE OF ISSUE August 12, 2003
ISSUED BY David W. Gibson, Vice President, Joplin, MODATE EFFECTIVE August 28, 2003

THE EMPIRE DISTRICT ELECTRIC COMPANY

Sec. 4 2nd Revised Sheet No. 14
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. 4 1st Revised Sheet No. 14
Which was issued 11-25-96NET METERING RIDER
RIDER NM**D. Additional Terms and Conditions**

In addition to abiding by Empire's other applicable rules and regulations, the Customer-Generator understands and agrees to the following specific terms and conditions:

1) Operation / Disconnection

If it appears to Empire, at any time, in the reasonable exercise of its judgment, that operation of the Customer-Generator's System is adversely affecting safety, power quality or reliability of Empire's electrical system, Empire may immediately disconnect and lock-out the Customer-Generator's System from Empire's electrical system. The Customer-Generator shall permit Empire's employees and inspector's reasonable access to inspect, test, and examine the Customer-Generator's System.

2) Liability

The Customer-Generator agrees to carry no less than \$100,000 of liability insurance that provides for coverage of all risk of liability for personal injuries (including death) and damage to property arising out of or caused by the operation of the Customer-Generator's System. Insurance may be in the form of an existing policy or an endorsement on an existing policy.

3) Interconnection Costs

The Customer-Generator shall, at the Customer-Generator's cost and expense, install, operate, maintain, repair, and inspect, and shall be fully responsible for the Customer-Generator's System. The Customer-Generator further agrees to pay or reimburse to Empire all of Empire's Interconnection Costs. Interconnection Costs are the reasonable costs incurred by Empire for: (1) additional tests and analyses of the effects of the operation of the Customer-Generator's System on Empire's local distribution system, (2) additional metering, and (3) any necessary controls. These Interconnection Costs must be related to the installation of the physical facilities necessary to permit interconnected operation of the Customer-Generator's System with Empire's system and shall only include those costs, or corresponding costs, which would not have been incurred by Empire in providing service to the Customer-Generator solely as a consumer of electric energy from Empire pursuant to Empire's standard cost of service policies in effect at the time the Customer-Generator's System is first interconnected with Empire's system. Upon request, Empire shall provide the Customer-Generator with a non-binding estimate of Empire's Interconnection Costs based upon the plans and specifications provided by the Customer-Generator to Empire.

4) Energy Pricing and Billing

Section 386.887, RSMo Supp. 2002 sets forth the valuation and billing of electric energy provided by Empire to Customer-Generator and to Empire from Customer-Generator. The value of the electric energy delivered to the Customer-Generator shall be billed in accordance with rate schedule(s) _____. The value of the electric energy delivered by the Customer-Generator to Empire shall be credited in accordance with rate schedule CP, Cogeneration Purchase Rate.

5) Terms and Termination Rights

This Agreement becomes effective when signed by both the Customer-Generator and Empire, and shall continue in effect until terminated. After fulfillment of any applicable initial tariff or rate schedule term, the Customer-Generator may terminate this Agreement at any time by giving Empire at least thirty (30) days prior written notice. In such event, the Customer-Generator shall, no later than the date of termination of Agreement, completely disconnect the Customer-Generator's System from parallel operation with Empire's system. Either party may terminate this Agreement by giving the other party at least thirty (30) days prior written notice that the other party is in default of any of the terms and conditions of this Agreement, so long as the notice specifies the basis for termination, and there is an opportunity to cure the default. This Agreement may also be terminated at any time by mutual agreement of the Customer-Generator and Empire. This agreement may also be terminated by approval of the Commission, in there is a change in statute that is determined to be applicable to this contract and necessitates its termination.

DATE OF ISSUE August 12, 2003
ISSUED BY David W. Gibson, Vice President, Joplin, MO

DATE EFFECTIVE August 28, 2003

THE EMPIRE DISTRICT ELECTRIC COMPANY

Sec. 4 3rd Revised Sheet No. 15
Cancelling P.S.C. Mo. No. 5For ALL TERRITORYNo supplement to this tariff will be issued except
for the purpose of cancelling this tariff.Sec. 4 2nd Revised Sheet No. 15
Which was issued 9-26-01NET METERING RIDER
RIDER NM**6) Transfer of Ownership**

If operational control of the Customer-Generator's System transfers to any other party than the Customer-Generator, a new Application/Agreement must be completed by the person or persons taking over operational control of the existing Customer-Generator System. Empire shall be notified no less than thirty (30) days before the Customer-Generator anticipates transfer of operational control of the Customer-Generator's System. The person or persons taking over the operational control of Customer-Generator's System must file a new Application/Agreement, and must receive authorization from Empire before the existing Customer-Generator System can remain interconnected with Empire's electrical system. The new Application/Agreement will only need to be completed to the extent necessary to affirm that the new person or persons having operational control of the existing Customer-Generator System completely understand the provisions of this Application/Agreement and agrees to them. In no changes are being made to the Customer-Generator's System, completing sections A, D and F of this Application/Agreement will satisfy this requirement. If no changes are being proposed to the Customer-Generator System, Empire will assess no charges or fees for this transfer. Empire will review the new Application/Agreement and shall approve such, within fifteen (15) days if the new Customer-Generator has satisfactorily completed the Application/Agreement, and no changes are being proposed to the existing Customer-Generator System. Empire will then complete section G and forward a copy of the completed Application/Agreement back to the new Customer-Generator, thereby notifying the new Customer-Generator that the new Customer-Generator is authorized to operate the existing Customer-Generator System in parallel with Empire's electrical system. If any changes are planned to be made in the existing Customer-Generator System that in any way may degrade or significantly alter that System's output characteristics, then the Customer-Generator shall submit to Empire a new Application/Agreement for the entire Customer-Generator System and all portions of the Application/Agreement must be completed.

7) Dispute Resolution

If any agreements between the Customer-Generator and Empire arise that cannot be resolved through normal negotiations between them, the disagreements may be brought to the Missouri Public Service Commission by either party, through an informal or formal complaint. Procedures for filing and processing these complaints are described in 4 CSR 240-2.070. The complaint procedures described in 4 CSR 240-2.070 apply only to retail electric power suppliers to the extent that they are regulated by the Missouri Public Service Commission.

8) Testing Requirement

The Customer-Generator must, at least once every year, conduct a test to confirm that the Customer-Generator's net metering unit automatically ceases to energize the output (interconnection equipment output voltage goes to zero) within two (2) seconds of being disconnected from Empire's electrical system. Disconnecting the net metering unit from Empire's electrical system at the visible disconnect switch and measuring the time required for the unit to cease to energize the output shall satisfy this test. The Customer-Generator shall maintain a record of the results of these tests and, upon request by Empire, shall provide a copy of the test results to Empire. If the Customer-Generator is unable to provide a copy of the test results upon request, Empire shall notify the Customer-Generator by mail that Customer-Generator has thirty (30) days from the date the Customer-Generator receives the request to provide to Empire, the results of a test. If the Customer-Generator's equipment ever fails this test, the Customer-Generator shall immediately disconnect the Customer-Generator's System from Empire's system. If the Customer-Generator does not provide results of a test to Empire within thirty (30) days of receiving a request from Empire or the results of the test provided to Empire show that the Customer-Generator's net metering unit is not functioning correctly, Empire may immediately disconnect the Customer-Generator's System from Empire's system. The Customer-Generator's System shall not be reconnected to Empire's electrical system by the Customer-Generator until the Customer-Generator's System is repaired and operating in a normal and safe manner.

I have read, understand, and accept the provisions of Section D, subsections 1 through 8 of this Application/Agreement.

Signed (Customer-Generator): _____ Date: _____

DATE OF ISSUE August 12, 2003
ISSUED BY David W. Gibson, Vice President, Joplin, MO

DATE EFFECTIVE August 28, 2003

THE EMPIRE DISTRICT ELECTRIC COMPANY

Sec. 4 4th Revised Sheet No. 16
Cancelling P.S.C. Mo. No. 5For ALL TERRITORYNo supplement to this tariff will be issued except
for the purpose of cancelling this tariff.Sec. 4 3rd Revised Sheet No. 16
Which was issued 9-26-01NET METERING RIDER
RIDER NM**E. Electrical Inspection**

The Customer-Generator System referenced above satisfies all requirements noted in Section C.

Inspector Name (Print): _____

Inspector Certification: I am a Licensed Engineer in Missouri _____ or I am a Licensed Electrician in Missouri _____

License No. _____

Signed (Inspector): _____ Date: _____

F. Customer-Generator Acknowledgement

I am aware if the Customer-Generator System installed on my premises and I have been given warranty information and/or an operational manual for that system. Also, I have been provided with a copy of Empire's parallel generation tariff or rate schedule (as applicable) and interconnection requirements. I am familiar with the operation of the Customer-Generator System.

I agree to abide by the terms of this Application/Agreement and I agree to operate and maintain the Customer-Generator System in accordance with the manufacturer's recommended practices as well as Empire's interconnection standards. If, at any time and for any reason, I believe that the Customer-Generator System is operating in an unusual manner that may result in any disturbances on Empire's electrical system, I shall disconnect the Customer-Generator System and not reconnect it to Empire's electrical system until the Customer-Generator System is operating normally after repair or inspection. Further, I agree to notify Empire no less than thirty (30) days prior to modification of the components or design of the Customer-Generator System that in any way may degrade or significantly alter that System's output characteristics. I acknowledge that any such modifications will require submission of a new Application/Agreement to Empire.

I agree not to operate the Customer-Generator System in parallel with Empire's electrical system until this Application/Agreement has been approved by Empire.

Signed (Customer-Generator): _____ Date: _____

G. Utility Application Approval (completed by The Empire District Electric Company)

Empire does not, by approval of this Application/Agreement, assume any responsibility or liability for damage to property or physical injury due to malfunction of the Customer-Generator's System or the Customer-Generator's negligence.

This Application is approved by Empire on this _____ day of _____ (month). _____ (year).

Empire Representative Name (Print): _____

Signed Empire Representative: _____

DATE OF ISSUE August 12, 2003
ISSUED BY David W. Gibson, Vice President, Joplin, MODATE EFFECTIVE August 28, 2003

STATE OF MISSOURI, PUBLIC SERVICE COMMISSION

P.S.C. Mo. No. 5

THE EMPIRE DISTRICT ELECTRIC COMPANY

Sec. 4 4th Revised Sheet No. 16
Cancelling P.S.C. Mo. No. 5For ALL TERRITORYNo supplement to this tariff will be issued except
for the purpose of cancelling this tariff.Sec. 4 3rd Revised Sheet No. 16
Which was issued 9-26-01NET METERING RIDER
RIDER NM**E. Electrical Inspection**

The Customer-Generator System referenced above satisfies all requirements noted in Section C.

Inspector Name (Print): _____

Inspector Certification: I am a Licensed Engineer in Missouri _____ or I am a Licensed Electrician in Missouri _____
License No. _____

Signed (Inspector): _____ Date: _____

F. Customer-Generator Acknowledgement

I am aware if the Customer-Generator System installed on my premises and I have been given warranty information and/or an operational manual for that system. Also, I have been provided with a copy of Empire's parallel generation tariff or rate schedule (as applicable) and interconnection requirements. I am familiar with the operation of the Customer-Generator System.

I agree to abide by the terms of this Application/Agreement and I agree to operate and maintain the Customer-Generator System in accordance with the manufacturer's recommended practices as well as Empire's interconnection standards. If, at any time and for any reason, I believe that the Customer-Generator System is operating in an unusual manner that may result in any disturbances on Empire's electrical system, I shall disconnect the Customer-Generator System and not reconnect it to Empire's electrical system until the Customer-Generator System is operating normally after repair or inspection. Further, I agree to notify Empire no less than thirty (30) days prior to modification of the components or design of the Customer-Generator System that in any way may degrade or significantly alter that System's output characteristics. I acknowledge that any such modifications will require submission of a new Application/Agreement to Empire.

I agree not to operate the Customer-Generator System in parallel with Empire's electrical system until this Application/Agreement has been approved by Empire.

Signed (Customer-Generator): _____ Date: _____

G. Utility Application Approval (completed by The Empire District Electric Company)

Empire does not, by approval of this Application/Agreement, assume any responsibility or liability for damage to property or physical injury due to malfunction of the Customer-Generator's System or the Customer-Generator's negligence.

This Application is approved by Empire on this _____ day of _____ (month). _____ (year).

Empire Representative Name (Print): _____

Signed Empire Representative: _____

DATE OF ISSUE August 12, 2003
ISSUED BY David W. Gibson, Vice President, Joplin, MODATE EFFECTIVE September 11, 2003