

**Empire District Electric Company
Cost of Capital**

A	B	C	D	E
Capital Structure March 31, 2006:				
	Amount Outstanding 000s	Percent of Total	Cost Rate	Weighted Return
1 Long-term Debt	\$ 410,112	51.64%	7.28%	3.76%
3 Common Equity	384,040	48.36%	9.65%	4.67%
4 Short-term Debt	-	0.00%	5.59%	0.00%
5 Total	\$ 794,152	100.00%		8.43%

Sources:

Capital Structure: Empire's March 31 Form 10Q, page 7

Long-term Debt Cost: Empire's Schedule H.1

Short-term Debt Cost: Response to P.C. Data Request 4013

Equity Cost: Testimony

FILED

SEP 29 2006

Missouri Public
Service Commission

Public Counsel
Exhibit No. 140
Case No(s) ER-2006-0315
Date 9-14-06 Rptr TU