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May 29, 2001

Mr. Dale Hardy Roberts
Executive Secretary
Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

FILED²
MAY 29 2001
Missouri Public
Service Commission

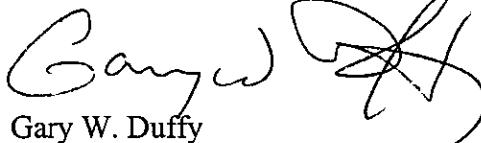
RE: Case No. ER-2001-299
The Empire District Electric Company

Dear Mr. Roberts:

Enclosed for filing in the above-referenced proceeding please find an original and eight copies of Empire's "Supplement to Statement of Position on Issues."

If you have any questions, please give me a call.

Sincerely yours,


Gary W. Duffy

Enclosures

cc w/encl:

Office of Public Counsel
Office of the General Counsel
Stuart W. Conrad
Martin Penning

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**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

FILED²
MAY 29 2001
Missouri Public
Service Commission

In the matter of The Empire District Electric)
Company's Tariff Sheets Designed to)
Implement a General Rate Increase for)
Retail Electric Service Provided to Customers)
in the Missouri Service Area of the Company)

Case No. ER-2001-299

**SUPPLEMENT TO
STATEMENT OF POSITION ON LIST OF ISSUES**

COMES NOW The Empire District Electric Company ("Empire"), by and through its counsel, and for its supplement to its Statement of Position on the List of Issues previously filed in this case on May 14, 2001, to address the changes to the original List of Issues prompted by the Commission's "Order Directing Filing" issued May 24, 2001, respectfully states as follows:

Empire hereby restates the pertinent issue from the original List of Issues or the Addendum, as the case may be, and presents its new or supplemental position on each.

4. Class Cost of Service /Rate Design

- (a) What should be the appropriate method of class cost of service allocation in this case?
- (b) What is the appropriate allocation of any increase in revenues to customer classes?
- (c) What are the appropriate adjustments to rates for the various customer classes?
- (d) What is the appropriate rate design treatment of the Interim Energy Charge?

Empire's Supplemental Position: Empire believes that it is appropriate to increase the non-fuel portion of any increase allowed by the Commission in this case by applying an equal percentage to all rate classes. Any increase related to fuel and purchased power should be applied on a per kWh basis.

8. Cost of Service - Fuel and Purchased Power

What should be the appropriate methodology and level of fuel and purchased power expense for the Commission to adopt in this case?

Empire's Position: Empire believes the Interim Energy Charge (IEC) approach outlined and reflected in the Non-Unanimous Stipulation and Agreement filed on May 14, 2001, by Empire, Staff and Public Counsel should be adopted by the Commission. It is a balanced and reasonable approach. If the full details of the IEC approach had been made known to Empire prior to the filing of the proposed tariffs in this case, Empire would have proposed it itself. If the Staff had filed the IEC approach in its direct case, Empire would have adopted it.

Respectfully submitted,



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Certificate of Service

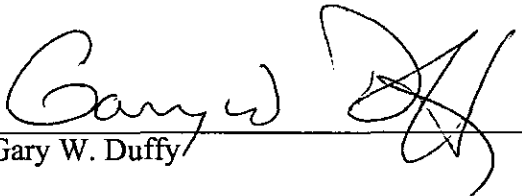
The undersigned certifies that a true and correct copy of the foregoing document was sent by either hand delivery or U.S. Mail, first class postage prepaid, this 29th day of May, 2001 to the

following:

John Coffman
Office of the Public Counsel
Governor State Office Building
Jefferson City, Missouri

Denny Frey
General Counsel's Office
Missouri Public Service Commission
Governor State Office Building
Jefferson City, Missouri

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Gary W. Duffy

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