

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

In the Matter of The Empire District Electric                     )  
Company's Application for a Change of Supplier                     )     File No. \_\_\_\_\_  
at an Existing Location in Monett, Missouri                     )

**JOINT APPLICATION FOR CHANGE OF SUPPLIER**

COME NOW the applicants, The Empire District Electric Company ("Empire") and the City of Monett, Missouri (the "City"), by and through their respective counsel, and in support of their Joint Application for Change of Supplier ("Application") submitted to the Missouri Public Service Commission ("Commission") pursuant to RSMo. §393.106.2 and Commission Rules 4 CSR 240-2.060 and 3.140, respectfully state as follows:

1.     Empire is a Kansas corporation with its principal office and place of business at 602 South Joplin Avenue, Joplin, Missouri, 64802. Empire is qualified to conduct business and is conducting business in Missouri, as well as in the states of Kansas, Arkansas, and Oklahoma. Empire is engaged, generally, in the business of generating, purchasing, transmitting, distributing and selling electric energy in portions of said states. Empire also provides water service and natural gas distribution service in Missouri. Empire's Missouri operations are subject to the jurisdiction of the Commission as provided by law.

2.     A certified copy of Empire's Restated Articles of Incorporation, as amended, was filed in Case No. EF-94-39 and is incorporated herein by reference in accordance with Commission Rule 2.060(1)(G). A Certificate from the Missouri Secretary of State that Empire, a foreign corporation, is authorized to do business in Missouri was filed with the Commission in Case No. EM-2000-369 and is incorporated by reference in accordance with Commission Rule 2.060(1)(G). This information is current and correct. Empire has no pending actions or final unsatisfied judgments or decisions against it from any state or federal agency or court that

involve customer service or rates, other than Empire's pending general rate case, Commission Case No. ER-2016-0023. Empire's annual report and assessment fees are not overdue.

3. The City, a municipal corporation, operates a Municipal Electric System and is an all-requirements customer of Empire, served under Empire's wholesale Generation Formula Rate ("GFR") and Transmission Formula Rate ("TFR"). Both rates are regulated by the Federal Energy Regulatory Commission ("FERC").

4. The City has a population of approximately 8,875 and is located at the county line of Barry and Lawrence Counties. City Hall is located at 217 5<sup>th</sup> Street, Monett, Missouri, 65708.

5. Empire currently provides electric service to the City at six wholesale delivery points (metered at 12 KV) within the city limits, with one such wholesale delivery point being located at the City-owned Monett Regional Airport, located at Highways 60 and 97 (the "Subject Location"). Empire also serves various retail loads at multiple retail delivery points located at the Monett airport. One such retail delivery point serves a Monett well pump and a storm siren. The annual energy consumption at this retail service point from November of 2014 through October of 2015 was 15,360 Kw hours, representing \$2,107.84 in retail revenues on Empire's retail CB rate.

6. The applicants request authorization from the Commission for the electric supplier of this one retail delivery point at Subject Location to change from Empire to the City, said change of supplier being in the public interest.

7. The City acquired the Subject Location in 1981, and the municipal airport became operational in 1989. A well was drilled on the Subject Location in 2000 to provide water to the airport. It is currently a stand-alone water system serving the airport only.

8. The municipal airport was located outside the limits of the City when it was built, so Empire provided individual retail electric service to the various structures (including the well) at the Subject Location.

9. The well and well house are located in the East 1/2 of the NE 1/4 of the SE 1/4 of the NE 1/4 of Section 5, Township 25N, Range 28W in Barry County, Missouri; which is located on the east side of the Subject Location.

10. In 2002, the City annexed the Subject Location (including the well) and began considering a plan to develop an industrial park on the Subject Location. At that time, the City requested that Empire provide a wholesale delivery point to serve the anticipated new industrial load.

11. The wholesale meter was set at the Subject Location in 2006 to serve the first new building in the industrial park. At this time, this original industrial building at the airport is still the only structure served by this wholesale meter.

12. In 2015, the City developed a plan to replace the 15 HP pump at the Subject Location with a larger pump (estimated to be 125 HP) and to also extend a water main to the municipal airport in an effort to integrate the airport water needs into the City's municipal water supply. This project will eliminate the need for pressure tanks at the airport well house. The new pump will also provide a 13<sup>th</sup> major water source into the City's municipal water system.

13. The City requested that Empire allow the City to serve this new pump from the City's own electric system when the project is completed in 2016, or prior to completion and during construction. The lighting, space heaters, and well pump controls/monitors in the well house, as well as a storm siren adjacent to the well house, are currently served by Empire. As such, the applicants believe that a "Change of Supplier" authorization from the Commission is

required pursuant to RSMo. §393.106.2. The service to the well house/pump is the only existing retail service point on the Subject Location that is being requested for “Change of Supplier” approval. All other existing retail service points at the municipal airport will continue to be served by Empire, under Empire’s Missouri retail rates.

14. Authorization of the change of supplier is in the public interest, and the applicants are requesting authorization because: (a) the City desires that all 13 pumps serving its integrated municipal water distribution system be served by the same utility supplier – Monett City Utilities; (b) the municipal airport is now located within the limits of the City, so there are no territorial issues or restrictions; (c) the City will be making significant modifications to the well and its water system and desires that the electric service be converted from overhead service to underground; (d) the City desires to construct, own, operate, and maintain these facilities in accordance with the City’s electric service standards; (e) the City desires to have direct control of potential outage issues, such as blown fuses and failed transformers, that could disrupt service to this critical piece of water infrastructure; (f) the City’s service crews are located within minutes of the municipal airport, whereas the closest Empire crews would need to be dispatched from Aurora, at least 30 minutes away; and (g) the City would be able to more quickly de-energize the transformer and service in the event of an emergency without waiting for Empire crews to arrive.

15. Empire is both the retail and the wholesale supplier for loads at the municipal airport, and, if the requested change of supplier is authorized by the Commission, the City will provide a one-time payment to Empire equal to four years’ of “lost revenues,” based on the difference between the wholesale and retail rates using 2015 billing parameters. As such, Empire believes that none of Empire’s retail customers will be harmed by the authorization of this requested change of supplier, and Empire has no objections to “releasing” this specific customer

to the City. Further, the City will reimburse Empire for all legal expenses incurred by Empire associated with this filing and the cost associated with abandoning and removing the minimal existing Empire facilities serving this structure. Due to the foregoing, authorization of the requested change of supplier is in the public interest.

WHEREFORE, Empire and the City respectfully request that the Commission issue an Order granting this Joint Application and authorizing the change of supplier requested herein. The applicants request such additional relief as is just and proper under the circumstances.

Respectfully submitted,

ATTORNEYS FOR EMPIRE:

BRYDON, SWEARENGEN & ENGLAND P.C.

By:

/s/ Diana C. Carter

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ATTORNEYS FOR THE CITY:

RANDALL, BOXX, AND MARCI PC

By:

  
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VERIFICATION

STATE OF MISSOURI       )  
  ) ss  
COUNTY OF JASPER       )

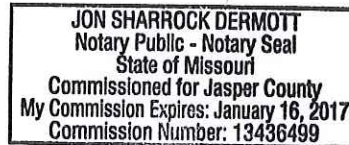
I, BRENT A BAKER, having been duly sworn upon my oath, states that I am the VICE PRESIDENT-CUSTOMER SERVICE, TRANS, & ENG. for The Empire District Electric Company and that the matters and things stated in the foregoing Application are true and correct to the best of my information, knowledge, and belief and that I am authorized to execute this verification on behalf of Empire.

Brent A Baker

Subscribed and sworn to before me, a notary public, on this 28<sup>th</sup> day of January, 2016.

[Signature]  
Notary Public

My Commission expires: 01/16/2017



STATE OF MISSOURI       )  
  ) ss  
COUNTY OF BARRY       )

I, Dennis L. Pyle, having been duly sworn upon my oath, states that I am the City Administrator for the City of Monett, Missouri, and that the matters and things stated in the foregoing Application are true and correct to the best of my information, knowledge, and belief and that I am authorized to execute this verification on behalf of the City.

Dennis L. Pyle

Subscribed and sworn to before me, a notary public, on this 25 day of January, 2016.

[Signature]  
Notary Public

My Commission expires: \_\_\_\_\_

**JANIE KNIGHT**  
Notary Public - Notary Seal  
STATE OF MISSOURI  
Barry County  
My Commission Expires: **September 11, 2017**  
Commission #13487997

**CERTIFICATE OF SERVICE**

I hereby certify that the above and foregoing document was filed in EFIS and that a copy of the same was sent via electronic mail on this 28<sup>th</sup> day of January, 2016, to Counsel for the Staff of the Commission and the Office of the Public Counsel.

/s/ Diana C. Carter