

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

In the Matter of the Application of The Empire District
Electric Company and The Empire District Gas
Company for Approval of Their Cost Allocation Manual.) **File No. AO-2012-0062**

JOINT PROPOSAL REGARDING CERTAIN PROCEDURAL MATTERS

COME NOW The Empire District Electric Company (“Empire Electric”) and The Empire District Gas Company (“Empire Gas”) (collectively, “Empire”), the Staff of the Missouri Public Service Commission (“Staff”), and the Office of the Public Counsel (“OPC”) (collectively, the “Parties”) by and through their respective counsel, and submit this Joint Proposal Regarding Certain Procedural Matters. In this regard, Empire, the Staff, and OPC respectfully state as follows to the Missouri Public Service Commission (“Commission”):

1. Empire filed a *Joint Application* and Cost Allocation Manual (“CAM”) for Commission approval of a CAM for Empire on August 23, 2011. On September 15, 2011, Empire, the Staff, and OPC filed a *Joint Proposal Regarding Certain Procedural Matters*. Among other things, the Parties proposed that (a) the Staff file a recommendation and comments on November 10, 2011; (b) Empire and OPC file responses by December 16, 2011; and (c) the Parties file any replies by January 27, 2012. On September 19, 2011, the Commission issued an *Order Accepting Joint Proposal Regarding Certain Procedural Matters*.

2. On November 10, 2011, the Staff filed with the Commission its Recommendation To Defer Approval of Empire's CAM Pending Indicated Revisions. The Staff recommended that before the Commission approve an Empire CAM, Empire make certain revisions and further address certain areas, which the Staff addressed in

its Memorandum Recommendation. On December 15, 2011, Empire filed a *Response To Staff Recommendation* in which it stated that it was working with the Staff on Staff's suggested revisions for the CAM and it anticipated filing a revised CAM at the conclusion of the discussions.

3. On February 10, 2012, Empire, the Staff and OPC filed a *Joint Request Regarding Continuing Discussions*. The Parties stated that they continued to engage in discussions concerning the contents of the CAM and respectfully requested that the Commission accept the filing of monthly status reports until such time as Empire files a CAM acceptable to all Parties, or the parties notify the Commission that any items remain in dispute. On February 10, 2012, the Commission issued an Order Granting Joint Request Regarding Continuing Discussions. In this Order, the Commission stated in ordered item "2.":

The parties shall file monthly status reports on the last working day of each month until such time as The Empire District Electric Company and The Empire District Gas Company shall file a Cost Allocation Manual acceptable to all parties, the parties notify the Commission that any items remain in dispute, or until otherwise ordered by the Commission.

Monthly status reports have been filed beginning in February, 2012 through June, 2016.

The Staff and OPC have produced their own proposed drafts of an Empire Electric CAM. The Staff provided its most current Electric CAM to Empire for feedback on February 8, 2016 and OPC filed its proposed CAM in File No. ER-2016-0023 on April 1, 2016 and in this docket on May 26, 2016.

4. The Parties have been unable to reach an agreement on an Electric CAM or identification of the specific items in dispute. As such, the Parties suggest that an Early Technical Settlement Conference be ordered to identify the items in dispute.

At the conclusion of this early Technical Settlement Conference, the parties may be able to file portions of a proposed CAM all parties can support and a list of the portions of a proposed Electric CAM that need to be resolved by the Commission. Direct testimony and responsive testimony will need to be filed in support of the Parties' positions concerning the disputed portions of the proposed Electric CAM that need to be (a) resolved by the Commission, (b) an evidentiary hearing held before the Commission, and (c) briefs submitted to the Commission based on the testimony filed and the hearing held. The Parties propose the following schedule in this regard:

Early Technical Settlement Conference – identification of areas of agreement and non-agreement	August 11, 2016
List of areas of agreement and non-agreement	August 25, 2016
Direct Testimony by all parties	September 9, 2016
Technical Settlement Conference	September 26, 2016
Rebuttal Testimony by all parties	October 21, 2016
Technical Settlement Conference	November 1, 2016
Surrebuttal Testimony by all parties	December 6, 2016
List of Issues, Order of Issues and Witnesses	December 20, 2016
Statements of Positions	January 3, 2017
Evidentiary Hearing	January 10-12, 2017
Initial Posthearing Briefs by all parties	February 2, 2017
Reply Posthearing Briefs by all parties	February 16, 2017

5. In order to facilitate the processing of this case, all parties will provide the other parties with copies of workpapers and items/materials referenced in their witness's

filed testimony on the day of the filing of direct, rebuttal, and surrebuttal testimony. The Commission's Rule on Evidence defines prepared testimony direct, rebuttal and surrebuttal as follows: "[d]irect testimony shall include all testimony and exhibits asserting and explaining that party's entire case in chief" (4 CSR 240-2.130(7)(A)); "[w]here all parties file direct testimony, rebuttal testimony shall include all testimony which is responsive to the testimony and exhibits contained in any other party's direct case (4 CSR 240-2.130(7)(B));" and "surrebuttal testimony shall be limited to material which is responsive to matters raised in another party's rebuttal testimony(4 CSR 240-2.130(7)(D))."

6. Additionally, the parties suggest that the time for data request responses should be as follows:

(a) for data requests served before the filing of rebuttal testimony, the response time shall be 20 calendar days, and 10 calendar days to object or notify that more than 20 calendar days will be needed; and

(b) for data requests served on or after the filing of rebuttal testimony, the response time shall be 10 calendar days to provide the requested information, and 5 business days to object or notify that more than 10 calendar days will be needed.

WHEREFORE, Empire, the Staff, and OPC respectfully submit this Joint Proposal Regarding Certain Procedural Matters.

STAFF OF THE MISSOURI
PUBLIC SERVICE COMMISSION

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was sent via electronic mail on this 29th day of July, 2016, to all counsel of record.

/s/ Steven Dottheim