

**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)	Case No. AO-2012-0062
Approval of Their Cost Allocation)	
Manual.)	

**PUBLIC COUNSEL’S REPLY TO
EMPIRE’S NOTICE OF ACTIVITY**

COMES NOW the Missouri Office of the Public Counsel (“OPC”) and for its Reply to Empire’s Notice of Activity states:

1. On May 17, 2016, The Empire District Electric Company and The Empire District Gas Company (collectively “Empire”) filed a Notice of Activity in Case No. ER-2016-0023 (“Notice”). Empire’s Notice discusses activity occurring in Empire’s electric rate case regarding Empire’s Cost Allocation Manual (“CAM”).

2. OPC urges the Commission not to take any action in this case, Case No. AO-2012-0062, until the CAM issue is resolved in Empire’s electric rate case through settlement or through Commission order after the commencement of litigation.

3. OPC opposes Empire’s request that the Commission approve the CAM Empire filed almost five years ago on August 23, 2011. If Empire’s CAM complied with the Commission’s affiliate transaction rules and was otherwise in the public interest, the parties in this case would have resolved this case years ago. It is precisely because Empire’s CAM is insufficient that this case has remained open and unresolved since 2011. If the Commission “believes it has sufficient information before it at this time to approve a CAM for Empire” as Empire states in its Notice, OPC urges the Commission to adopt the CAM attached to OPC witness Mr. Charles Hyneman’s testimony in

Empire's electric rate case proceeding. OPC's proposed CAM is also attached to this pleading.

WHEREFORE, the Office of the Public Counsel respectfully offers this reply to Empire's Notice of Activity.

Respectfully submitted,

OFFICE OF THE PUBLIC COUNSEL

By: /s/ **Marc D. Poston**

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to all counsel of record this 26th day of May 2016.

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