

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

In the Matter of The Empire District Electric)	
Company's Application for Certificate of Public)	
Convenience and Necessity and Approval of)	Case No. EO-2005-0263
And Experimental Regulatory Plan Related to)	
Generation Plant)	

NOTICE

Comes now The Empire District Electric Company ("Empire" or "Company"), by counsel, and for its Notice in the captioned-matter states as follows to the Missouri Public Service Commission ("Commission"):

1. On January 13 and 14, 2007, Empire experienced a severe ice storm in its service area which left lines, equipment and trees coated in ice up to three inches thick. At the peak on January 15, 2007, Empire had 85,000 customers without power. The cost of the ice storm has been estimated at \$26 million. The ice storm is a "significant event" such as those identified in Paragraph III.C.9.i-iv of the Stipulation and Agreement in this case.

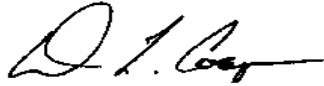
2. While the final amount of ice storm expense to be capitalized is still unknown, the Company has assumed for purposes of this pro forma analysis an estimate of \$12 million for additional capital expenditures related to the storm. In addition, Empire is aware that the anticipated costs for Iatan 2 have increased over the amounts under consideration at the time of the Stipulation and Agreement in this case.

3. In view of these factors and circumstances, Empire has undertaken a study and update of its Resource Plan taking into account the costs of the ice storm and the increased cost of Iatan 2. As a result of that study, the Company has determined that the present value revenue requirement for its Resource Plan has increased less than two percent (2%). In addition, the study confirmed the need for and economics of the Company's current Infrastructure Investment Plan identified in Paragraph III.C.1 of the Stipulation and Agreement in this case.

4. At this time, Empire plans to begin amortizing the expenses related to the January, 2007 ice storm over five (5) years and intends to ask for recovery of the amortization through rates in a general rate case. The Company's Infrastructure Investment Plan includes the Riverton 12 plant anticipated to be on line in the spring of 2007 and the Asbury Selective Catalytic Reduction environmental equipment scheduled to be completed and in service at the end of 2007. In its next general rate case, Empire will seek recovery of amounts related to these capital additions and the ice storm expenses.

5. Therefore, Empire does not believe that there is any need to seek modification of its Infrastructure Investment Plan at this time.

Respectfully submitted,



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ATTORNEYS FOR THE EMPIRE DISTRICT
ELECTRIC COMPANY

Certificate of Service

I hereby certify that the foregoing has been hand-delivered or transmitted by facsimile or electronic mail to all counsel of record on the 12th day of March, 2007.

