



David W. Gibson
Vice President - Regulatory and General Services

November 12, 2002

Secretary to the Commission
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

FILED⁴

NOV 13 2002

Missouri Public
Service Commission

RE: The Empire District Electric Co
Small Company Rate Increase Request
Case No. WR 2003 0177

Dear Mr. Secretary:

Pursuant to the Agreement Regarding Disposition of Small Company Rate Increase Request, I am enclosing for filing a copy of the notice mailed to customers as requested by the Office of the Public Counsel.

Please contact me if I can provide additional information.

Sincerely,

David W. Gibson
Vice President - Regulatory and General Services

Enclosures

C: Wendell R. Hubbs - PSC Staff
Ruth O'Neill - Office of the Public Counsel

EMPIRE DISTRICT ELECTRIC COMPANY
WATER SERVICE

602 Joplin Street • PO Box 127 • Joplin, Missouri 64802

November 12, 2002

Dear Customer:

On May 15, 2002, Empire District Electric Company (Company) submitted a request for permanent increase in its current water rates, under the Missouri Public Service Commission's (Commission) small company rate increase procedure.

By its request, the Company was seeking increases in its customer rates intended to generate an increase in the Company's annual operating revenues for water service of \$361,117. The Company believes these increases in its operating revenues are necessary to meet current operating expenses.

As a result of the Company's request, the Staff of the Public Service Commission (Commission Staff) conducted an investigation of the Company's books and records and the Company's operations. Based upon the results of its investigation, the Commission Staff is recommending an increase in the Company's annual operating water revenues of \$357,951.

The Office of the Public Counsel (Public Counsel), a state agency responsible for representing the interests of consumers before the Commission, has reviewed the results of the Commission Staff's investigation. However, the Public Counsel has not yet taken a final position regarding the Commission Staff's recommended increase in the Company's annual operating revenues. The Public Counsel has indicated that it will review the responses to this customer notice letter before making the determination of whether to request that the Commission hold a local public hearing.

In addition to the monthly rate and commodity rate changes the following changes are also proposed:

- (1) A Late Payment Charge is to be approved;
- (2) A Bad Check Charge of \$20 per bad check is to be approved;
- (3) A Door Collection Charge of \$15 to avoid disconnection is to be approved;
- (4) An Emergency Call Out Charge of \$15 to shut off service where the emergency exists entirely on the customer owned facilities is to be approved;
- (5) A Reconnection Charge from \$3 to \$30 is to be approved;
- (6) A Meter Test Charge increase from \$25 to \$35 is to be approved;
- (7) A Temporary Turn-Off Charge for the customer's convenience of \$25 is to be approved;

Any customer that has questions or comments about the Commission Staff's recommended rate increase should contact the Staff and/or the Public Counsel ***within 20 days of the date of this notice***. To do so, please use the addresses, telephone numbers or fax numbers shown below. Depending upon the response to this notice, the Public Counsel may request that the Public Service Commission hold a local public hearing. ***Regardless of whether a local public hearing is held, no increase in rates will take effect without the approval of the Public Service Commission.***

Below is a residential customer impact statement for a customer using 6,000 gallons per month. This example is shown without applicable taxes.

Sincerely,



Mr. Mike Palmer
Vice President – Commercial Operations

Missouri Public Service Commission
Water and Sewer Department
P.O. Box 360
Jefferson City, MO 65102
Phone: 573-751-3437 or 800-392-4211
Fax: 573-751-1847

Office of the Public Counsel
Attn: Ruth O'Neill
P.O. Box 7800
Jefferson City, MO 65102
Phone: 573-751-1304
Fax: 573-751-5562

Residential Water Customer Impact

Assume Monthly Bill Computation For A Typical
Residential Consumer Using 6,000 Gallons Per Month

Monthly Bill:	Minimum Charge	Commodity Charge/unit	Typical Usage (billed)	Total Commodity (Commodity Chg x Typical Usage)	Total Bill (Min.Chg. + Total Commodity)
Proposed Rates	\$7.52	\$2.50	6,000	\$15.00	\$22.52
Current Rates	\$5.62	\$1.87	6,000	\$11.22	\$16.84
Difference	\$1.90	\$0.63		\$3.78	\$5.68
Percentage Difference from Current Rates	33.8%	33.7%		33.7%	33.7%

Note: Proposed rates billed for all metered usage.