

**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.                             )

**NOTICE OF ACTIVITY IN CASE NO. ER-2016-0023**

COME NOW The Empire District Electric Company (“Empire Electric”) and The Empire District Gas Company (“Empire Gas”) (collectively, “Empire”), by and through counsel, and file this Notice to inform the Administrative Law Judge in this case of the recent activity in Empire Electric’s rate case related to Empire’s Cost Allocation Manual (“CAM”). In this regard, Empire respectfully states as follows to the Missouri Public Service Commission (“Commission”):

1. In a prior Empire Electric rate case, Case No. ER-2011-0004, certain parties entered into a Global Agreement, which was approved by the Commission effective June 6, 2011. Paragraph six of the Global Agreement provides that “Empire agrees to file for Commission approval of its Cost Application Manual (CAM).” Pursuant to this provision, Empire filed its CAM and a request for Commission approval herein on August 23, 2011.

2. The Commission issued its Order Accepting Joint Proposal Regarding Certain Procedural Matters herein on September 19, 2011, requiring a recommendation by the Staff of the Commission (“Staff”) to be filed by November 10, 2011, and responses to said Staff recommendation by December 16, 2011. The parties were to notify the Commission of any unresolved issues remaining for Commission resolution by February 10, 2012. Thereafter, at the request of Empire, Staff, and the Office of the Public Counsel (“OPC”), the procedural schedule was suspended and Staff was directed to file monthly status reports.

3. The CAM submitted by Empire on August 23, 2011, has not been approved, rejected, or otherwise acted upon by the Commission in this proceeding or elsewhere.

4. In the context of this CAM proceeding, Empire, Staff, and OPC engaged in discussions regarding Empire's CAM. On February 8, 2016, Staff e-mailed a revised CAM to counsel for Empire and OPC. With its February status report herein, Staff stated that it would seek to schedule a meeting to discuss Staff's proposal. The parties continued to discuss possible meeting times to discuss Staff's new proposal. With its March, 2016, status report (filed herein on March 31, 2016), Staff noted that Empire would need time to review Staff's new proposal.

5. The day after Staff submitted its March status report in this CAM docket, OPC witness Charles R. Hyneman submitted his direct testimony in Empire Electric's pending rate case, Case No. ER-2016-0023. Beginning on line 12 of page 10, and continuing through line 2 on page 13 of his direct testimony in that Empire Electric rate case, OPC witness Hyneman discusses Empire's CAM. Attached to his testimony as Exhibit CRH-1 is a document which Mr. Hyneman is requesting that the Commission, in the Empire Electric rate case proceeding, "order Empire to adopt" as its CAM.

6. Empire Electric moved for the Hyneman CAM testimony to be stricken from the record and not admitted into evidence in the rate case. Staff made a filing in the Empire Electric rate case stating that Staff also did not believe the CAM should be addressed in the rate case. The Empire and Staff filings in the rate case detail the reasons for this position.

7. Empire Electric requested that the Commission issue an order on its motion to strike by April 28, 2016, so that Empire Electric and the other parties to the rate case would not be required to direct time and resources away from rate case matters in order to rebut Mr. Hyneman's allegations regarding Empire's CAM and otherwise discuss Empire's CAM in the

Empire Electric rate case proceeding. Empire Electric also asked that the Commission direct that any further discussion regarding Empire's CAM take place in this proceeding, the docket specifically devoted to Empire's CAM. The Commission has not issued a ruling on Empire Electric's motion to strike in the rate case.

8. Empire believes it would be appropriate to allow Empire sufficient time to review Staff's proposed CAM in this docket and allow Empire, Staff, and OPC additional time to continue working on a CAM that is acceptable to all parties. However, if the Commission believes it has sufficient information before it at this time to approve a CAM for Empire, Empire requests that the Commission take up its application which initiated this CAM proceeding and issue an order herein approving the CAM submitted by Empire on August 23, 2011.

WHEREFORE, Empire respectfully submits this Notice and requests that, if the Commission believes it is appropriate to approve a CAM for Empire at this time, that the Commission issue an order herein approving the CAM submitted by Empire on August 23, 2011. Empire requests such additional relief as the Commission deems necessary or appropriate under the circumstances.

Respectfully submitted,

BRYDON, SWEARENGEN & ENGLAND P.C.

By:

/s/ Diana C. Carter

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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 17<sup>th</sup> day of May, 2016, to all counsel of record.

\_\_\_\_\_/s/ Diana C. Carter\_\_\_\_\_