

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

In the Matter of The Empire District Electric)	
Company's 2013 Triennial Compliance Filing)	Case No. EO-2013-0547
Pursuant to 4 CSR 240-22.)	

**STAFF’S REPORT ON THE EMPIRE DISTRICT ELECTRIC COMPANY’S
ELECTRIC UTILITY RESOURCE PLANNING TRIENNIAL COMPLIANCE FILING**

COMES NOW the Staff of the Missouri Public Service Commission (“Staff”) and, for its report on The Empire District Electric Company’s electric utility resource planning, states:

1. On July 1, 2013, The Empire District Electric Company made its triennial integrated resource planning filing that is required by Chapter 22 of Title 4, Division 240 of the Code of State Regulations.

2. As Staff explains in its report, Empire has made significant improvements to its electric utility integrated resource planning processes. However, based on its review, as related in the attached Staff Report, Staff identified five (5) ways in which Empire failed to comply with Chapter 22 (“deficiencies”) in its integrated resource planning and three (3) ways in which Empire’s planning concerned Staff. The most significant deficiencies and concerns Staff identifies and discusses in its report are:

- **Deficiency 1 - Empire’s adopted preferred resource plan – Plan 2 – is not consistent with Missouri’s energy policy of achieving a goal of all cost-effective demand-side savings over the 20-year planning horizon as required by MEEIA and by the Commission’s Chapter 22 Rules and MEEIA Rules;**
- **Concern A - Staff believes Empire’s 3-year implementation plan for demand-side resources in Plan 2 and its MEEIA Application is an unrealistic and unhealthy stretch for Empire during its very first MEEIA 3-year program plan;**

- **Deficiency 4 - Empire's resource acquisition strategy selection process is not compliant with Rules 4 CSR 240-22.070(1) and 4 CSR 240-22.010(2)(C), because Empire did not: a) explicitly identify and, where possible, quantitatively analyze any and all other considerations which are critical to meeting the fundamental objective of the resource planning process; and b) describe and document the process used to select the preferred resource plan, including the relative weights given to the various performance measures and the rationale used by utility decision-makers to judge the appropriate trade-offs between competing planning objectives and between expected performance and risk; and**
- **Deficiency 5 - The Filing does not comply with Rule 4 CSR 240-22.070(2) concerning analysis and specification of ranges of critical uncertain factors for the adopted preferred resource plan.**

WHEREFORE, Staff files its attached report on The Empire District Electric Company's Electric Utility Resource Planning Triennial Compliance Filing in which it identifies and discusses the deficiencies and concerns it found in The Empire District Electric Company's integrated resource planning.

Respectfully submitted,

/s/ Nathan Williams

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or emailed to all counsel of record this 2nd day of December 2013.

/s/ Nathan Williams_____