OF THE STATE OF MISSOURI

In the Matter of the Assessment Against)	
the Public Utilities in the State of Missouri)	Case No. AO-2002-1156
for the Expenses of the Commission for the)	
Fiscal Year Commencing July 1, 2002.)	

ORDER DIRECTING STAFF FILING AND NOTICE OF PARTY WITHDRAWAL

On June 25, 2002, the Commission issued its annual assessment order pursuant to the provisions of 386.370 of the Missouri Statutes. On June 28, an Application for Rehearing and Stay was filed by The Empire District Electric Company and a very similar application for rehearing and stay was filed by the Southern Union Company d/b/a Missouri Gas Energy.

On July 11, The Empire District Electric Company filed its Notice of Withdrawal of Application for Rehearing and Stay, and pursuant to 4 CSR 240-2.116, the withdrawal was effective upon filing. Therefore, The Empire District Electric Company is no longer a party to this matter. Empire stated as its reason for withdrawing its request the fact that it had been advised by the Staff of the Commission that there had been an error in calculating the assessment for fiscal year 2003. Further stating, Empire noted that a corrected assessment was being prepared by the Administration Division of the Commission and that the matter would, therefore, be resolved.

The Commission directs its staff to continue these efforts in hopes of reaching a similar resolution for MGE. Staff should, within 30 days of this order, file a final report addressing the issues raised by MGE concerning the increase in their assessment and the calculations used in arriving at the assessment. Staff shall not address the issue of

funds transferred from the Public Service Commission fund to the Department of Economic Development or to the Office of Administration as those matters may be addressed separately and at a later time. However, any report prepared by Staff should include the amount of funds transferred to the Department of Economic Development and to the Office of Administration and indicate the services or goods provided in return for those expenses.

Upon receipt of the Staff's report, MGE will have ten days to respond to that report and thereafter the Commission will address any remaining issues in this case.

IT IS THEREFORE ORDERED:

- That the record reflect the withdrawal of The Empire District Electric
 Company from this case as of July 11, 2002.
- 2. That Staff of the Public Service Commission shall continue to address the issues raised by Southern Union Company d/b/a Missouri Gas Energy as set out herein and shall file a full report regarding those issues not later than August 15, 2002.
- 3. That Southern Union Company shall have 10 calendar days after the filing of the report required by paragraph 2 within which to respond to the Staff's report as set out herein.
 - 4. That this order shall become effective on July 16, 2002.

(SEAL)

Dale Hardy Roberts

Y THE COMMISSION

Secretary/Chief Regulatory Law Judge

Dale Hardy Roberts, Chief Law Judge, by delegation of authority pursuant to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri, on this 16th day of July, 2002.