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**THE EMPIRE DISTRICT ELECTRIC COMPANY
FILES FOR CHANGES IN OKLAHOMA RATES**

JOPLIN, MO – December 21, 2016 – The Empire District Electric Company (NYSE:EDE) announced today it has filed a request with the Oklahoma Corporation Commission (OCC) for an increase in annual revenues of \$3.8 million or 27.58 percent. If approved, a residential customer using 1,000 kilowatt hours monthly would see an increase of about \$37, or about 36 percent.

The filing incorporates a cost of service study designed to reflect the actual cost to serve customers through changes in the proposed customer charge and overall rate. For residential customers, the request seeks to increase the monthly customer charge from \$12.50 to \$20.59.

Primary drivers for this case include the \$112 million Air Quality Control System (AQCS) at the Asbury Power Plant, the \$168 million combined cycle generating unit at the Riverton Power Plant; upgrades to financial, asset, and work management software systems; and other reliability and system improvements to serve customers.

In the coming months, the OCC will perform an extensive audit of Empire's operations, hold public hearings, and conduct an evidentiary hearing. Any new rates granted would take effect at the conclusion of this process, typically in approximately six months.

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In making the announcement, Brad Beecher, President and CEO, stated, "Since 2011, approximately \$670 million in capital improvements have been completed to serve Empire customers which are not yet included in Oklahoma rates. The largest of these investments were the Asbury AQCS and the Riverton Combined Cycle Unit. These projects were the most economic options for Empire to comply with environmental mandates related to SO₂, mercury, and particulate matter. These investments also provide economic benefits for the region while lowering emissions and protecting the environment."

Based in Joplin, Missouri, The Empire District Electric Company (NYSE: EDE) is an investor-owned, regulated utility providing electric, natural gas (through its wholly owned subsidiary The Empire District Gas Company), and water service, with approximately 218,000 customers in Missouri, Kansas, Oklahoma, and Arkansas. A subsidiary of the company provides fiber optic services. For more information regarding Empire, visit www.empiredistrict.com.

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Certain matters discussed in this press release are "forward-looking statements" intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. Such statements address future plans, objectives, expectations, and events or conditions concerning various matters. Actual results in each case could differ materially from those currently anticipated in such statements, by reason of the factors noted in our filings with the SEC, including the most recent Form 10-K and Form 10-Q.