

**STATE OF MISSOURI PUBLIC
SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 16th day of December, 2015.

In the Matter of The Empire)
District Electric Company's Request) **File No. ER-2016-0023**
For Authority to Implement a General) Tracking No.: YE-2016-0104
Rate Increase for Electric Service)

ORDER SETTING PROCEDURAL SCHEDULE

Issue Date: December 16, 2015

Effective Date: December 16, 2015

The parties filed their *Joint Motion to Set Test Year and to Establish Procedural Schedule* on November 17, 2015. That document presents the parties' agreements in three sections: "Test Year", "Discovery Conditions" and "Proposed Procedural Schedule". On November 30, 2015, the Commission directed the Commission's Staff to propose specific dates for the test year in this case by December 2, 2015, giving other parties the opportunity to respond to Staff's response by December 4, 2015.

Test Year

In most instances, the test year selected for a utility rate case consists of twelve months of recent actual financial results for the utility. Staff's response states that the "parties have instead agreed to use the final Staff EMS¹ run from the previous rate case filed by Empire as the starting point for the analysis of Empire's need for a rate change

¹ EMS is an acronym for Exhibit Modeling System.

in this case.” Staff notes that a similar approach was used by the parties to establish a starting point for analysis in a previous rate case, ER-2011-0004.

The Office of the Public Counsel (OPC) is the only party that filed a response to Staff’s December 2 filing. OPC concurs with Staff’s assertions, stating that it agreed to the revenue requirement methodology and “believes it can use this methodology with the appropriate safeguards. . . .”

The Commission generally applauds the outcome when all parties agree to a specific matter and tries not to disrupt those types of agreements when possible. In this case, the parties are essentially presenting the Commission with notice that they have not agreed on a specific “test year,” but they all can agree upon a starting point and a true-up date. Specifically, the parties agreed:

The parties shall use the EMS run developed by Staff in File No. ER-2014-0351, and dated March 26, 2015, as a starting point solely for calculation of Empire’s revenue requirement. Any party may propose adjustments to revenues and any rate base and expense items. The data shall be updated for revenues, changes in investment to rate base and expense items as of June 30, 2015, and subsequent thereto. The data shall be trued-up through March 31, 2016. Rate base items for Riverton through March 31, 2016, may be included if the in-service criteria for Riverton is determined by the Commission, pursuant to Section 393.135, RSMo., to have been met by June 1, 2016.

The Commission will adopt this approach to establishing a test year in this case.

Discovery Conditions

The parties have agreed to a list of discovery conditions for this case, which the Commission will adopt.

Proposed Procedural Schedule

The parties provided specific dates for a procedural schedule in the November 17 filing. Notably, the parties’ proposal provides that OPC and the Division of Energy

file direct testimony later than other non-company parties and establishes deadlines for filing True-Up testimony and a True-Up hearing, if necessary, set for June 29, 2016. The Commission will change the proposed dates for Position Statements, True-Up Testimony, and Reply/True-up Briefs from those provided to those listed below in order to allow sufficient opportunity for the Commission to review such filings.

THE COMMISSION ORDERS THAT:

1. The test year for this case will be as agreed by the parties and described in the body of this order.
2. The following procedural schedule is adopted:

<u>EVENT</u>	<u>DATE</u>
Data Request Response Time Becomes 15 Calendar Days with 8 Days to Object or State Additional Time is Needed	January 30, 2016
Non-Company Revenue Requirement Direct Testimony (except OPC and DOE)	March 25, 2016
OPC and DOE Revenue Requirement Direct Testimony	April 1, 2016
Non-Company Class Cost of Service and Rate Design Direct Testimony	April 8, 2016
Preliminary Reconciliation (not filed)	April 8, 2016
Local Public Hearings	April 13 & 14, 2016
Technical Conference	April 19-21, 2016
Preliminary Issues List	April 21, 2016
Rebuttal Testimony	April 27, 2016
Data Request Response Time Becomes 5 Business Days with 3 Business Days to Object or State Additional Time is Needed	April 28, 2016

Empire to Provide True-up Information to all Parties	May 5, 2016
Surrebuttal Testimony (all parties)	May 13, 2016
List of Issues, Order of Witnesses, Order of Opening, Order of Cross Examination	May 17, 2016
Final Reconciliation (to be filed)	May 17, 2016
Prehearing Conference (if needed)	May 24, 2016
Statements of Position	May 20, 2016
Evidentiary Hearing	May 31 - June 10, 2016
True-up Direct Testimony	June 15, 2016
True-up Rebuttal Testimony	June 21, 2016
True-up Hearing (if needed)	June 29, 2016
Initial Post Hearing Brief (All parties)	July 8, 2016
Reply/True-up Briefs	July 15, 2016
Operation of Law Date	September 14, 2016

3. An evidentiary hearing shall be held on May 31, June 1-3 and June 6-10, 2016, beginning at 9:00 a.m. at the Commission's office at the Governor Office Building, 200 Madison Street, Jefferson City, Missouri, Room 310. Should it be needed, the true-up evidentiary hearing shall be on June 29, 2016, at the same time and location. This building meets accessibility standards required by the Americans with Disabilities Act. If additional accommodations are needed to participate in this hearing, please call the Public Service Commission's Hotline at 1-800-392-4211 (voice) or Relay Missouri at 711 prior to the hearing.

4. Parties shall provide all workpapers, in electronic format, whenever feasible, within two business days following the date on which the related testimony is filed.

5. Where workpapers or data request responses include models or spreadsheets or similar information originally in a commonly-available format where inputs or parameters may be changed to observe changes in inputs or outputs, if available in that original format, the party providing the workpaper or response shall provide this type of information in that original format with formulas intact.

6. All parties shall comply with the following discovery procedures:

(A) The Regulatory Law Judge shall set discovery conferences at regular intervals. Discovery conferences shall be held on one week's prior notice to all parties.

(B) Discovery conferences will be held in Room 305 at the Commission's office at the Governor's Office Building, 200 Madison Street, Jefferson City, Missouri. Each discovery conference will begin at 10:00 a.m.

(C) Not less than two (2) business days before each discovery conference, any party that has a discovery disagreement or concern involving another party shall file a brief statement describing that disagreement or concern and identifying any other parties involved. Such statement does not need to be a formal motion to compel. Any party may attend a discovery conference, but only those parties involved in an identified discovery disagreement must attend.

(D) Discovery conferences shall be on the record and shall be transcribed by a court reporter.

(E) Any pending written discovery motion may be taken up at a discovery conference and may be ruled upon by the presiding regulatory law judge either on the record, or in a written order.

(F) Commission Rule 4 CSR 240-2.090's requirement that a party must seek a telephone conference with the presiding officer before filing a discovery motion is waived.

(G) All direct case data requests, subpoenas, or other discovery requests shall be issued no later than May 2, 2016. With respect to deposing a witness, so long as a notice of deposition is issued by May 2, 2016, the deposition may occur, notwithstanding that the deposition will take place after May 2, 2016, or that there could be other conditions that must be satisfied prior to the deposition.

(H) All motions to compel a response to any discovery request related to the direct case shall be filed no later than May 17, 2016. The Parties shall make an effort to resolve all discovery disputes well before the hearing; however, the Parties shall present any outstanding motions to compel to the regulatory law judge at the beginning of the hearings on May 31, 2016.

(I) All true-up data requests, subpoenas, or other discovery requests shall be issued no later than June 26, 2016. With respect to deposing a witness, so long as a notice of deposition is issued by June 26, 2016, the deposition may occur, notwithstanding that the deposition will take place after June 26, 2016, or that there could be other conditions that must be satisfied prior to the deposition.

(J) All motions to compel a response to any discovery request related to the true-up case shall be filed no later than June 24, 2016. The Parties shall make an effort to resolve all discovery disputes well before the hearing; however, the Parties shall present any outstanding motions to compel to the regulatory law judge at the beginning of the hearings on June 29, 2016.

(K) The Parties shall make an effort to not include in data request questions either highly confidential or proprietary information, and the Parties shall make an effort not to over-designate information as either highly confidential or proprietary. If either highly confidential or proprietary information must be included in data request questions, the highly confidential or proprietary information should be appropriately designated as such pursuant to 4 CSR 240-2.135. Responsibility to make this designation is upon the party claiming such. Other parties are entitled to rely on the presence or absence of such designation.

(L) Any data requests issued by or to Staff shall be submitted and responded to in the Commission's Electronic Filing and Information System (EFIS). All data requests other than those issued by or to Staff, as well as all objections to data requests, or notifications of the need for additional time to respond, shall be sent by e-mail to counsel for the other parties. Counsel may designate other counsel to be added to the certified service list and shall assume responsibility for compliance with any restrictions on confidentiality. If any party responds to a data request in EFIS, the response is available in EFIS to all counsel on the certified service list. Data request responses, other than responses to data requests issued by or to Staff, will be served on counsel for

the requesting party's employee or representative who submitted the data request and shall be served electronically, if feasible and not voluminous as defined by Commission rule. If a party desires the response to a data request that has been served on another party, the party desiring a copy of the response must request in writing a copy of the responses from the party answering the data request; thereby providing the responding party the opportunity to object. If a data request has been responded to, a party's request for a copy of the response shall timely be responded to, considering that the underlying data request has already been responded to.

7. This order shall be effective when issued.

BY THE COMMISSION



A handwritten signature in cursive script that reads "Morris L. Woodruff".

Morris L. Woodruff
Secretary

Hall, Chm., Stoll, Kenney, Rupp, and
Coleman, CC., concur.

Burton, Regulatory Law Judge.