

Program (STP and non-STP schools and commercial customers) should be consistently applied to: (a) the fixed monthly charges and (b) the non-supply volumetric charges. Tax benefits should not be passed through on a volumetric basis; nor should the benefits be credited to or through the PGA gas cost factor. The tax reduction should be applied to each rate schedule by recalculating non-gas delivery rates, both fixed and volumetric delivery charges, in the same manner as rates were last approved by the Commission for Empire.

(c) MSBA also supports Staff's recommendation for Empire to flow-back of excess ADIT. Specifically Staff recommends and MSBA supports a Commission order that Empire establish a regulatory liability to account for the difference between the excess ADIT balance included in current rates, which was calculated using the 35% federal corporate income tax rate, versus the amount calculated using the now lower federal corporate income tax rate of 21%, effective from January 1, 2018 going forward and to notify the parties to this case if EDG determines that it is unable to use the Average Rate Assumption Method ("ARAM") as a method for computing and normalizing excess ADIT within thirty days of such determination.

(d) MSBA reiterates the importance for the Commission to quickly move this process to its conclusion so consumers can begin receiving the benefits of the Act.

(e) MSBA supports:

i. passing on full tax benefits of the Act to schools and other rate payers at the earliest possible date; and,

ii. utilizing a Commission approved pass-through mechanism which fairly, equitably and consistently passes through benefits of the Act by recalculating non-gas delivery rates, Customer and delivery volumetric charges, in the same manner as was approved in the last Commission approved rate case for Empire.

- (f) MSBA does not support:
 - i. a pass-through mechanism which credits tax savings through the PGA calculation or through any other volumetric –only basis, because lower utility taxes impact both the Customer charge and delivery volumetric charge but not the gas supply or PGA charge.

WHEREFORE, the Missouri School Boards' Association submits the above recommendations as directed by the Commission's Order issued October 3, 2018.

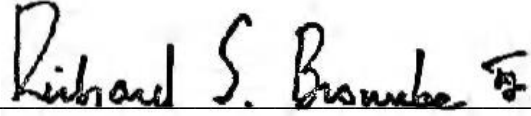
Respectfully submitted,
RSBIII, LLC



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CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing was served electronically to all parties on the official service list for this case on this 12th day of October, 2018.

A handwritten signature in black ink that reads "Richard S. Brownlee III" with a stylized flourish at the end.

Richard S. Brownlee III, Attorney