

Press Release

FOR IMMEDIATE RELEASE -- February 22, 2018

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### PSC Establishes Cases to Determine Impact of Federal Tax Cuts on Customer Rates

JEFFERSON CITY---The Public Service Commission has opened cases for seven investor-owned utilities to determine the impact of federal tax cuts on customer rates as a result of the recently enacted federal Tax Cuts and Jobs Act of 2017, which reduced the federal corporate income tax rate from 35 percent to 21 percent.

Cases were opened for Union Electric Company d/b/a Ameren Missouri electric and natural gas (Case Nos. ER-2018-0226 and GR-2018-0227); The Empire District Electric Company (Case No. ER-2018-0228); The Empire District Gas Company (Case No. GR-2018-0229), KCP&L Greater Missouri Operations Company steam (Case No. HR-2018-0231), Veolia Energy Kansas City, Inc. steam (HR-2018-0232) and Summit Natural Gas of Missouri, Inc. (Case No. GR-2018-0230).

Kansas City Power & Light Company (electric), KCP&L-Greater Missouri Operations Company (electric), Liberty Utilities (natural gas) and the Missouri-American Water Company currently have rate cases before the Commission and the federal tax cut issue will be addressed in those cases. The Commission recently decided natural gas rate cases filed by Spire Missouri, Incorporated and the Commission's decision reflected customer savings associated with the federal tax cut issue.

Applications to intervene and participate in any of these cases must be filed no later than March 5, 2018, with the Secretary of the Missouri Public Service Commission, P.O. Box 360, Jefferson City, Missouri 65102, or by using the Commission's Electronic Filing and Information System (EFIS) at [www.psc.mo.gov](http://www.psc.mo.gov) (/).

On February 16, 2018, the Public Service Commission Staff asked the Commission to open rate cases to consider the rates charged by the above seven investor-owned utilities in light of the federal Tax Cuts and Jobs Act of 2017.

Based upon Staff's motion, the Commission has directed Ameren Missouri, The Empire District Electric Company, KCP&L Greater Missouri Operations Company, Veolia Energy Kansas City, Inc., The Empire District Gas Company and Summit Natural Gas of Missouri, Inc. to show cause, if any, why the Commission should not order the companies to promptly file tariffs reducing their rates for every class and category of natural gas, steam or electric service to reflect the percentage reduction in their federal-state effective income tax rate. As part of their response, all of these companies have been directed to state their position on whether the Commission can order a reduction in utility rates without considering all relevant factors in an extended general rate case. Company responses are due no later than March 19, 2018.

These companies have also been directed to quantify and track all impacts of the Tax Cuts and Jobs Act of 2017 potentially affecting natural gas, steam or electric service rates from January 1, 2018, going forward. In addition, they are to quantify and track their excess protected and unprotected Accumulated Deferred Income Tax (ADIT) for future possible flow back to ratepayers, and advise the Commission how best such flow-back may be accomplished.

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Case Nos. ER-2018-0226 (<https://efis.psc.mo.gov/mpsc/Docket.asp?caseno=ER-2018-0226>), GR-2018-0227 (<https://efis.psc.mo.gov/mpsc/Docket.asp?caseno=GR-2018-0227>), ER-2018-0228 (<https://efis.psc.mo.gov/mpsc/Docket.asp?caseno=ER-2018-0228>), GR-2018-0229 (<https://efis.psc.mo.gov/mpsc/Docket.asp?caseno=GR-2018-0229>), GR-2018-0230 (<https://efis.psc.mo.gov/mpsc/Docket.asp?caseno=GR-2018-0230>), HR-2018-0231 (<https://efis.psc.mo.gov/mpsc/Docket.asp?caseno=HR-2018-0231>) & HR-2018-0232 (<https://efis.psc.mo.gov/mpsc/Docket.asp?caseno=HR-2018-0232>)

**FILED**

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