

*Exhibit No.:*  
*Issues:* *Jurisdictional Allocations,  
Rate Case Expense, Management  
Expense, Pensions and OPEBs,  
Affiliate Transactions and  
Software Maintenance*  
*Witness:* *Kimberly K. Bolin*  
*Sponsoring Party:* *MoPSC Staff*  
*Type of Exhibit:* *Supplemental Testimony*  
*Case No.:* *ER-2019-0374*  
*Date Testimony Prepared:* *May 6, 2020*

**MISSOURI PUBLIC SERVICE COMMISSION**  
**FINANCIAL AND BUSINESS ANALYSIS DIVISION**  
**AUDITING DEPARTMENT**

**SUPPLEMENTAL TESTIMONY**

**OF**

**KIMBERLY K. BOLIN**

**THE EMPIRE DISTRICT ELECTRIC COMPANY**

**CASE NO. ER-2019-0374**

*Jefferson City, Missouri*  
*May 2020*

**TABLE OF CONTENTS OF  
SUPPLEMENTAL TESTIMONY OF  
KIMBERLY K. BOLIN  
THE EMPIRE DISTRICT ELECTRIC COMPANY  
CASE NO. ER-2019-0374**

1		
2		
3		
4		
5		
6	JURISDICTIONAL ALLOCATIONS .....	2
7	RATE CASE EXPENSE .....	4
8	MANAGEMENT EXPENSE .....	4
9	PENSION AND OPEB (FAS 87 AND FAS 106).....	4
10	AFFILIATE TRANSACTIONS.....	5
11	SOFTWARE MAINTENANCE EXPENSE.....	6

1 **SUPPLEMENTAL TESTIMONY OF**

2 **KIMBERLY K. BOLIN**

3 **THE EMPIRE DISTRICT ELECTRIC COMPANY**

4 **CASE NO. ER-2019-0374**

5 Q. Please state your name and business address.

6 A. My name is Kimberly K. Bolin, P.O. Box 360, Suite 440, Jefferson City, MO  
7 65102.

8 Q. By whom are you employed and in what capacity?

9 A. I am the Auditing Department Manager for the Missouri Public Service  
10 Commission ("Commission").

11 Q. Are you the same Kimberly K. Bolin who contributed to Staff's Cost of  
12 Service Report and filed Direct testimony, Rebuttal testimony and Surrebuttal/True-Up  
13 testimony in this case?

14 A. Yes, I am.

15 Q. What is the purpose of your testimony?

16 A. In this testimony, I provide answers and additional background information to  
17 some of the Commission's questions in which the answers were not already provided in  
18 previous Staff testimony. I will discuss the questions for Staff concerning jurisdictional  
19 allocations, rate case expense, management expense, pension and OPEB expense and  
20 software maintenance expense. I also address the Commission's questions for Staff  
21 number 18.14, 18.15, 18.16, and 18.17 regarding Affiliate Transactions.

1 **JURISDICTIONAL ALLOCATIONS**

2 Q. How did Staff calculate the test year allocation difference of (\$11,044,496) in  
3 its final reconciliation filed in the case?

4 A. Staff calculated the test year allocation differences by applying Staff's  
5 jurisdictional allocation factors, as calculated as of the true-up date of January 31, 2020, to  
6 Staff's test year amounts before adjustment (this is also called "per books"). Then Staff  
7 applied The Empire District Electric Company's ("Empire" or "Company") jurisdictional  
8 allocation factors as calculated as of the true-up to Empire's test year numbers before  
9 adjustments. Please see the attached Schedule KKB-sup1 for the differences broken down  
10 by account.

11 Q Why did Staff remove \$5,788,415 from the test year jurisdictional allocation  
12 difference of \$16,832,911?

13 A. Staff removed \$5,788,415 from the \$16,832,911 test year jurisdictional  
14 allocation difference because this amount is related to Account 426. Empire included  
15 Account 426 in its calculation of the test year level of Pensions and OPEBs. Staff does not  
16 believe it is appropriate to include this account in calculating Pensions and OPEBs expense,<sup>1</sup>  
17 either as part of the test year or through an adjustment. Account 426 is a "below the line"  
18 account which normally includes costs that are presumptively subject to disallowance from  
19 utility rates, such as political lobbying costs. Thus, this difference between Staff and Empire  
20 for this account is not a true jurisdictional allocation difference. It is a difference in the  
21 calculation of pensions and OPEBs expense.

---

<sup>1</sup> Surrebuttal testimony of Ashley Sarver, page 2, lines 6-18.

1 Q. Has Staff calculated the differences in the Empire and Staff true-up  
2 jurisdictional allocation factors?

3 A. The final reconciliation reflects jurisdictional allocations that have been  
4 trued-up. However, if the Commission is looking for the impact the jurisdictional allocations  
5 factors have when applied to the individual trued-up adjusted numbers, Staff did not calculate  
6 this. The impact of the trued-up jurisdictional allocation factors for each adjustment is  
7 reflected within the issue difference. For example, the difference reflected in the final  
8 reconciliation for payroll and overtime, not only reflects the differences between Staff and  
9 Empire on methodology it also reflects the jurisdictional allocation differences.

10 Q. Can Staff identify which accounts were trued-up through the end of  
11 January 2020 and which accounts were not trued-up?

12 A Staff did not perform its true-up by account. Instead Staff's true-up is based  
13 upon issues; for example, payroll was an issue that Staff trued-up. Payroll is recorded in  
14 many accounts in Empire's general ledger, but in those accounts other expenses are also  
15 included. The other expenses in the account may or may not have been trued-up.

16 Q. What items were included in Staff's true-up audit?

17 A The following items were included in Staff's true-up audit: Plant in Service,  
18 Accumulated Depreciation, Cash Working Capital, Materials and Supplies, Prepayments, Fuel  
19 Inventory, all regulatory asset/regulatory liability balances, Customer Deposits, Customer  
20 Advances for Construction, Amortization of Electric Plant, Accumulated Deferred Income  
21 Taxes, Payroll, Employer 401(K) costs, Payroll Taxes, Depreciation Expense, Fuel and  
22 Purchased Power Costs, Revenues for Customer Growth, Property Taxes, Rate Case Expense,

1 SPP Transmission Revenues and Expenses, Bad Debt Expense, Miscellaneous Revenues, and  
2 related income tax effects.

3 **RATE CASE EXPENSE**

4 Q. What items are included in Staff's Trued-Up Account 928, Regulatory  
5 Commission Expense?

6 A. The following items and the corresponding amounts are included in Staff's  
7 Trued-Up Account 928:

8

Items included in Staff' calculation of Account 928	Amount
Rate Case Expense	\$71,676
Missouri PSC Assessment	\$903,545
FERC related expenses	\$149,857
Total Account 928 reflected in Staff's True-Up Accounting Schedule 9, line 141	\$1,125,078

9

10 **MANAGEMENT EXPENSE**

11 Q. Why did Staff take no position with this issue raised by The Office of Public  
12 Counsel ("OPC")?

13 A. Staff did not oppose this adjustment because there is possibly some merit to  
14 the adjustment. However, Staff did not support this adjustment because of the assumptions  
15 used by OPC to calculate this issue.

16 **PENSION AND OPEB (FAS 87 AND FAS 106)**

17 Q. What discovery responses are still outstanding related to this issue and when  
18 are the responses due?

19 A. Staff Data Request No. 0344 is still outstanding. It was due April 8, 2020.

1 Q. Is it Staff's opinion that the Commission must follow the Accounting  
2 Standards Codification (ASC) accounting rule cited by Empire for this issue?

3 A. No. The Commission is not bound by Generally Accepted Accounting  
4 Principles when determining what is allowed for recovery in rates.

5 **AFFILIATE TRANSACTIONS**

6 Q. Has Staff performed an analysis to compare the terms of Empire's last direct  
7 debt transaction to the terms for the \$90 million promissory notes from LUCo?

8 A. No.

9 Q. What is Staff's position on the "make whole" provision of the promissory note  
10 form LUCo whereby if Empire repays the loan early they would still be responsible for  
11 repaying all outstanding interest?

12 A. Staff does not have a position on the "make whole" provision.

13 Q. Would the "make whole" provision be considered a fair market provision?

14 A. Staff does not have a position on the "make whole" provision.

15 Q. In your surrebuttal testimony, you indicated that Staff is proposing a 2.15%  
16 rate, for the cost of debt calculation for the Empire's long-term promissory note from LUCo,  
17 based on an average of the average cost of the LUCo short term debt for the period of  
18 12 months ending January 31, 2020. In this analysis, how did Staff analyze the fair market  
19 price of applying a short-term debt coupon rate to long-term debt?

20 A. Staff did not conduct such an analysis. LUCo is actually incurring a short-term  
21 rate of debt to finance this borrowing. Therefore, Staff recommends that the Commission  
22 order use of the same short-term debt rate that LUCo applies to Empire.

23 Q. Were other alternative options considered by Staff?

1           A.     No. The short-term rate LUCO is actually incurring allows Empire customers  
2 to benefit from the economies of scale provided by the holding company structure.

3           Q.     On page 11, lines 14 and 15 of Peter Chari’s surrebuttal testimony, he states  
4 that with Empire’s current credit rating it can obtain debt at a “coupon rate of 3.40%.” Is this  
5 for long-term or short-term debt and if for long-term how do the terms compare to Empire’s  
6 \$90 million promissory note from LUCo?

7           A.     The coupon rate of 3.40% cited in Peter Chari’s surrebuttal testimony is for  
8 long-term debt. This rate is lower than the 4.53% LUCo is charging Empire.<sup>2</sup>

9           **SOFTWARE MAINTENANCE EXPENSE**

10          Q.     Why is it appropriate not to adjust all cost of service items to the January 31,  
11 2020 true-up date?

12          A.     Most expenses do not materially change from the end of the update period to  
13 the end of the true-up period. Staff’s true-up audit attempts to capture the material changes.  
14 Also, due to time constraints with receiving the information from the Company, it would be  
15 impossible to update all cost of service items as part of a true-up audit. After the end of a  
16 month, the Company has to “close” its books. This process takes several weeks. Then after  
17 the books are “closed” the Company has to compile the information into a format to provide  
18 to Staff and other parties. In this case, all of the true-up information through January 31, 2020  
19 was provided by March 13, 2020. This gave Staff two weeks to review the data and write  
20 true-up testimony that was due on March 27, 2020.

21          Q.     Does this conclude your Supplemental testimony?

22          A.     Yes.

---

<sup>2</sup> Surrebuttal testimony of Kimberly K. Bolin, page 11, lines 17-23



**BEFORE THE PUBLIC SERVICE COMMISSION**  
**OF THE STATE OF MISSOURI**

In the Matter of The Empire District Electric    )  
Company's Request for Authority to File        ) Case No. ER-2019-0374  
Tariffs Increasing Rates for Electric Service    )  
Provided to Customers in its Missouri           )  
Service Area    )

**AFFIDAVIT OF KIMBERLY K. BOLIN**

STATE OF MISSOURI                                 )  
  )        ss.  
COUNTY OF COLE                                 )

**COMES NOW** KIMBERLY K. BOLIN and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Supplemental Testimony*; and that the same is true and correct according to her best knowledge and belief, under penalty of perjury.

Further the Affiant sayeth not.

/s/ Kimberly K. Bolin  
KIMBERLY K. BOLIN

Acct. No.	Expense Accounts	Staff - Test Year Per Books			Empire - Test Year Per Books			Difference
		Total Company	Allocation	Jurisdictional	Total Company	Allocation	Jurisdictional	
		Amount	Factor	Amount	Amount	Factor	Amount	
<b>Production Expenses</b>								
500	Prod Operating Supervision & Engineering	\$ 2,059,920	84.0400%	\$ 1,731,157	\$ 2,059,920	83.9276%	\$ 1,728,841	\$ 2,315
500.1	latan/Plum Point Deferred Operating Expense - MO Only	\$ 112,161	100.0000%	\$ 112,161	\$ 112,161	100.0000%	\$ 112,161	\$ -
501	Prod Fuel Expense	\$ 45,979,634	82.5000%	\$ 37,933,198	\$ 47,023,152	82.4655%	\$ 38,777,877	\$ (844,679)
501.1	Fuel - MO Only	\$ 8,574,265	100.0000%	\$ 8,574,265	\$ 8,403,070	100.0000%	\$ 8,403,070	\$ 171,195
502	Prod Purchased Power	\$ 2,173,513	82.5000%	\$ 1,793,148	\$ 2,173,513	82.4655%	\$ 1,792,398	\$ 750
505	Prod Electric Expense	\$ 1,725,277	84.0400%	\$ 1,449,923	\$ 1,725,277	83.9276%	\$ 1,447,984	\$ 1,939
506	Prod Misc. Steam Power Expense	\$ 2,740,186	84.0400%	\$ 2,302,852	\$ 2,740,186	83.9276%	\$ 2,299,772	\$ 3,080
507	Prod Rents	\$ 35,099	84.0400%	\$ 29,497	\$ 35,099	83.9276%	\$ 29,458	\$ 39
510	Prod Maintenance Supervision & Engin.	\$ 1,120,780	82.5000%	\$ 924,644	\$ 1,120,780	82.4655%	\$ 924,257	\$ 387
510.1	latan/Plum Point Deferred Elec. Expense - MO Only	\$ 112,161	100.0000%	\$ 112,161	\$ 112,161	100.0000%	\$ 112,161	\$ -
511	Prod Maintenance of Structures	\$ 1,196,519	84.0400%	\$ 1,005,555	\$ 1,196,519	83.9276%	\$ 1,004,210	\$ 1,345
512	Prod Maintenance of Boiler Plant	\$ 4,372,385	82.5000%	\$ 3,607,218	\$ 4,372,385	82.4655%	\$ 3,605,709	\$ 1,508
513	Prod Maintenance of Electric Plant	\$ 1,486,934	82.5000%	\$ 1,226,721	\$ 1,486,934	82.4655%	\$ 1,226,208	\$ 513
514	Prod Maint. of Miscellaneous Steam Plant	\$ 2,719,907	84.0400%	\$ 2,285,810	\$ 2,719,907	83.9276%	\$ 2,282,753	\$ 3,057
535	Prod Hydraulic Operating Supervision & Engineering	\$ 39,341	84.0400%	\$ 33,062	\$ 39,341	83.9276%	\$ 33,018	\$ 44
536	Prod Water for Power Hydro	\$ -	0.0000%	\$ -	\$ -	84.0400%	\$ -	\$ -
537	Prod Other Hydraulic Expenses	\$ 40,061	84.0400%	\$ 33,667	\$ 40,061	83.9276%	\$ 33,622	\$ 45
538	Prod Hydraulic Electric Expense	\$ 19,667	84.0400%	\$ 16,528	\$ 19,667	83.9276%	\$ 16,506	\$ 22
539	Prod Misc. Hydraulic Generation Expense	\$ 314,607	84.0400%	\$ 264,396	\$ 314,607	83.9276%	\$ 264,042	\$ 354
540	Prod Hydraulic Rent Expense	\$ -	84.0400%	\$ -	\$ -	84.0400%	\$ -	\$ -
541	Prod Hydraulic Maintenance Supervision & Engineering	\$ 30,811	84.0400%	\$ 25,894	\$ 30,811	83.9276%	\$ 25,859	\$ 35
542	Prod Maintenance of Structures	\$ 44,736	84.0400%	\$ 37,596	\$ 44,736	83.9276%	\$ 37,546	\$ 50
543	Prod Maintenance of Res, Dam, Waterways	\$ 217,370	84.0400%	\$ 182,678	\$ 217,370	83.9276%	\$ 182,433	\$ 244
544	Prod Maintenance of Electric Plant	\$ 35,882	84.0400%	\$ 30,155	\$ 35,882	83.9276%	\$ 30,115	\$ 40
545	Prod Maintenance of Misc Hydraulic Plant	\$ 90,232	84.0400%	\$ 75,831	\$ 90,232	83.9276%	\$ 75,730	\$ 101
546	Prod Combustion Turb Operating Supervision & Engineering	\$ 1,046,643	84.0400%	\$ 879,599	\$ 1,046,643	83.9276%	\$ 878,422	\$ 1,176
547	Prod Combustion Turbine Fuel	\$ 63,708,115	82.5000%	\$ 52,559,195	\$ 63,708,115	82.4655%	\$ 52,537,216	\$ 21,979
547.2	Fuel - Operation OP - Partial Allocation KS/MO	\$ (103,281)	84.0400%	\$ (86,797)	\$ (103,281)	94.7937%	\$ (97,904)	\$ 11,107
548	Prod Combustion Turb Generation Expense	\$ 3,762,689	84.0400%	\$ 3,162,164	\$ 3,762,689	83.9276%	\$ 3,157,935	\$ 4,229
549	Prod Misc. Power Generation Expense	\$ 1,164,105	84.0400%	\$ 916,266	\$ 1,164,105	83.9276%	\$ 916,266	\$ -
550	Combustion Turbine Rents Expense	\$ -	0.0000%	\$ -	\$ -	0.0000%	\$ -	\$ -
551	Prod Combustion Turb Maintenance Supervision & Engineering	\$ 872,738	84.0400%	\$ 733,449	\$ 872,738	83.9276%	\$ 732,468	\$ 981
552	Prod Combustion Turb Maintenance of Structures	\$ 429,887	84.0400%	\$ 361,277	\$ 429,887	83.9276%	\$ 360,794	\$ 483
553	Prod Maintenance of General & Electric Plant	\$ 12,654,580	84.0400%	\$ 10,074,028	\$ 12,654,580	83.9276%	\$ 10,074,028	\$ -
554	Prod Misc. Maintenance Other General Power Plant	\$ 758,047	84.0400%	\$ 637,063	\$ 758,047	83.9276%	\$ 636,211	\$ 852
555	Prod Purchased Power (Energy Only)	\$ 58,633,660	82.5000%	\$ 48,515,853	\$ 58,633,660	82.4655%	\$ 48,515,853	\$ -
555	Purchased Power (Demand Only)	\$ -	0.0000%	\$ -	\$ -	0.0000%	\$ -	\$ -
556	Prod Other Power Supply System Contr Load Disp	\$ 3,950,165	84.0400%	\$ 3,319,719	\$ 3,950,165	83.9276%	\$ 3,315,279	\$ 4,440
557	Prod Purchased Power Other Power Supply Expense	\$ 431,257	84.0400%	\$ 362,428	\$ 431,257	83.9276%	\$ 361,944	\$ 485
421	latan/Plum Pt Deferred Operating Expense	\$ 121,692	84.0400%	\$ 102,270	\$ 121,692	100.0000%	\$ 121,692	\$ (19,422)
	<b>Total Production Expenses</b>	\$ 222,671,745	83.2277%	\$ 185,324,628	\$ 223,544,068	83.1854%	\$ 185,955,932	\$ (631,304)
<b>Transmission Expenses</b>								
560	Trans Oper Supervision & Eng	\$ 300,290	84.0400%	\$ 252,364	\$ 300,290	83.9276%	\$ 252,026	\$ 338
561	Trans Load Dispatching	\$ 601,555	84.0400%	\$ 505,547	\$ 601,555	83.9276%	\$ 504,871	\$ 676
562	Trans Station Expenses	\$ 501,514	84.0400%	\$ 421,472	\$ 501,514	83.9276%	\$ 420,909	\$ 564
563	Trans Overhead Lines Exp	\$ 44,827	84.0400%	\$ 37,673	\$ 44,827	83.9276%	\$ 37,622	\$ 50
565	Trans of Elec by Others	\$ 19,343,445	84.0400%	\$ 16,256,231	\$ 19,343,445	83.9276%	\$ 16,955,693	\$ (699,462)
566	Misc Tran Expense	\$ 32,435	84.0400%	\$ 27,258	\$ 32,435	83.9276%	\$ 27,222	\$ 36
567	Trans Rents	\$ 175	84.0400%	\$ 147	\$ 175	83.9276%	\$ 147	\$ 0
568	Trans Maint Supervision & Eng	\$ 89,896	84.0400%	\$ 75,549	\$ 89,896	83.9276%	\$ 75,448	\$ 101
569	Trans Maint Structures	\$ 9,285	84.0400%	\$ 7,803	\$ 9,285	83.9276%	\$ 7,793	\$ 10
570	Trans Maint Station Equip	\$ 1,786,284	84.0400%	\$ 1,501,193	\$ 1,786,284	83.9276%	\$ 1,499,185	\$ 2,008
571	Trans Maint Overhead Lines Exp	\$ 2,946,856	84.0400%	\$ 2,476,538	\$ 2,946,856	83.9276%	\$ 2,473,226	\$ 3,312
571.1	Tracker Adjustment - MO Only	\$ 61,980	100.0000%	\$ 61,980	\$ 61,980	100.0000%	\$ 61,980	\$ -
	<b>Total Transmission Expense</b>	\$ 25,718,542	84.0785%	\$ 21,623,755	\$ 25,718,542	86.7706%	\$ 22,316,121	\$ (692,366)

Acct. No.	Expense Accounts	Staff - Test Year Per Books			Empire - Test Year Per Books			Difference
		Total Company	Allocation	Jurisdictional	Total Company	Allocation	Jurisdictional	
		Amount	Factor	Amount	Amount	Factor	Amount	
<b>Distribution Expenses</b>								
580	Dist Oper Supervision & Eng	\$ 1,162,576	87.5711%	\$ 1,018,081	\$ 1,162,576	88.0339%	\$ 1,023,461	\$ (5,380)
582	Dist Substation Operations	\$ 212,120	87.5711%	\$ 185,756	\$ 212,120	88.0339%	\$ 186,738	\$ (982)
583	Dist Overhead lines Expense	\$ 1,292,346	87.5711%	\$ 1,131,722	\$ 1,292,346	88.0339%	\$ 1,137,703	\$ (5,981)
584	Dist Underground Line Exp	\$ 831,841	87.5711%	\$ 728,452	\$ 831,841	88.0339%	\$ 732,302	\$ (3,850)
585	Dist Street Lighting Signal System Expense	\$ 35,848	87.5711%	\$ 31,392	\$ 35,848	88.0339%	\$ 31,558	\$ (166)
586	Dist Meter Expense	\$ 3,014,516	87.5711%	\$ 2,639,845	\$ 3,014,516	88.0339%	\$ 2,653,796	\$ (13,951)
587	Dist Customer Installations Expense	\$ 307,323	87.5711%	\$ 269,126	\$ 307,323	88.0339%	\$ 270,548	\$ (1,422)
588	Dist Misc Expense	\$ 1,366,942	87.5711%	\$ 1,197,046	\$ 1,366,942	88.0339%	\$ 1,203,372	\$ (6,326)
589	Dist Rents	\$ 2,302	87.5711%	\$ 2,016	\$ 2,302	88.0339%	\$ 2,027	\$ (11)
590	Dist Maint Supervision & Eng	\$ 227,570	87.5711%	\$ 199,286	\$ 227,570	88.0339%	\$ 200,339	\$ (1,053)
591	Dist Maint of Structures	\$ 163,150	87.5711%	\$ 142,872	\$ 163,150	88.0339%	\$ 143,627	\$ (755)
592	Dist Maint of Station Equip	\$ 2,057,453	87.5711%	\$ 1,801,734	\$ 2,057,453	88.0339%	\$ 1,811,256	\$ (9,522)
593	Dist Maint of Overhead Lines Exp	\$ 12,402,270	87.5711%	\$ 10,860,804	\$ 12,402,270	88.0339%	\$ 10,918,202	\$ (57,398)
593.1	Dist. Overhead Line Tracker Adj. - MO Only	\$ 84,402	100.0000%	\$ 84,402	\$ 441,880	100.0000%	\$ 441,880	\$ (357,478)
593.2	KS Ice Storm Amortization	\$ 132,681	0.0000%	\$ -	\$ 132,681	0.0000%	\$ -	\$ -
594	Dist Maint of Underground Lines Exp	\$ 357,478	87.5711%	\$ 313,047	\$ 811,918	88.0339%	\$ 714,763	\$ (401,716)
594.1	Dist Underground Line Tracker Adj. - MO Only	\$ 828,941	100.0000%	\$ 828,941	\$ 17,023	100.0000%	\$ 17,023	\$ 811,918
595	Dist Maint of Line Transformers Exp	\$ 387,708	87.5711%	\$ 339,520	\$ 387,708	88.0339%	\$ 341,314	\$ (1,794)
596	Dist Maint of Street Light & Signal System Exp	\$ 379,836	87.5711%	\$ 332,627	\$ 379,836	88.0339%	\$ 334,384	\$ (1,758)
597	Dist Maint of Meters	\$ 336,256	87.5711%	\$ 294,463	\$ 336,256	88.0339%	\$ 296,019	\$ (1,556)
598	Dist Maint Misc Dist Plant	\$ 205,342	87.5711%	\$ 179,820	\$ 205,342	88.0339%	\$ 180,771	\$ (950)
	<b>Total Distribution Expense</b>	<b>\$ 25,788,901</b>	<b>87.5607%</b>	<b>\$ 22,580,953</b>	<b>\$ 25,788,901</b>	<b>87.7939%</b>	<b>\$ 22,641,084</b>	<b>\$ (60,131)</b>
<b>Customer Accts. Expense</b>								
901	Cust Accts Supervision	\$ 780,655	89.0671%	\$ 695,307	\$ 780,655		\$ 694,966	\$ 341
902	Cust Accts Read Meters	\$ 2,111,299	89.0671%	\$ 1,880,473	\$ 2,111,299		\$ 1,879,550	\$ 923
903	Cust Accts Records & Collectios	\$ 3,997,362	89.0671%	\$ 3,560,334	\$ 3,997,362		\$ 3,558,586	\$ 1,748
904	Cust Accts Uncollectible Accounts	\$ 2,368,318	89.0671%	\$ 2,109,392	\$ 2,368,318		\$ 2,108,356	\$ 1,036
905	Cust Accts Misc. Expense	\$ 194,066	89.0671%	\$ 172,849	\$ 194,066		\$ 172,764	\$ 85
	<b>Customer Accts. Exp. - Unadjusted</b>	<b>\$ 9,451,700</b>	<b>89.0671%</b>	<b>\$ 8,418,355</b>	<b>\$ 9,451,700</b>	<b>89.0234%</b>	<b>\$ 8,414,222</b>	<b>\$ 4,133</b>
<b>Customer Serv. / Information</b>								
907	Customer Svc Supervision	\$ 199,004	89.0671%	\$ 177,247	\$ 199,004		\$ 177,160	\$ 87
908	Customer Assistance Expense	\$ 186,208	89.0671%	\$ 165,850	\$ 186,208		\$ 165,769	\$ 81
908.101	Retail Industrial Cust Assistance - Retail	\$ 457,899	89.0671%	\$ 407,837	\$ 457,899		\$ 407,646	\$ 191
908.2	Cust Program Collaborative Exp. - MO Only	\$ 1,616,720	100.0000%	\$ 1,616,720	\$ 1,616,720		\$ 1,616,720	\$ -
908.3	Wholesale Cust Assistance - Wholesale	\$ 96,207	0.0000%	\$ -	\$ 96,207		\$ -	\$ -
908.4	Retail Commerical Cust Asst	\$ 550,431	89.0671%	\$ 490,253	\$ 550,431		\$ 490,024	\$ 229
908.5	Retail Residential Cust Asst	\$ 243,459	89.0671%	\$ 216,842	\$ 243,459		\$ 216,741	\$ 101
908.6	Low Income Weatherherzation Program	\$ 368	89.0671%	\$ 328	\$ 368		\$ 328	\$ (0)
908.7	Mo Low Inc Weather ER-2014-0351	\$ 437,500	100.0000%	\$ 437,500	\$ 437,500		\$ 437,500	\$ -
908.800	Solar Rebate Amortization ER-2016-0023	\$ 620,055	89.0671%	\$ 552,265	\$ 620,055		\$ 620,055	\$ (67,790)
908.9	Energy Efficiency Cost Recovery	\$ 98,875	89.0671%	\$ 88,065	\$ 98,875		\$ -	\$ 88,065
909	Information& Instructional Adversiting	\$ 120,804	89.0671%	\$ 107,597	\$ 120,804		\$ 107,544	\$ 53
910	Misc. Cusgtomer Service Expense	\$ 15,494	89.0671%	\$ 13,800	\$ 15,494		\$ 13,793	\$ 7
	<b>Cust. Serv./ Information-Unadjusted</b>	<b>\$ 4,643,024</b>	<b>92.0586%</b>	<b>\$ 4,274,304</b>	<b>\$ 4,643,024</b>	<b>91.6058%</b>	<b>\$ 4,253,280</b>	<b>\$ 21,024</b>
								\$ -
<b>Sales Expense</b>								
911	Sales Supervision Expense		89.0665%	\$ -			\$ -	\$ -
912	Demonstrating & Selling Expense	\$ 156,161	89.4464%	\$ 139,680	\$ 156,161		\$ 141,010	\$ (1,330)
916	Misc Sales Expense	\$ 485	89.4464%	\$ 434	\$ 485		\$ 438	\$ (4)
	<b>Sales Expense-Unadjusted</b>	<b>\$ 156,646</b>	<b>89.4464%</b>	<b>\$ 140,114</b>	<b>\$ 156,646</b>	<b>90.2979%</b>	<b>\$ 141,448</b>	<b>\$ (1,334)</b>
<b>Admin. &amp; General Expense</b>								
426	Elec/Gas Pension NnService Cost	\$ -		\$ -	\$ 5,692,299		\$ 4,760,483	\$ (4,760,483)
426	SERP Pension NonService Cost	\$ -		\$ -	\$ 1,160,111		\$ 970,892	\$ (970,892)
426	Elec/Gas OPEB NonService Cost	\$ -		\$ -	\$ 69,317		\$ 57,040	\$ (57,040)
920	Admin and General Salaries	\$ 11,071,025	87.5515%	\$ 9,692,848	\$ 11,071,025		\$ 9,467,877	\$ 224,971
921	Admin & Gen Office Supply Expense	\$ 3,996,405	87.5515%	\$ 3,498,913	\$ 3,996,405		\$ 3,417,944	\$ 80,969
922	Admin Exp Trans Credit	\$ (12,240,394)	87.5515%	\$ (10,716,649)	\$ (12,240,394)		\$ (10,454,668)	\$ (261,981)
923	Admin & Gen Outside Services Employ	\$ 21,858,400	87.5515%	\$ 19,137,357	\$ 21,858,400		\$ 18,669,524	\$ 467,833
924	Property Insurance	\$ 1,994,604	87.5515%	\$ 1,746,306	\$ 1,994,604		\$ 1,703,615	\$ 42,691
925	Injuries And Damages Insurance Exp	\$ 3,532,856	87.5515%	\$ 3,093,068	\$ 3,532,856		\$ 3,017,455	\$ 75,613
926	Employee Pensions & Benefits	\$ 17,604,939	87.5515%	\$ 15,413,388	\$ 17,604,939		\$ 15,270,710	\$ 142,678
927	Franchise Requirements	\$ -	0.0000%	\$ -	\$ -		\$ -	\$ -
928	Regulatory Commission Exp	\$ 1,162,154	100.0000%	\$ 1,162,154	\$ 1,162,154		\$ 866,381	\$ 295,773
929	Duplicate Charges - Credit	\$ (287,296)	87.5515%	\$ (251,532)	\$ (287,296)		\$ (245,383)	\$ (6,149)
930	Admin & Gen Misc Exp	\$ 820,068	87.5515%	\$ 717,982	\$ 820,068		\$ 700,430	\$ 17,552
931	Admin and Gen Rents Expense	\$ 12,785	87.5515%	\$ 11,193	\$ 12,785		\$ 10,920	\$ 273
935	Admin and Gen Maint of General Plant	\$ 600,034	87.5515%	\$ 525,339	\$ 600,034		\$ 512,497	\$ 12,842
	<b>Total Administrative &amp; General Expense</b>	<b>\$ 50,125,580</b>	<b>87.8401%</b>	<b>\$ 44,030,368</b>	<b>\$ 50,125,580</b>	<b>97.2073%</b>	<b>\$ 48,725,717</b>	<b>\$ (4,695,349)</b>
								\$ -
<b>Interest on Customer Deposits</b>								
	Customer Deposit Interest	\$ 1,214,310	100.0000%	\$ 1,214,310	\$ -	100.0000%	\$ -	\$ 1,214,310
	<b>Total Interest on Customer Deposits</b>	<b>\$ 1,214,310</b>		<b>\$ 1,214,310</b>	<b>\$ -</b>		<b>\$ -</b>	<b>\$ 1,214,310</b>
<b>Depreciation Expense</b>								
403	Depreciation Expense	\$ 78,107,649	84.0400%	\$ 65,641,668	\$ 78,107,651		\$ 68,165,979	\$ (2,524,311)
	<b>Total Depreciation Expense</b>	<b>\$ 78,107,649</b>		<b>\$ 65,641,668</b>	<b>\$ 78,107,651</b>		<b>\$ 68,165,979</b>	<b>\$ (2,524,311)</b>

Acct. No.	Expense Accounts	Staff - Test Year Per Books			Empire - Test Year Per Books			Difference
		Total Company Amount	Allocation Factor	Jurisdictional Amount	Total Company Amount	Allocation Factor	Jurisdictional Amount	
<b>Amortization Expense</b>								
403.003	MO Iatan I AmDp ER-2010-0130 - MO Only	\$ 45,661	100.0000%	\$ 45,661	\$ 45,661	100.0000%	\$ 45,661	\$ -
403.009	MO Iatan II AmDp ER-2011-0004 - MO Only	\$ 49,430	100.0000%	\$ 49,430	\$ 49,430	100.0000%	\$ 49,430	\$ -
403.011	MO PimPl Amrt Dep ER-2011-0004 - MO Only	\$ 669	100.0000%	\$ 669	\$ 669	100.0000%	\$ 669	\$ -
404	Amortization of Electric Plant	\$ 3,943,029	85.3526%	\$ 3,365,478	\$ 3,943,029	84.4100%	\$ 3,367,725	\$ (2,247)
404	Joplin Tornado May 2011 AAO Amortization Rate Refl Tax Reform Amort AR	\$ 134,549	100.0000%	\$ 134,549	\$ 134,549		\$ 134,549	\$ -
					\$ (404,575)		\$ -	\$ -
	<b>Total Amortization Expense</b>	<b>\$ 4,173,338</b>		<b>\$ 3,595,787</b>	<b>\$ 3,768,763</b>		<b>\$ 3,598,034</b>	<b>\$ (2,247)</b>
<b>Other Operating Expenses</b>								
408.141	Prov - Foab Taxes Electric	\$ 2,569,713	72.8500%	\$ 1,872,036	\$ 2,569,713		\$ 2,194,822	\$ (322,786)
408.144	Payroll Taxes - Iatan	\$ 227,507	72.8500%	\$ 165,739	\$ 227,507		\$ 194,316	\$ (28,577)
408.511	Prov - Fed Unemp Compens Tax	\$ 20,015	72.8500%	\$ 14,581	\$ 20,015		\$ 17,095	\$ (2,514)
408.512	Prov - St Unemp Compens Tax	\$ 99,901	72.8500%	\$ 72,778	\$ 99,901		\$ 85,327	\$ (12,549)
408.610	Property Taxes	\$ 22,159,206	89.1301%	\$ 19,750,522	\$ 22,159,206	85.4100%	\$ 18,926,087	\$ 824,435
408.910	Prov - Ecorp Franchise Tax	\$ 27,000	0.0000%	\$ -	\$ 27,000		\$ 55	\$ (55)
408000	Prov - City Tax or Fee	\$ 10,770,522	0.0000%	\$ -	\$ 10,770,522		\$ 9,923,635	\$ (9,923,635)
	<b>Total Other Operating Expenses</b>	<b>\$ 35,873,864</b>		<b>\$ 21,875,656</b>	<b>\$ 35,873,864</b>		<b>\$ 31,341,337</b>	<b>\$ (9,465,681)</b>
	<b>Total O &amp; M Expense (Unadjusted)</b>	<b>\$ 457,925,299</b>		<b>\$ 378,719,898</b>	<b>\$ 457,178,739</b>		<b>\$ 395,553,154</b>	<b>\$(16,833,256)</b>
	<b>Difference between Staff and Empire</b>						<b>\$ (16,833,256)</b>	
	<b>Minus Account 426 included by Empire</b>						<b>\$ 5,788,415</b>	
	<b>Difference in Jurisdictional allocation for test year</b>						<b>\$ (22,621,671)</b>	
	<b>Calculated amount per Staff's Reconciliation program</b>						<b>\$ 11,044,496</b>	
	<b>Difference due to rounding</b>						<b>\$ (33,666,167)</b>	