



Empire District[™]
A Liberty Utilities Company

APPENDIX A

MEDIA RELEASE

FOR IMMEDIATE RELEASE

EMPIRE DISTRICT INVESTING LOCALLY WITH NEW WIND GENERATION INITIATIVE

Expansion of wind energy will drive savings and reliability over the long term

Joplin, MO – October 31, 2017 – The Empire District Electric Company today announced a proposed plan to expand its wind resources with the development of an additional 800 megawatts of strategically located wind generation in or near its service territory by the end of 2020. Once fully operational, the project is projected to generate cost savings for customers of \$150 - \$300 million over a twenty-year period. The average residential customer is estimated to save nearly \$10 per month over the twenty year period.

“We are pleased to put forward this initiative which demonstrates an innovative approach to reduce energy costs for our customers, while supporting our region by investing locally.” says David Swain, President.

The factors driving this opportunity to reduce energy costs are improved wind turbine technology, which has resulted in decreasing costs and increasing production potentials. Together, these factors are opening new locations in or near Empire’s service territory to cost-effective development which in turn benefits Empire’s customers. Comprehensive research and analysis have proven the presence of adequate wind speed and frequency for reliable energy production within our region. This will be supported by a robust and efficient fleet of natural gas facilities such as Empire’s Riverton, State Line and Energy Center Power Plants in conjunction with other generation resources.

On October 31, 2017, the company filed a request for approval of the wind expansion initiative with regulators in Missouri, Kansas, Oklahoma, and Arkansas, and the project is subject to their respective review. Orders from the various jurisdictions are anticipated by June 2018. Updates and additional information will be provided as this exciting new initiative to meet the energy needs of customers across the region continues.

Based in Joplin, Missouri, The Empire District Electric Company is a subsidiary of Liberty Utilities Co. and headquarters for the Liberty Utilities Central Region, providing electric, natural gas, water, and wastewater service to nearly 320,000 customers across six states. A subsidiary of the company provides fiber optic services. For more information regarding Empire, visit www.empiredistrict.com. For more information about Liberty Utilities, visit www.libertyutilities.com.

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Empire – Liberty Utilities Central Update



November 1, 2017

Agenda

- Safety Moment
- Who is Liberty Utilities Central?
- Evolving Resource Mix / Industry Changes
- What's Next
- Local Benefits
- Q&A

Safety Moment



If you are involved in a traffic accident that results in power lines touching your car, stay in your car until help arrives.



Give Electricity
the respect it deserves.

Central Region Leadership



David Swain
President



Blake Mertens
Vice President - Operations - Electric



Rob Sager
Vice President - Finance and
Administration



Mike Beatty
Vice President - Operations – Gas & Water

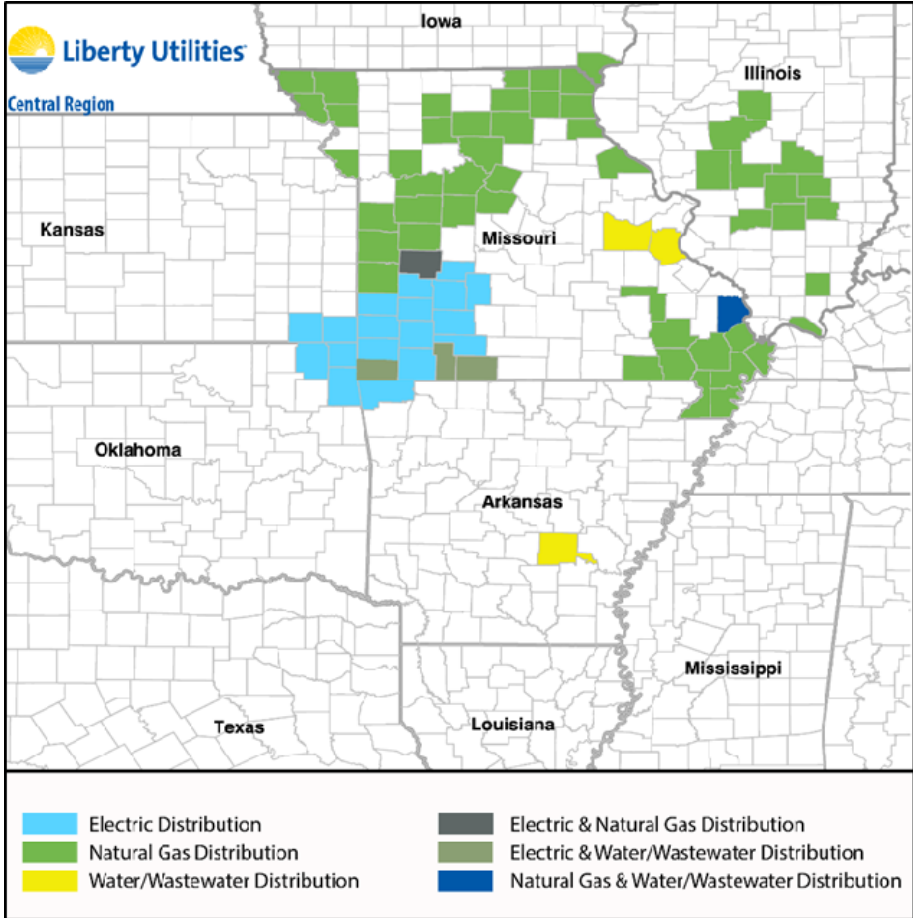


Brent Baker
Vice President - Customer
Experience

Liberty Utilities Central

Central Region

- ~ 950 employees
- ~ 320,000 customers
 - 170,000 Electric
 - 123,000 Gas
 - 27,000 Water/WW
- Safety Focus
- Reliable Service
- Customer Service Levels



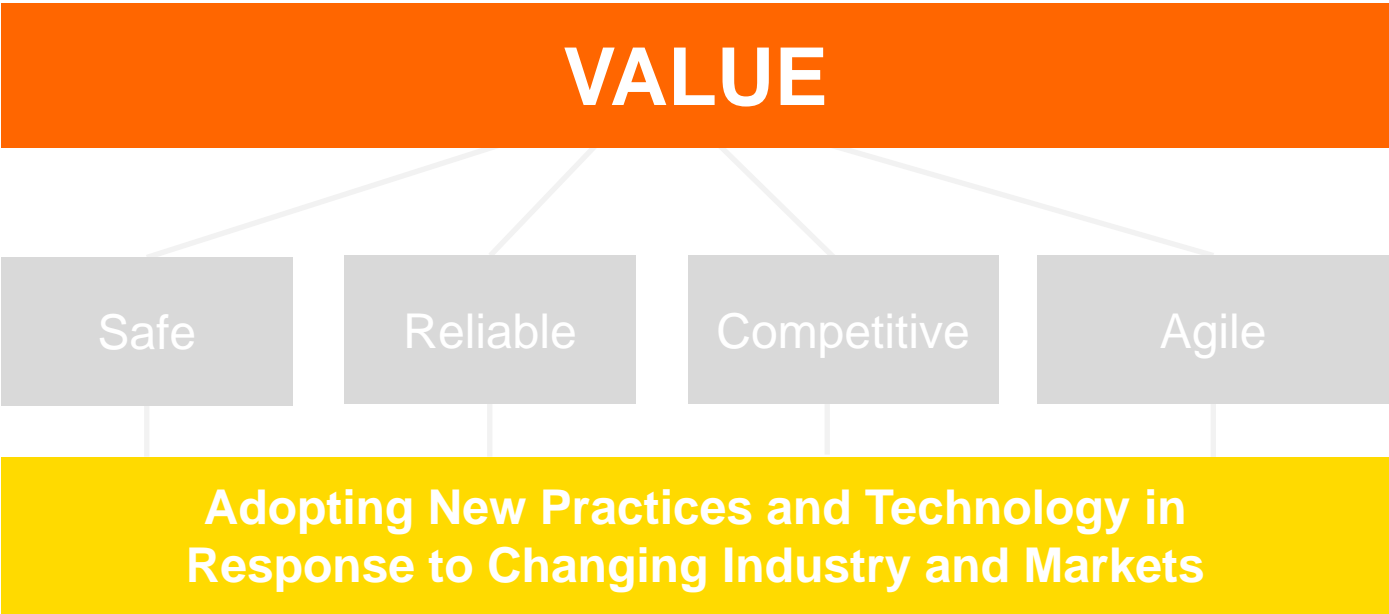


LOCAL WIND ENERGY

A Path to Customer Savings



Why We're Here

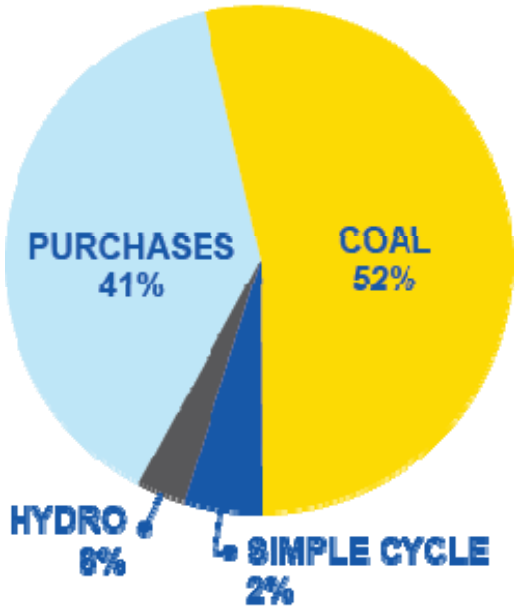


Evolving Resource Mix

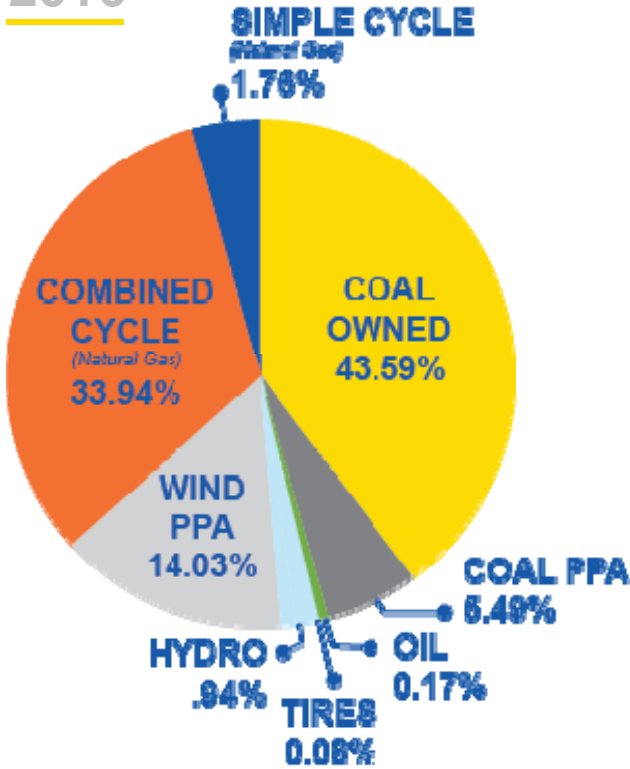
Our Goal:

Generate and deliver more cost effective, diverse and sustainable energy. Deliver *value* for our customers.

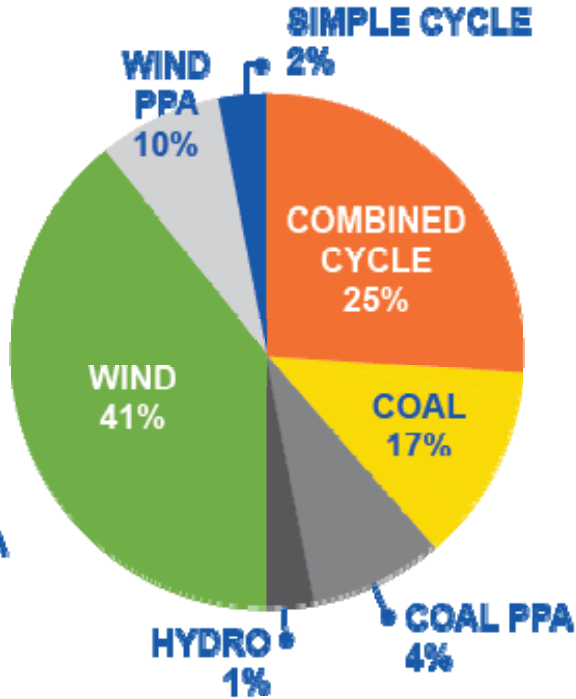
1997



2016



2023

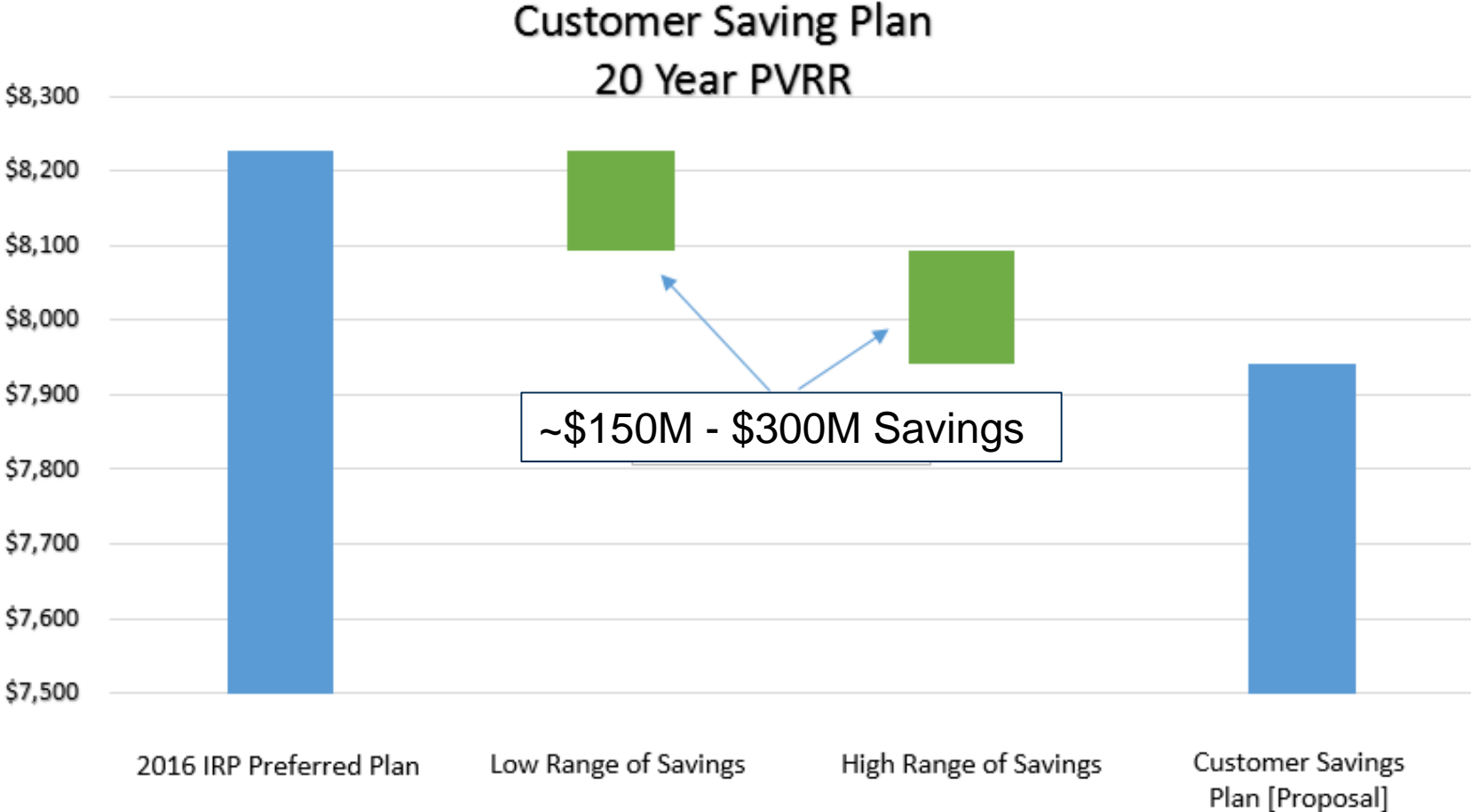


Generation Resource Modeling Results

- 2016 Integrated Resource Plan
- Completed Special Study Analysis:
 - “Generation Fleet Savings Analysis”
- Results:
 - 20 Year PVRR
 - ~\$150M - \$300M Savings
- Fleet Changes:
 - Install 800 MW wind
 - Retire Asbury w/o stranded costs

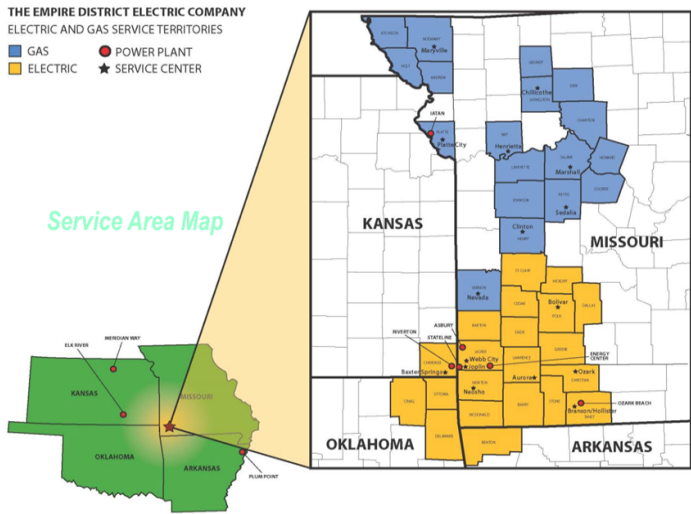


Generation Resource Modeling Results



Why We Are Filing ---> *Regulatory Validation*

- Significant capital investment:
 - Gross Investment: \$1.5 billion
 - Tax Equity: \$800 million
 - Net investment: \$700 million
- Impact on stakeholders:
 - Employees, Customers and Community
 - Effective Order by June 30, 2018 to proceed



Generation Fleet

Company Owned & Operated

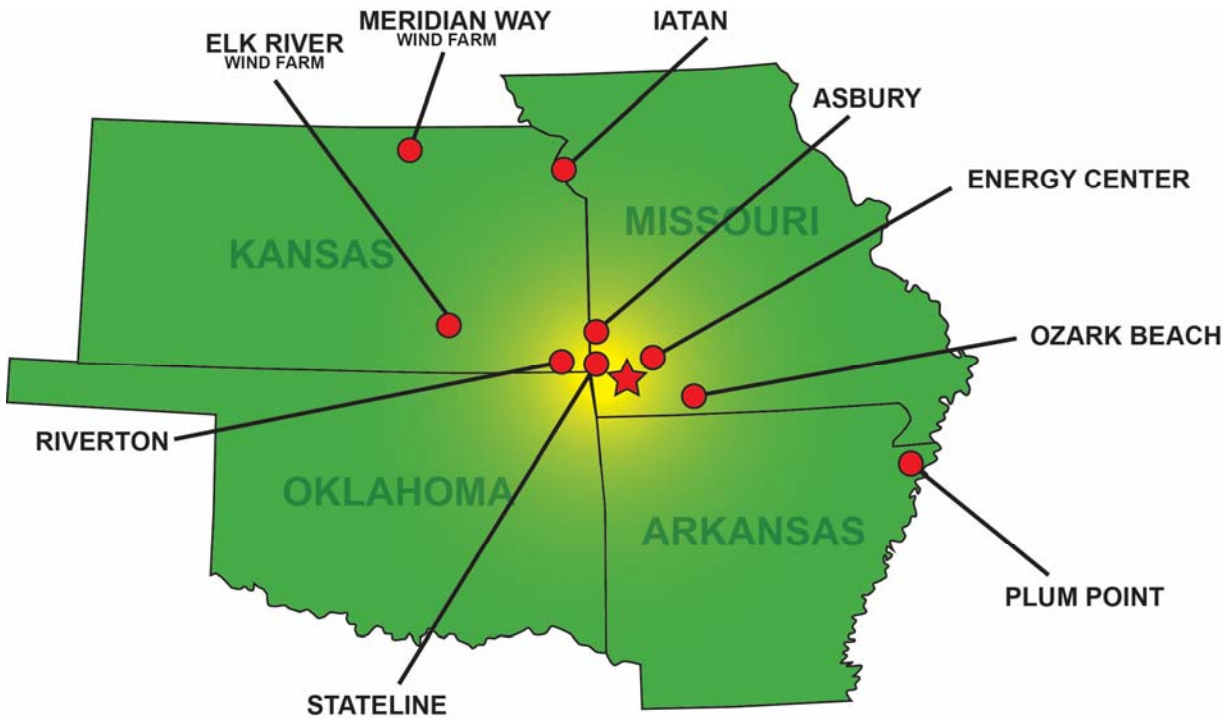
- Asbury – 1970
- Energy Center – 1980 & 2003
- Ozark Beach – 1936
- Riverton – 2016
- Stateline – 2001

Co-Owned

- Iatan I & II
- Plum Point

Non-Owned

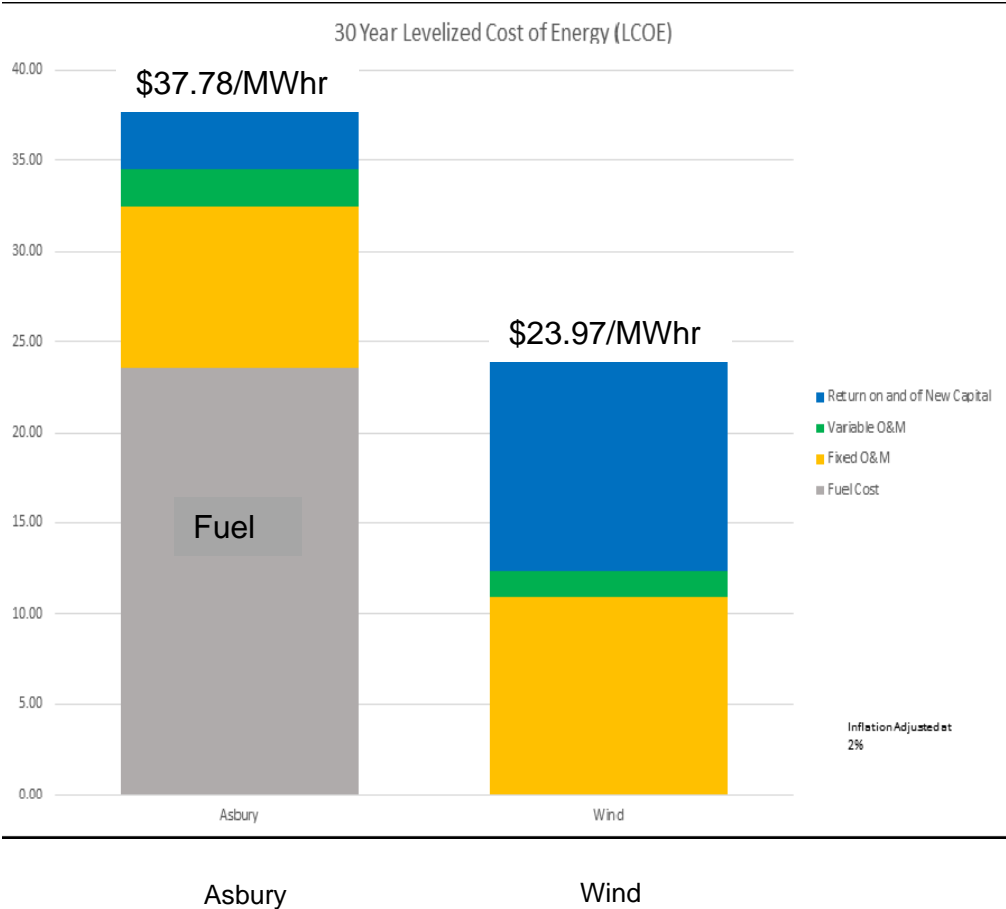
- Elk River
- Meridian Way



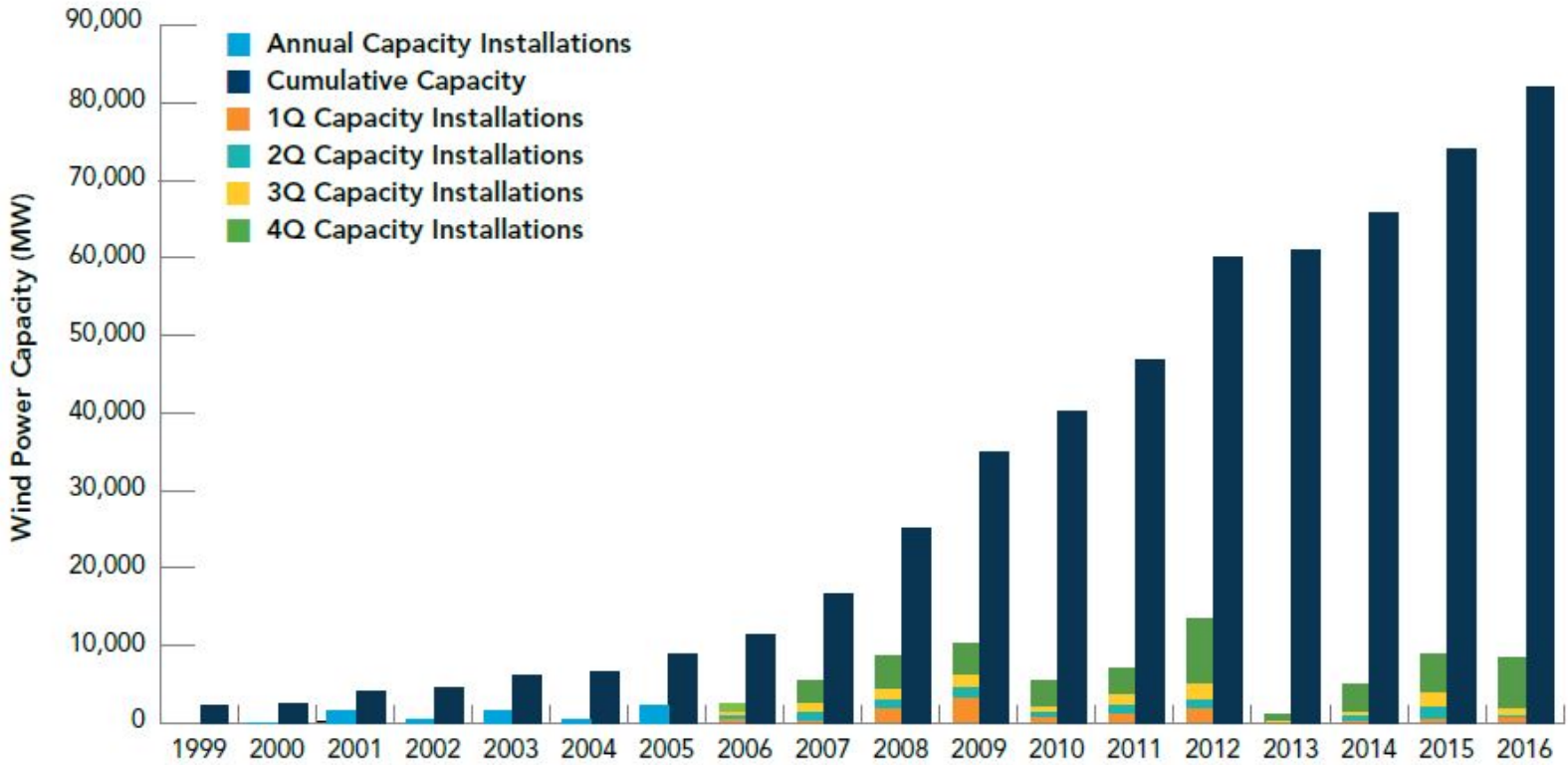
Focus on Cost-Effective Energy Mix

Based upon economics:

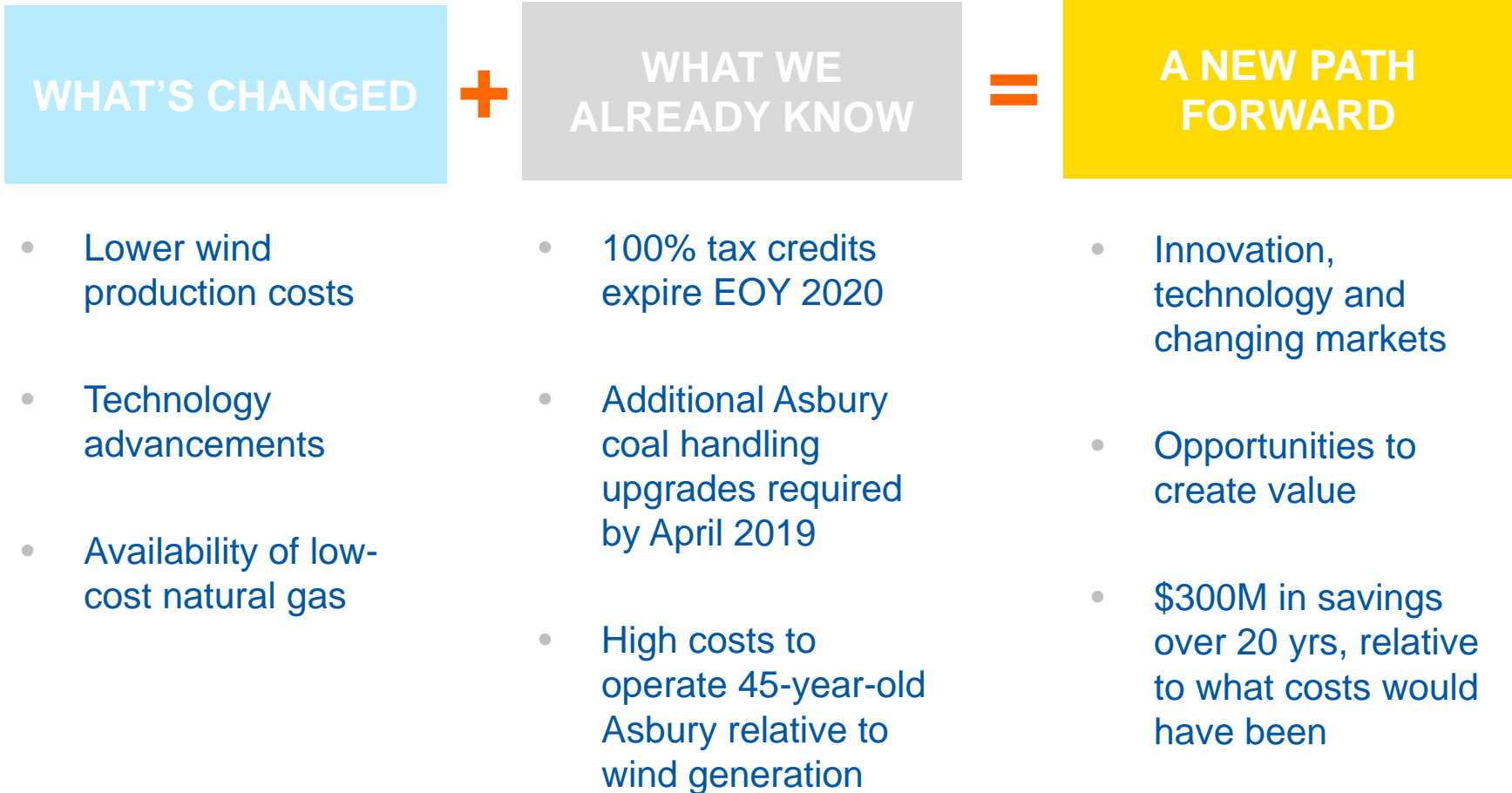
- *Anticipate April 2019 closure*
- *Employees continue operations support until plan approval*
- *Working to ensure best possible transition for employees*



U.S. Wind Energy Capacity Statistics



Why Now?



Expanding Our Wind Resources



HOW MUCH

800 MW wind
generating capacity

WHERE:

Up to 500 MW in SW MO

WHEN:

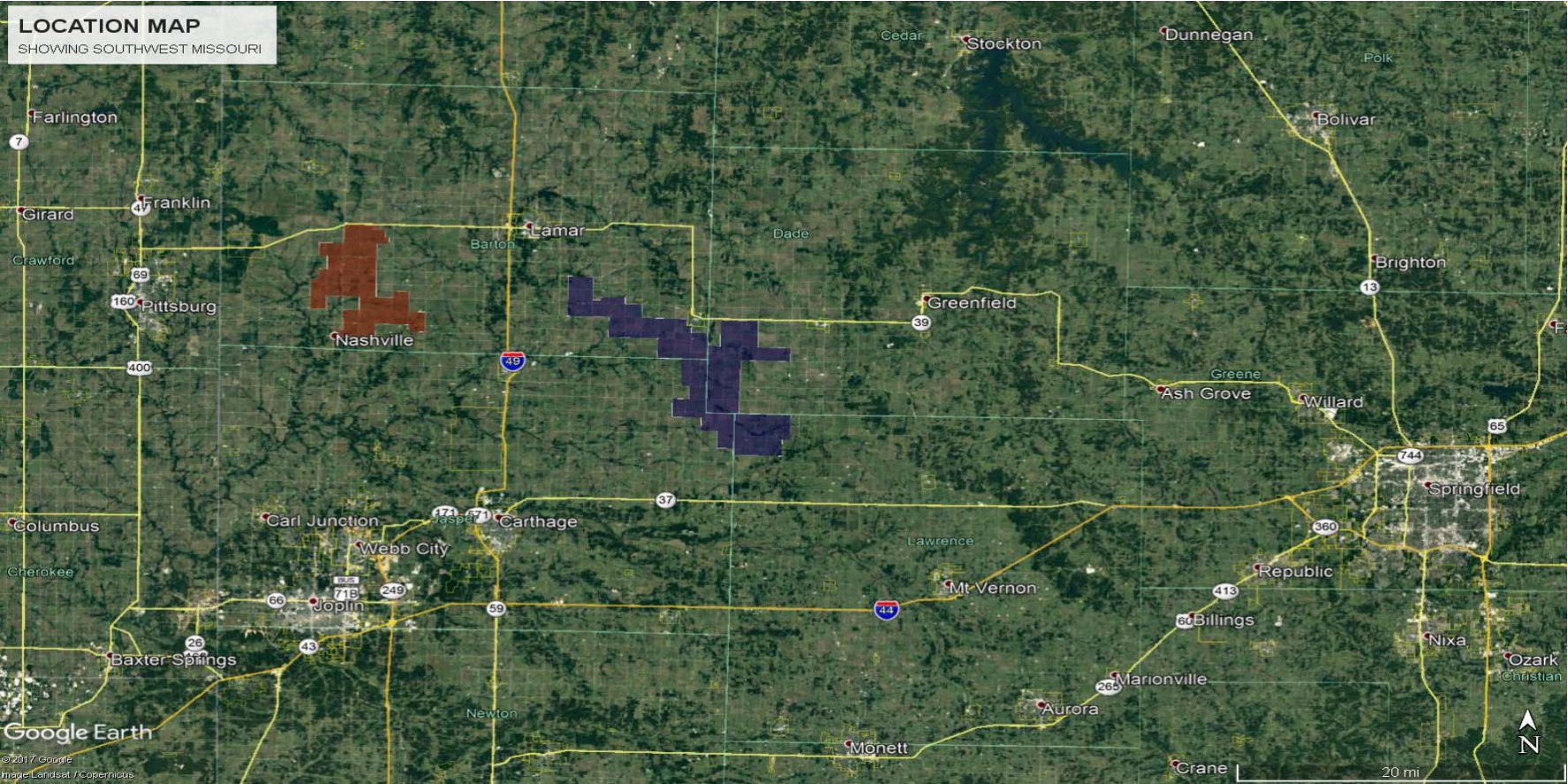
In service by EOY 2020

WHY:

- Long term affordability
- \$300M in savings for customers over 20 years, compared to current resource plan
- Evolution throughout industry

Local Site Development

- Over 40,000 acres secured in rural Jasper, Barton, Dade and Lawrence counties, MO



What's Next?



How Wind Benefits Our Community

Innovation at Home	Economic Development Edge	Local Investment	Local Income	Healthier Community
<ul style="list-style-type: none">• Bringing innovation and latest technology to our area keeps costs affordable and lets us control our own energy future	<ul style="list-style-type: none">• Keeping energy costs competitive keeps our community competitive in retaining jobs and attracting development	<ul style="list-style-type: none">• Generating up to 800 MW in our region means \$1.5 billion in investment	<ul style="list-style-type: none">• Landowners get a new source of steady income AND tax revenue is created for local communities where the wind is produced	<ul style="list-style-type: none">• Cleaner energy makes our community healthier, and more sustainable



QUESTIONS?

