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 Tariffs Increasing Rates for Electric) Case No. ER-2019-0374 Service Provided to Customers in its Missouri Service Area)

EMPIRE'S RESPONSE REGARDING REHEARING

COMES NOW The Empire District Electric Company ("Empire" or "Company"), and for its Response to the Office of the Public Counsel's Application for Rehearing ("OPC's Application"), respectfully states as follows to the Missouri Public Service Commission ("Commission"):

1. On July 1, 2020, the Commission issued a *Report and Order* in the abovecaptioned matter, to be effective July 11, 2020. OPC's Application was filed on July 10, 2020, on the topics of Asbury, affiliate transactions, and the treatment of the MJMEUC contract.

2. RSMo. §386.500.1 states that the Commission shall grant an application for rehearing if "in its judgment sufficient reason therefor be made to appear." OPC's Application does not present sufficient reason for rehearing, as no fact or argument in OPC's Application demonstrates that any decision within the *Report and Order* is unlawful, unjust, or unreasonable.

3. Within the Asbury section of OPC's Application, at paragraph 13, OPC compares the Commission's decisions on Asbury with the Commission's decision on the linemen retention bonuses. OPC then states that "the Commission found that Empire did not incur any lineman retention bonuses before September 30, 2019." OPC's argument in this regard is flawed and does not present sufficient reason for rehearing. It did, however, bring to light a minor correction that could be made to the *Report and Order*.

4. Finding of Fact 486 in the *Report and Order* correctly notes that the linemen retention program was implemented in September of 2019. The second sentence of Finding of

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Fact 489 in the *Report and Order* notes "Staff included amounts considered to be known and measurable in its direct case as of September 30, 2019, the end of the update period." The remaining sentence in that Finding of Fact ("This predates the retention program, which had not yet been implemented.") is in error.

5. Although it is true that payments under the linemen retention program were first made during the true-up period for the case, Empire began to incur the obligation to make those payments during the update period. As noted on page three of the True-Up Direct Testimony of Jeff Westfall, Ex. 40, the program started with the September 2019 pay period.

WHEREFORE, Empire submits this Response to OPC's Application for Rehearing and requests that the Commission deny OPC's Application for Rehearing and grant such further relief as is just and proper under the circumstances.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that the above document was filed in EFIS on this 17th day of July, 2020, with notification of the same being sent to all counsel of record.

/s/ Diana C. Carter