

Exhibit No.:
Issues: Weather Normalization, AROs, Rate
Case Expense, Credit Card Fees, Capital
Structure, Cost of Debt, Stipulation
Conditions
Witness: Sheri Richard
Type of Ex: Surrebuttal Testimony
Sponsoring Party: The Empire District
Electric Company
Case No.: ER-2019-0374
Date Testimony Prepared: March 2020

**Before the Public Service Commission
of the State of Missouri**

Surrebuttal Testimony

of

Sheri Richard

on behalf of

**The Empire District Electric Company
a Liberty Utilities Company**

March 2020



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OF
SHERI RICHARD
THE EMPIRE DISTRICT ELECTRIC COMPANY
BEFORE THE
MISSOURI PUBLIC SERVICE COMMISSION
CASE NO. ER-2019-0374

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SURREBUTTAL TESTIMONY
OF
SHERI RICHARD
THE EMPIRE DISTRICT ELECTRIC COMPANY
BEFORE THE
MISSOURI PUBLIC SERVICE COMMISSION
CASE NO. ER-2019-0374

1 I. **INTRODUCTION**

2 Q. **PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

3 A. My name is Sheri Richard. My business address is 602 South Joplin Avenue, Joplin,
4 MO, 64802.

5 Q. **BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

6 A. I am employed by Liberty Utilities Service Corp. as the Director of Rates and
7 Regulatory Affairs for Liberty Utilities Central Region, which includes The Empire
8 District Electric Company, a Liberty Utilities company (“Liberty-Empire” or
9 “Company”), as well as gas, water and wastewater utilities serving in the Central
10 Region.

11 Q. **ARE YOU THE SAME SHERI RICHARD THAT FILED DIRECT AND**
12 **REBUTTAL TESTIMONY IN THIS CASE ON BEHALF OF LIBERTY-**
13 **EMPIRE?**

14 A. Yes.

15 Q. **WHAT IS THE PURPOSE OF YOUR SURREBUTTAL TESTIMONY IN**
16 **THIS PROCEEDING?**

17 A. My surrebuttal testimony addresses the following issues contained in the rebuttal
18 testimonies of the respective witnesses:

Rebuttal Testimony	
Sponsoring Party	Topic
Staff Witness Bocklage	Weather Normalization Adjustment
Staff Witness Bolin	Asset Retirement Obligations
OPC Witness Conner	Rate Case Expense and Credit Card Fees
OPC Witness Murray	Capital Structure, Cost of Debt and Stipulation Conditions

1

2

3

I also make a correction to my Rebuttal Testimony with regard to a payroll adjustment.

4

II. WEATHER NORMALIZATION ADJUSTMENT

5

Q. WHAT CONCERNS DID STAFF WITNESS BOCKLAGE HAVE WITH THE COMPANY'S APPLICATION OF THE WEATHER NORMALIZATION FACTOR?

7

8

A. Witness Bocklage claims that Liberty-Empire's proposed method fails to recognize that a relationship exists between usage per customer and the percentage of first block usage, and as a result, needs to be adjusted to reflect per block usage.

10

11

Q. DID THE COMPANY'S APPLICATION OF THE WEATHER NORMALIZATION FACTOR IGNORE THE RELATIONSHIP BETWEEN USAGE PER CUSTOMER AND BLOCK USAGE?

13

14

A. No. The Company applied the weather normalization adjustments incrementally to customer's consumption. If a customer's bill included only consumption in the first block, the weather impact was applied to the first block. Likewise, if the customer's bill included second block usage, the weather impact was applied to the second block.

17

18

This demonstrates a relationship to usage and the block where the customer's total usage falls.

19

20

Q. DOES THE COMPANY'S METHOD REFLECT HOW WEATHER WOULD IMPACT THE USAGE INCLUDED IN EACH BLOCK?

21

1

2 A. Yes. The weather adjustment would, by its nature, apply to the highest block in
3 which a customer's consumption occurred. For example, a customer that used only
4 500 kWh only consumed energy in the first block. As such, any adjustment for
5 weather would be applied incrementally to the 500 kWh usage and the adjustment
6 would be included in the first block. Likewise, the weather adjustment for a customer
7 that consumed energy in the second block would be applied incrementally to the
8 customers usage and would impact the second block.

9 **Q. DOES THE COMPANY'S APPLICATION OF THE WEATHER**
10 **NORMALIZATION FACTOR PRODUCE EXPECTED RESULTS?**

11 A. Yes. As is commonly understood, customers utilize a base level of usage regardless
12 of temperature. As weather gets more extreme, a customer will either require more
13 energy to cool or heat their home. In addition, since the average customer uses
14 slightly over 1,000 kWh, it makes sense that more of the weather sensitivity would
15 get applied to the second block, which is usage above 600 kWh. As expected, under
16 the Company's method, the second block of usage is adjusted more than the first
17 block. Therefore, we believe the Company's proposed methodology more accurately
18 reflects a normal level of kWh sales by block.

19 **III. ASSET RETIREMENT OBLIGATIONS**

20 **Q. DID THE COMPANY INCLUDE AN ASSET RETIREMENT OBLIGATION**
21 **("ARO") IN ITS REVENUE REQUIREMENT CALCULATION IN THE**
22 **CURRENT CASE?**

23 A. Yes. The Company included ARO balances in rate base for costs paid to remove
24 asbestos at the Asbury and Riverton generating units, as well as, costs paid to settle

1 obligations related to the coal ash ponds at Asbury, Iatan, and Riverton. In addition,
2 the Company included an income statement adjustment for amortization of the
3 associated AROs (IS ADJ 35).

4 **Q. STAFF WITNESS BOLIN DESCRIBES AN ARO AS A NON-LEGAL**
5 **OBLIGATION. IS THAT CORRECT?**

6 A. No. An ARO is not a “non-legal” obligation as witness Bolin asserts, nor is it the
7 same as asset removal costs. As I stated in my Direct Testimony, an ARO is a legal
8 obligation associated with a tangible long-lived asset that results from the acquisition,
9 construction, development, or normal operation of a long-lived asset, in which the
10 timing or method of settlement is conditional on a future event.

11 **Q. WHEN AND HOW ARE AROS RECOGNIZED IN THE COMPANY’S**
12 **BOOKS AND RECORDS?**

13 A. An ARO is a liability that is recognized when incurred if a reasonable estimate of fair
14 value can be made, and it should be initially measured at fair value. If fair value
15 cannot be reasonably estimated, the ARO should be recognized when a reasonable
16 estimate of fair value can be made, see Surrebuttal Schedule SDR-1.¹

17 **Q. CAN YOU PROVIDE AN EXAMPLE OF AN ARO?**

18 A. Yes. A good example is lease of land related to a wind farm. Wind turbines may
19 exist on land leased for thirty years from a landowner with a lease requirement to
20 remove the wind turbines at the end of the thirty years. The lease requirement to
21 remove the wind turbines is an ARO.

22 **Q. CAN YOU PROVIDE AN EXAMPLE OF ASSET REMOVAL COSTS?**

¹ Deloitte - A Roadmap to Accounting for Environmental Obligations and Asset Retirement Obligations 2018, Pg. 72.

1 A. Yes. Utilizing the same wind farm example, the wind turbine's depreciation rate
2 includes an asset removal cost component that relates to the replacement of individual
3 units of property that are expected to be replaced over the 30 year life of the wind
4 farm due to equipment failure or damage.

5 **Q. DOES WITNESS BOLIN BELIEVE ARO COSTS ARE THE SAME AS**
6 **REMOVAL COSTS AND THAT THEY ARE INCLUDED IN THE**
7 **COMPANY'S DEPRECIATION RATES?**

8 A. Yes, it appears so. In Staff witness Bolin's surrebuttal testimony, she states

9 Empire has already received rate recovery of future asset removal
10 costs through application of depreciation rates which contain a cost of
11 removal component. Allowing recovery of ARO costs in addition to
12 the cost of removal accruals included in Empire's depreciation
13 expense will likely result in double recovery of certain asset removal
14 costs.

15
16 **Q. DO THE COMPANY'S DEPRECIATION RATES INCLUDE ARO OR**
17 **DISMANTLEMENT COSTS?**

18 A. No. Ms. Bolin is correct that the Company's depreciation rates include recovery for
19 asset removal costs. However, asset removal costs included in depreciation rates are
20 not the same as the costs to satisfy a legal obligation. The Company's depreciation
21 rates only include removal costs of individual components of property as described in
22 Dockets ER-2016-023 and ER-2004-0570. No dismantlement costs or ARO costs are
23 included.²

24 **Q. DOES THE FERC UNIFORM SYSTEM OF ACCOUNTS DEFINITION FOR**
25 **ASSET REMOVAL COSTS INCLUDE AROS?**

² Docket ER-2016-023 Rebuttal Testimony of Staff Witness Josh Robinett pg. 9 In2 13-16 and ER-2004-0570 Report and Order pg. 29-53.

1 A. No. AROs are specifically excluded. Per FERC’s definition of cost of removal “...It
2 does not include the cost of removal activities associated with *asset retirement*
3 *obligations* that are capitalized as part of the tangible long-lived assets that give rise
4 to the obligation...”³

5 **Q. HAS THE COMPANY INCLUDED AMORTIZATION FOR THESE ASSET**
6 **RETIREMENT OBLIGATIONS PRIOR TO THIS CASE?**

7 A. No. To my knowledge, the Company has not sought recovery or recovered through
8 depreciation or amortization these costs before the current rate application.

9 **Q. STAFF WITNESS BOLIN CLAIMS RATE TREATMENT FOR AN ARO**
10 **SHOULD ONLY BE CONSIDERED IF THE AMOUNT IS KNOWN AND**
11 **MEASURABLE. DO YOU AGREE?**

12 A. Yes. As stated above, an ARO is only recognized when the legal obligation is
13 incurred, which means it is known, and only if a reasonable estimate of the fair value
14 can be made, which means it is measurable.

15 **Q. PLEASE SUMMARIZE THE REASONS FOR INCLUSION OF THE ARO**
16 **ASSET AND THE AMORTIZATION OF SUCH IN THE COMPANY’S**
17 **PROPOSED REVENUE REQUIREMENT.**

18 A. AROs are legal obligations that the Company has incurred. The costs are known and
19 are measurable, and they have not previously been recovered through rates.
20 Therefore, there is no double recovery of costs nor any question that the Company
21 has already paid to satisfy the obligations or will pay to satisfy the obligation. For
22 these reasons, the costs for the AROs described above should be included in the
23 determination of the Company’s revenue requirement.

³ <https://ecfr.io/Title-18/pt18.1.101>

1 **IV. RATE CASE EXPENSE AND CREDIT CARD FEES**

2 **Q. DID OPC WITNESS CONNER CHANGE HER RATE CASE EXPENSE**
3 **ADJUSTMENT IN HER REBUTTAL TESTIMONY?**

4 A. Yes. Witness Conner agrees with Staff's adjustment to include \$560 for certain travel
5 expenses the Company incurred when traveling to Jefferson City, Missouri. Witness
6 Conner also removes the line loss study expense from rate case expense and includes
7 a normal level in the Company's cost of service. While the Company believes its
8 travel expenses are reasonable, it does not oppose the \$560 adjustment for the travel
9 expenses to Jefferson City, nor does the Company oppose the normalization of the
10 Loss Study costs.

11 **Q. DOES OPC WITNESS CONNER ALSO ADDRESS CREDIT CARD FEES?**

12 A. Yes. She opposes in her Rebuttal Testimony inclusion of credit card fees in the
13 Company's cost of service.

14 **Q. IS OPC WITNESS CONNER CONSISTENT IN HER RECOMMENDATIONS**
15 **ON HOW TO TREAT PAYMENT OPTIONS?**

16 A. No. She appears to support including all options in the cost of service except the
17 option to pay with a credit card, even though a significant portion of our customers⁴
18 utilize this option. Ms. Conner does not dispute that costs for payment options, such
19 as online payments, kiosks, and lockboxes should be included in the Company's cost
20 to serve its customers. However, her rationale for not including the credit card fees
21 focuses on unquantified statements that only customers who have the 'means to pay'
22 via credit cards benefit. Ms. Conner ignores the benefits paying by credit card affords
23 our customers as paying over the phone with a credit card is a benefit for those that

⁴ OPC witness Amanda Conner Direct Testimony, pg. 9, Ins. 20-21: "...25% of Empire customers used credit cards to pay their electric bill."

1 may be confined to their home, paying with a credit card benefits those who may be
2 short on funds, and paying with a credit card is an efficient method of payment saving
3 time and money for our customers versus driving to a walk-in facility.

4 **V. CAPITAL STRUCTURE, DEBT, AND STIPULATION CONDITIONS**

5 **Q. IS OPC WITNESS MURRAY CORRECT IN HIS ASSUMPTION THAT YOU**
6 **ARE THE PRIMARY COMPANY WITNESS FOR THE CAPITAL**
7 **STRUCTURE AND COST OF DEBT?**

8 A. No. Company witness Robert Hevert testified in his Direct Testimony about the cost
9 of debt, and the Company's capital structure. In addition, Company witness Mark
10 Timpe submitted Rebuttal Testimony explaining in detail a financing arrangement
11 between the Company and LUCo and cost savings related to financing arrangements the
12 Company has experienced since it was acquired. I testified to the cost of debt utilized
13 in the calculation of the revenue requirement. The cost of debt, a contractual
14 obligation used in the revenue requirement calculation, was supported by WP 6.1.
15 WP 6.1 reconciles to the Company's ledger account for long term debt and provides
16 details of the long term debt. WP 6.1 was provided to the parties as part of the
17 Company's workpapers. I have also attached WP 6.1 here as Surrebuttal Schedule
18 SDR-2.

19 **Q. HAS THE COMPANY PROVIDED TESTIMONY OF ITS COMPLIANCE**
20 **WITH THE MERGER FINANCING CONDITION ORDERED IN EM-2016-**
21 **0213?**

22 A. Yes. Company witness Robert Hevert testified in his Direct Testimony as to how the
23 Company has complied with the stipulation conditions related to cost of capital and
24 capital structure as ordered in EM-2016-0213.

1 **Q. OPC WITNESS MURRAY ALLEGES THE COMPANY HAS NOT**
2 **COMPLIED WITH CONDITION 3 SECTION G AS ORDERED IN EM-2016-**
3 **0213 WITH REGARD TO DATA REQUEST RESPONSES. DO YOU AGREE?**

4 A. No. In responding to data requests, the Company has complied with the merger
5 stipulation and the Commission's rules. The merger stipulation referenced above
6 specifically contemplates objections for lack of relevance.

7 **VI. CORRECTIONS**

8 **Q. ARE THERE ANY CORRECTIONS THAT NEED TO BE MADE TO YOUR**
9 **REBUTTAL TESTIMONY?**

10 A. Yes. In my Rebuttal Testimony, I stated that Staff used incorrect test year balances
11 for incentive pay in their payroll adjustment. I go on to state that had they used the
12 correct amount, the test year balance for payroll and overtime would have been
13 \$38,771,948, resulting in a pro forma adjustment of \$1,902,843, at September 30,
14 2019.

15 **Q. WHAT CORRECTIONS WOULD YOU LIKE TO MAKE?**

16 A. The Company's response to data request MPSC DR 33.1 attached hereto as
17 Surrebuttal Schedule SDR-3, shows the total amount of incentive compensation that
18 was included in Liberty-Empire's general ledger during the test year, however, this
19 data request was not filed until after the deadline for rebuttal testimony. As a result, I
20 am correcting my position from my Rebuttal Testimony.

21 **Q. WHAT SHOULD THE CORRECT LEVEL OF TEST YEAR PAYROLL AND**
22 **OVERTIME HAVE BEEN?**

23 A. The test year level of payroll and overtime that should have been used by Staff,
24 excluding the amount of expensed incentive compensation from MPSC DR 33.1, is

1 \$37,267,266. This results in Staff's pro forma adjustment being \$3,407,524 for
2 payroll and overtime at September 30, 2019.

3 **Q. DOES THIS CONCLUDE YOUR SURREBUTTAL TESTIMONY?**

4 **A. Yes.**

VERIFICATION OF SHERI RICHARD

Sheri Richard, under penalty of perjury, declares that the foregoing surrebuttal testimony is true and correct to the best of her/his knowledge, information, and belief.

/s/ Sheri Richard _____
Sheri Richard
Director Rates and Regulatory Affairs

Chapter 4 — Accounting for Asset Retirement Obligations

This chapter provides an overview of the accounting and disclosure requirements for AROs in ASC 410-20, along with certain interpretive guidance on applying the scope, initial recognition, initial measurement, and subsequent measurement provisions of this accounting guidance. Chapter 5 then provides examples of AROs commonly encountered in certain industries, along with a discussion of accounting and financial reporting issues that companies in those industries commonly encounter when accounting for such AROs.

4.1 Overview of ASC 410-20

ASC 410-20 provides the relevant guidance on accounting for AROs and generally applies to “[l]egal obligations associated with the retirement of a tangible long-lived asset that result from the acquisition, construction, or development and (or) the normal operation of a long-lived asset” (ASC 410-20-15-2). An ARO is recognized when incurred if a reasonable estimate of fair value can be made, and it should be initially measured at fair value. If its fair value cannot be reasonably estimated, the ARO should be recognized when a reasonable estimate of fair value can be made.

When initially recognizing an ARO, an entity should capitalize the asset retirement cost by increasing the long-lived asset’s carrying value by the same amount as the ARO. Subsequently, changes to the ARO should be recognized for changes due to the passage of time (accretion of the ARO) and revisions to either the timing or the amount of the original estimate of cash flows used for measuring the fair value of the liability. The entity should recognize changes due to the passage of time as an operating expense and an increase to the ARO by applying an interest method allocation to the ARO at the beginning of the period, using the credit-adjusted risk-free rate at the time the initial ARO was recognized and measured. Changes in subsequent measurement of the ARO resulting from revisions to the estimated timing or amount of cash flows should be recognized as an increase or decrease in the carrying amount of the ARO and the related long-lived asset. The entity should measure increases in estimated cash flows by using the current credit-adjusted risk-free rate (creating an additional “layer” of the ARO), and it should measure decreases in estimated cash flows by using the credit-adjusted risk-free rate that existed when the ARO was initially recognized. In addition, the entity should subsequently recognize as expense (depreciate) the amount capitalized as part of the cost of the related long-lived asset by using a systematic and rational method over the long-lived asset’s economic useful life.

Application of the guidance in ASC 410-20 can be complex and requires significant management estimates and judgment. The sections below further discuss the scope of ASC 410-20 as well as the initial and subsequent recognition and measurement provisions of this guidance, including some of the practical challenges that entities may encounter in applying those provisions.



The Empire District Electric Company

Missouri Jurisdiction

Docket No. ER-2019-0374

Surrebuttal Schedule SDR-2

Line No.	FERC (a)	GL Account (b)	Description (c)	Reference (d)	Amount Per Books (e)	Annual Costs (f)
1	221	221500	4.65% Series, Due 6/1/2020	TB 03-19 ↓	\$ 100,000,000	\$ 4,650,000
2	221	221801	5.875%, Due 2037		80,000,000	4,700,000
3	221	221803	5.2% Series, Due 9/1/2040		50,000,000	2,600,000
4	221	221804	3.58% Series, Due 2027		88,000,000	3,150,400
5	221	221805	3.73% Series, Due 5/30/2033		30,000,000	1,119,000
6	221	221806	4.32% Series, Due 5/30/2043		120,000,000	5,184,000
7	221	221807	4.27% Series, Due 12/01/2044		60,000,000	2,562,000
8	221	221808	3.59% FMB Series due 8-20-2030		60,000,000	2,154,000
9	223	223120	4.53% Note Payable to LUC, due 6-1-2033		90,000,000	4,077,000
10	224	224102	6.7% Series, Due 2033		62,000,000	4,154,000
11	224	224103	5.8% Series, Due 7/1/2035		40,000,000	2,320,000
12			Premium, Discounts and Expense		-	1,120,660
13			Total Long Term Debt		<u>\$ 780,000,000</u>	<u>\$ 37,791,060</u>
14			Annual Cost Rate:			<u>4.85%</u>



The Empire District Electric Company

A Liberty Utilities Company

Case No. ER-2019-0374

MPSC Data Request – 0033.1

Data Request Received: 02/11/20

Request No. 0033.1

Date of Response: 03/09/2020

Respondent: Christi Botts/Mindy Forbes

Submitted by: Caroline Newkirk (caroline.newkirk@psc.mo.gov)

REQUEST:

In DR 0033 Staff asked for the dollar amount and accounts to which incentive compensation was recorded. Staff was provided with the attachment labeled: “MPSC_DR_0033 – Incentive Plan.” After a follow-up phone call on 2/6/2020 Empire further clarified that this breakdown of incentive pay was for the short term plans of the Empire Electric district only. Please provide the account numbers and corresponding amounts that are recorded in Empire Electric’s general ledger for ALL incentive pay for the test year (04/2018 – 03/2019). Please be sure to include both short and long term plans, both direct and indirect assigned amounts, and all districts including Empire Electric, Empire Labs, LU Labs, and Central Region.

RESPONSE:

Please refer to the below attachments for incentive compensation recorded in the Company’s test year for Empire Electric, Empire LABS, LU LABS and Central Region (which includes accruals and true-up entries for incentive compensation). As previously mentioned the Company did not track for general ledger purposes the split between Short Term and Long Term incentives during the test year for indirect charges.

- Summary Incentive Compensation
- Incentive Pay Accrual – STIP & LTIP

For the direct account numbers please refer to the document labeled: “Incentive Pay Accruals – STIP & LTIP”

The respective general ledger accounts for LABS US, ELABS and Central Region are charged to the following accounts:

- 923510 – Corporate Services (LABS US & ELABS)
- 923610 – Business Services (LABS US & ELABS)
- 923810 – Central Indirect Allocs

The Empire District Electric Company

A Liberty Utilities Company

Case No. ER-2019-0374

MPSC DR 0033.1

STIP/LTIP	Amount	Source
Empire Incentive	3,268,253	Incentive Pay Accruals - STIP LTIP
Empire 2017 Accrual	(762,580)	Incentive Pay Accruals - STIP LTIP
Empire 2018 Accrual	-	Incentive Pay Accruals - STIP LTIP
Empire	402,725	Incentive Pay Accruals - STIP LTIP
LABS - US	296,919	Indirect Invoices
ELABS	128,377	Indirect Invoices
Central Region	744,534	Indirect Invoices
Total Incentive Per GL:	<u>4,078,229</u>	

SURREBUTTAL SCHEDULE SDR-3

The Empire District Electric Company

A Liberty Utilities Company

Case No. ER-2019-0374

MPSC DR 33.1

TME 3-31-19 STIP Costs

Unit	Account	Dept	Product	Line Descr	Amount	Journal ID	Period	Year	Date
	163001			Total	1,754.79				
	163316			Total	14,298.36				
	184331			Total	34,894.72				
	184620			Total	643,731.59				
	184621			Total	5,042.01				
	184622			Total	11,969.03				
	184630			Total	72,911.00				
	184810			Total	13,989.53				
	184920			Total	-				
	500036			Total	24,423.91				
	500039			Total	204,099.47				
	501601			Total	8,342.54				
	510030			Total	80,911.57				
	535301			Total	15,244.66				
	541304			Total	13,642.55				
	546204			Total	28,290.57				
	546205			Total	38,195.60				
	546207			Total	249,168.89				
	547605			Total	1,191.82				
	547606			Total	1,191.82				
	548123			Total	14,725.43				
	549120			Total	20,537.37				
	551201			Total	101,108.47				
	556410			Total	11,912.75				
	556412			Total	83,859.24				
	556413			Total	87,073.99				
	560628			Total	6,051.90				
	560629			Total	9,920.38				
	561404			Total	29,027.95				
	568631			Total	18,825.91				
	570517			Total	2,455.04				
	571001			Total	33,830.35				
	571062			Total	2,951.15				
	580001			Total	98,297.50				
	580002			Total	2,540.97				
	580627			Total	17,920.69				
	580628			Total	8,188.12				
	580686			Total	9,551.88				
	583019			Total	(212.34)				
	583500			Total	(212.34)				
	586028			Total	573.53				
	588120			Total	11,470.03				
	588130			Total	11,470.03				
	588621			Total	6,604.72				
	588623			Total	8,273.03				
	588630			Total	23,877.67				

SURREBUTTAL SCHEDULE SDR-3

The Empire District Electric Company

A Liberty Utilities Company

Case No. ER-2019-0374

MPSC DR 33.1

TME 3-31-19 STIP Costs

Unit	Account	Dept	Product	Line Descr	Amount	Journal ID	Period	Year	Date
	590001			Total	25,559.28				
	590620			Total	8,273.03				
	590630			Total	15,416.59				
	593062			Total	38,732.33				
	593500			Total	2,316.48				
	594062			Total	5,511.62				
	901001			Total	216,464.59				
	901201			Total	16,729.06				
	902007			Total	9,337.49				
	903013			Total	883.00				
	903022			Total	16,884.21				
	903028			Total	19,947.90				
	903110			Total	7,063.21				
	907101			Total	27,419.15				
	908043			Total	59,659.74				
	908101			Total	49,655.65				
	908104			Total	21,007.03				
	908106			Total	54,516.69				
	908107			Total	25,867.87				
	912002			Total	212.24				
	912025			Total	31,360.37				
	920101			Total	38,094.83				
	920201			Total	81,312.67				
	920261			Total	127,861.67				
	920301			Total	24,475.87				
	920504			Total	2,428.83				
	920601			Total	45,620.22				
	920615			Total	12,102.77				
	920701			Total	21,151.02				
	920703			Total	25,486.90				
	920750			Total	11,470.03				
	922000			Total	-				
	922503			Total	-				
	922700			Total	136,298.99				
	935024			Total	5,213.98				
	Grand Total				<u>3,268,253.16</u>				

SURREBUTTAL SCHEDULE SDR-3

The Empire District Electric Company

A Liberty Utilities Company

Case No. ER-2019-0374

MPSC DR 33.1

2017 Accrual Reversal

Unit	Account	Dept	Product	Line Descr	Amount	Journal ID	Period	Year	Date
	163316			Total	(6,077.20)				
	184331			Total	(6,077.20)				
	184620			Total	(62,641.70)				
	184630			Total	(19,888.20)				
	184810			Total	(6,930.25)				
	500039			Total	(51,733.64)				
	535301			Total	(17,762.45)				
	541304			Total	(15,872.50)				
	546204			Total	(8,668.00)				
	546205			Total	(12,219.50)				
	546207			Total	(61,695.47)				
	548123			Total	(3,551.50)				
	549120			Total	(8,668.00)				
	551201			Total	(14,206.00)				
	556412			Total	(15,350.50)				
	556413			Total	(15,350.50)				
	560628			Total	(1,800.50)				
	561404			Total	(8,362.00)				
	568631			Total	(7,202.00)				
	570517			Total	(15,321.00)				
	571001			Total	(9,184.50)				
	580001			Total	(9,501.95)				
	580002			Total	(1,836.90)				
	580627			Total	(5,981.50)				
	588621			Total	(1,836.90)				
	588630			Total	(5,510.70)				
	590001			Total	(9,501.95)				
	590630			Total	(4,181.00)				
	593062			Total	(7,347.60)				
	901001			Total	(54,411.00)				
	920101			Total	(81,761.60)				
	920201			Total	(14,328.00)				
	920261			Total	(30,960.60)				
	920301			Total	(13,832.94)				
	920601			Total	(18,231.60)				
	920701			Total	(25,725.00)				
	922700			Total	<u>(109,068.15)</u>				
	Grand Total				<u><u>(762,580.00)</u></u>				

SURREBUTTAL SCHEDULE SDR-3

The Empire District Electric Company

A Liberty Utilities Company

Case No. ER-2019-0374

MPSC DR 33.1

2018 Accrual Reversal

Unit	Account	Dept	Product	Line Descr	Amount	Journal ID	Period	Year	Date
	163001 Total				-				
	163316 Total				-				
	184331 Total				-				
	184620 Total				(0.00)				
	184621 Total				-				
	184622 Total				-				
	184630 Total				0.00				
	184810 Total				-				
	500036 Total				-				
	500039 Total				0.00				
	501601 Total				-				
	510030 Total				0.00				
	535301 Total				-				
	541304 Total				(0.00)				
	546204 Total				(0.00)				
	546205 Total				-				
	546207 Total				0.00				
	547605 Total				-				
	547606 Total				-				
	548123 Total				-				
	549120 Total				-				
	551201 Total				(0.00)				
	556410 Total				-				
	556412 Total				-				
	556413 Total				-				
	560628 Total				0.00				
	560629 Total				-				
	561404 Total				-				
	568631 Total				-				
	570517 Total				(0.00)				
	571001 Total				-				
	571062 Total				-				
	580001 Total				0.00				
	580002 Total				-				
	580627 Total				-				
	580628 Total				-				
	580686 Total				-				
	583019 Total				-				
	583500 Total				-				
	586028 Total				-				
	588120 Total				-				
	588130 Total				-				
	588621 Total				-				
	588623 Total				-				
	588630 Total				-				
	590001 Total				-				

SURREBUTTAL SCHEDULE SDR-3

The Empire District Electric Company

A Liberty Utilities Company

Case No. ER-2019-0374

MPSC DR 33.1

2018 Accrual Reversal

Unit	Account	Dept	Product	Line Descr	Amount	Journal ID	Period	Year	Date
	590620			Total	-				
	590630			Total	(0.00)				
	593062			Total	-				
	594062			Total	-				
	610707			Total	-				
	680025			Total	-				
	681031			Total	-				
	682034			Total	-				
	685002			Total	-				
	901001			Total	(0.00)				
	901201			Total	-				
	902007			Total	-				
	903013			Total	-				
	903022			Total	-				
	903028			Total	-				
	903110			Total	-				
	907101			Total	-				
	908043			Total	-				
	908101			Total	-				
	908104			Total	-				
	908106			Total	-				
	908107			Total	-				
	912002			Total	-				
	912025			Total	-				
	920101			Total	0.00				
	920201			Total	-				
	920261			Total	0.00				
	920301			Total	-				
	920601			Total	-				
	920615			Total	-				
	920701			Total	-				
	920703			Total	-				
	920750			Total	-				
	922700			Total	0.00				
	935024			Total	-				
	Grand Total				<u>0.00</u>				

SURREBUTTAL SCHEDULE SDR-3

The Empire District Electric Company

A Liberty Utilities Company

Case No. ER-2019-0374

MPSC DR 33.1

TME 3-31-19 LTIP Costs

Unit	Account	Dept	Product	Line Descr	Amount	Journal ID	Period	Year
	184620			Total	(51,213.25)			
	184630			Total	(51,213.25)			
	920101			Total	(118,562.62)			
	920102			Total	501,374.23			
	922700			Total	<u>122,340.32</u>			
	Grand Total				<u><u>402,725.43</u></u>			