

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Empire District Electric Company,)
Liberty Utilities (Central) Co. and Liberty Sub Corp.) Case No. EM-2016-0213
Concerning an Agreement and Plan of Merger and)
Certain Related Transactions.)

RENEW MISSOURI’S STATEMENT OF POSITION

COMES NOW Earth Island Institute d/b/a Renew Missouri (“Renew Missouri”), by and through the undersigned counsel, pursuant to the Missouri Public Service Commission’s (“Commission”) August 23, 2016 Order, and hereby submits this Statement of Position in the above-captioned case. Renew Missouri reserves the right to modify the positions provided herein and to take additional positions as the case proceeds.

On August 17, 2016, the Staff for the Missouri Public Service Commission (“Staff”) submitted on behalf of the parties the *List of Issues, List and Order of Witnesses, Order of Opening Statements and Order of Cross Examination*. Included within that filing were the following issues:

1. Detriment to Public Interest
 - a. Will the acquisition by LU Central and Liberty Sub Corp. of all of the capital stock of The Empire District Electric Company under the terms of the Agreement and Plan of Merger dated February 9, 2016 be detrimental to the public interest?
 - b. To the extent there are any claimed detriments, what conditions, if any, are proposed by the parties that, if adopted by the Commission, would mitigate any such potential detriment or in the aggregate would offset any potential detriments?

Statement of Position, Issue 1.a

Regarding Issue 1.a., Renew Missouri takes no position as to whether the acquisition of all the capital stock of the Empire District Electric Company by LU Central and Liberty Sup Corp under the terms of the February 9, 2016 Agreement and Plan of Merger (“the acquisition”) will be detrimental to the public interest, except as provided below.

Renew Missouri takes the position that approval of the acquisition along with the terms as agreed to in the Non-Unanimous Stipulation and Agreement filed in this case on July 19, 2016 will provide greater benefit to the public interest than would approval of the acquisition without the terms of the Non-Unanimous Stipulation and Agreement. The July 19th Agreement contains commitments from Empire to pursue expanded energy efficiency programs, study the potential for Combined Heat and Power, and consider microgrids and community solar options for its customers. These commitments will benefit the public interest because they have the potential to increase Empire’s investment in low-cost, under-utilized resources like energy efficiency and in clean sources of renewable power for which there is high public demand.

Statement of Position, Issue 1.b

Regarding Issue 1.b., Renew Missouri takes no position as to whether there are any claimed detriments that would result from approval of the acquisition. However, to the extent that certain detriments to the public may result (such as rate increases on Empire customers, lack of customer choice, etc.), Renew Missouri takes the position that the July 19th Non-Unanimous Stipulation and Agreement mitigates some of these potential detriments.

Energy efficiency and other distributed clean energy resources are not only the cheapest resources available to utilities to meet customer demand, but also have the potential to delay or

avoid future utility investments in further generation. At a time when many of Missouri's utilities find themselves with too much electric generation with insufficient customer demand, it is imperative that our State's largest utilities avoid burdening ratepayers with costly investments in even more fossil fuel generation that may not be needed in the near future. This is particularly true when considering the likelihood of Federal carbon regulations, the volatility of fossil fuel prices, and the overwhelming customer demand for cleaner sources of energy. Investments in clean energy (including DSM programs, CHP, smart grid technology, and community solar programs) are a far more cost-effective means of addressing long-term customer demand than building a large combined-cycle natural gas plant that will require many decades to fully depreciate. Because it has the potential to advance investment in these clean energy solutions, Renew Missouri believes that approval of the acquisition along with the terms of the July 19th Non-Unanimous Stipulation and Agreement can serve to mitigate many of the detriments that some parties claim may result.

WHEREFORE, Renew Missouri submits the above Statement of Position and asks that it be included in the record in this case.

Respectfully Submitted,

/s/ Andrew J. Linhares

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct PDF version of the foregoing was filed on EFIS and electronically mailed to all counsel of record on this 23rd day of August 2016.

/s/ Andrew J. Linhares

Andrew J. Linhares