BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of a Proceeding Under Section 393.137 (SB 564) to Adjust the Electric Rates of The Empire District Electric Company

File No. ER-2018-0366

RENEW MISSOURI'S STATEMENT OF POSITIONS

COMES NOW Renew Missouri Advocates d/b/a Renew Missouri ("Renew Missouri") and submits its *Statement of Positions*:

ISSUES

1. Should Empire District's rates be adjusted prospectively to reflect the reduction in the federal corporate income tax rate from 35% to 21% due to the Tax Cuts and Jobs Act ("TCJA")?

a. If yes, what should be the amount and the timing of such rate reduction?

Renew Missouri Position:

Yes. Under either Section 393.137 RSMo or the Non-unanimous Stipulation and Agreement filed by Empire, City of Joplin, and the Commission's Staff, the rates for Empire would be adjusted prospectively. Renew Missouri did not file testimony on the amount or the timing of such rate reduction and reserves the right to base a final position on the testimony provided at hearing.

2. Should Empire District's rates be adjusted prospectively to reflect a flow-back of "protected" excess accumulated deferred income taxes ("ADIT") to customers due to the TCJA?

a. If yes, what is the correct balance of protected excess ADIT as of 12/31/2017 to be subject to amortization?b. If yes, what is the appropriate amortization period for protected excess ADIT?

Renew Missouri Position:

Renew Missouri did not file testimony on this issue and reserves the right to base a final

position on the testimony provided at hearing.

3. Should Empire District's rates be adjusted prospectively to reflect a flow-back of

"unprotected" excess ADIT to customers due to the TCJA?

a. If yes, what is the correct balance of unprotected excess ADIT as of 12/31/2017 to be subject to amortization?b. If yes, what is the appropriate amortization period for unprotected excess ADIT?

Renew Missouri Position:

Renew Missouri did not file testimony on this issue and reserves the right to base a final position on the testimony provided at hearing.

4. Should the financial impact of the TCJA corporate income tax rate reduction from 35%

to 21% be deferred by Empire District from January 1, 2018 forward to the date customer

rates are adjusted to reflect this impact?

Renew Missouri Position:

Renew Missouri did not file testimony on this issue and reserves the right to base a final position on the testimony provided at hearing.

5. Should the financial impact of the amortization of protected excess ADIT be deferred by Empire District from January 1, 2018 forward to the date customer rates are adjusted to reflect this impact?

Renew Missouri Position:

Renew Missouri did not file testimony on this issue and reserves the right to base a final position on the testimony provided at hearing.

6. Should the financial impact of the amortization of unprotected excess ADIT be deferred by Empire District from January 1, 2018 forward to the date customer rates are adjusted to reflect this impact?

Renew Missouri Position:

Renew Missouri did not file testimony on this issue and reserves the right to base a final position on the testimony provided at hearing.

7. What modifications should be made to Empire's tariff to implement the revenue

requirement reduction?

Renew Missouri Position:

Renew Missouri did not file testimony on this issue and reserves the right to base a final

position on the testimony provided at hearing.

WHEREFORE, Renew Missouri submits its Statement of Positions.

Respectfully,

<u>/s/ Tim Opitz</u> Tim Opitz, Mo. Bar No. 65082 409 Vandiver Drive, Building 5, Ste. 205 Columbia, MO 65202 T: (573) 303-0394 Ext. 4 F: (573) 303-5633 tim@renewmo.org

Certificate of Service

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to all counsel of record this 17th day of July 2018:

<u>/s/ Tim Opitz</u>