

The Empire District Gas Company
Test Year Ending December 31, 2020
GR-2021-0320
Schedule 4 - Explanation of Rate Base Adjustments

Line No.	Description (a)	Reference		Adjustment Amount (d)
		Sch/WP (b)	Witness (c)	
<u>PLANT IN SERVICE</u>				
1	To include plant additions and the related accumulated depreciation for assets that will be used and useful by September 30, 2021. - Plant in Service - Accumulated Depreciation	RB ADJ 1 RB ADJ 1 AD	Liner Liner	1,205,193 (21,725)
2	To add back the gas portion of certain general plant assets that are shared between multiple entities. - Plant in Service - Accumulated Depreciation	RB ADJ 2 RB ADJ 2	Liner Liner	1,996,978 (1,148,914)
3	To adjust the test year level of accumulated depreciation to the expected pro-forma balances at the true-up period.	RB ADJ 3	Liner	(3,993,503)
4		RB ADJ 4	Liner	-
<u>WORKING CAPITAL</u>				
5	To reflect a normalized level of cash working captial.	RB ADJ 5	Lyons	(792,477)
6	To adjust prepayments included in rate base to the 13 month average balance.	RB ADJ 6	Liner	(50,455)
7	To adjust materials and supplies included in rate base to the 13 month average balance.	RB ADJ 6	Liner	50,404
8	The remove the gas company balances from the 13 month average materials inventory account.	RB ADJ 6	Liner	(303,780)
<u>ADDITIONS AND DEDUCTIONS</u>				
9	To adjust customer deposits and advances included in rate base to the 13 month average balance.	RB ADJ 6	Liner	(20,102)
10	To present the expected balances of the regulatory assets at the true-up period.	RB ADJ 7	Liner	(42,444,814)
11	To present the expected balances of the regulatory liabilities at the true-up period.	RB ADJ 8	Liner	3,550,998
12	To present the expected balances of the accumulated deferred income taxes at the true-up period.	RB ADJ 9	Liner	9,236,111
13	<u>Total Adjustments to Rate Base:</u>			<u>\$ (32,736,085)</u>

Source: See column (b).

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Purpose: To provide a description for the rate base adjustments.