

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of The Empire District Electric)
Company’s Application for Approval of a)
Transportation Electrification Portfolio for)
Electric Customers in its Missouri Service Area) Case No. ET-2020-0390

APPLICATION

COMES NOW The Empire District Electric Company (“Liberty-Empire” or “the Company”), and submits this Application for approval of a portfolio of transportation electrification pilot programs and accounting treatment pursuant to RSMo. §393.140(8). In this regard, Liberty-Empire respectfully states as follows to the Missouri Public Service Commission (“Commission”):

Background Information

1. Liberty-Empire is a Kansas Corporation with its principal office and place of business at 602 South Joplin Avenue, Joplin, Missouri, 64801.
2. Empire is qualified to conduct business and is conducting business in Missouri, as well as in the states of Kansas, Arkansas, and Oklahoma. Liberty-Empire is engaged generally in the business of generating, purchasing, transmitting, distributing, and selling electric energy in portions of said states.
3. Liberty-Empire is an “electrical corporation” and a “public utility,” as defined in RSMo. §386.020, and, therefore, is subject to the regulatory jurisdiction and supervision of the Commission, as provided by law.
4. In addition to the undersigned legal counsel, correspondence, communications, orders, and other documents and notices related to this application should be sent to:

Robin McAlester
Senior Manager, Innovations Team - Sustainability

3400 S. Kodiak Road
Joplin, MO 64804
Phone: 417-625-6126
E-Mail: Robin.McAlester@LibertyUtilities.com

5. A certified copy of Liberty-Empire's restated Articles of Incorporation, as amended, was filed in Commission Case No. EF-94-39 and is incorporated herein by reference. A certificate from the Missouri Secretary of State that Liberty-Empire, a foreign corporation, is authorized to do business in Missouri was filed with the Commission in Case No. EM-2000-369 and is incorporated herein by reference. This information is current and correct.

6. Liberty-Empire has no pending or final unsatisfied judgments or decisions against it from any state or federal agency or court that involve customer service or rates and that have occurred within the three years immediately preceding the filing of this Application.

7. The Company's Annual Reports and assessment fees are not overdue.

8. Liberty-Empire is an indirect subsidiary of Liberty Utilities Co. ("Liberty") and is part of the Liberty Central Region. The Liberty Central Region encompasses a number of other Liberty subsidiaries, including The Empire District Gas Company, Liberty Utilities (Pine Bluff Water) Inc., Liberty Utilities (Missouri Water) LLC, Liberty Utilities (Arkansas Water) Corp., and Liberty Utilities (Midstates Natural Gas) Corp.

9. Liberty is a Delaware corporation that owns regulated utilities in the United States and is an indirect subsidiary of Algonquin Power & Utilities Corp. ("APUC").

The Proposed Transportation Electrification Pilot Portfolio

10. Liberty-Empire proposes a portfolio of transportation electrification pilot programs designed to accelerate electric technology adoption and provide utility customer, grid, and societal benefits. Liberty-Empire proposes a pilot term of five years for its proposed initial transportation electrification programs.

11. The pilot portfolio of offerings is broadly divided into three components: the On-Road Component, the Non-Road Component, and the Administrative Component.

12. The reasons that the Company is proposing the transportation electrification portfolio, the details of the pilot programs, and the benefits to be derived are discussed in detail in the Company's Direct Testimony being filed herein. Direct Testimony on behalf of the Company is being submitted with this Application by:

- a. Robin McAlester, the Senior Manager of Sustainability for the Liberty Innovations Team;
- b. Stacy Noblet, Senior Director of Transportation for ICF Resources, LLC ("ICF"); and
- c. Ambika Coletti, Beneficial Electrification Manager for ICF.

13. Ms. McAlester's Direct Testimony provides an overview of the proposed portfolio of transportation electrification pilot programs and the associated benefits, includes an overview of each pilot program, describes the Company's proposed means of cost recovery for the pilot programs, and provides a brief history of Liberty's and Liberty-Empire's experience in transportation electrification to date and Liberty's and Liberty-Empire's vision for future programs and offerings.

14. Ms. Noblet's Direct Testimony addresses the pilot programs proposed in Liberty-Empire's On-Road Component of the Transportation Electrification Portfolio, the transportation electrification industry, and the analyses ICF conducted on behalf of the Company.

15. Ms. Coletti's Direct Testimony addresses the non-road transportation electrification, specifically Liberty-Empire's proposed Non-Road Electrification Pilot Program.

16. The objective of the portfolio of transportation electrification pilot programs is for Liberty-Empire to be a key partner in advancing regional transportation electrification efforts by

educating and connecting customers to grow the electric vehicle (“EV”) market through technical and electrical infrastructure support. These efforts will benefit the grid, and, in turn, benefit all types of customers.

17. Without the Company’s supportive role, lower EV adoption and greater risk of unmanaged charging would likely lead to fewer overall customer benefits, greater challenges in integrating future EV load, and increased emissions.

18. The On-Road Component of the proposed pilot portfolio contains the following offerings:

- a. the Residential Smart Charge Pilot Program, which allows residential customers to subscribe to a subscription that covers the costs to install and operate smart Level 2 (“L2”) charging stations and charge an EV during hours that do not coincide with system peak;
- b. the Ready Charge Pilot Program, which supports the deployment of utility owned and operated smart L2 and direct current fast charging (“DCFC”) infrastructure at publicly accessible commercial customer sites for public use;
- c. the Commercial Electric Vehicle Rate Pilot, which encourages third-party investment in DCFC and L2 infrastructure by providing a temporary incentive to lower EV charger operational costs;
- d. the Fleet Advisory Services Pilot Program, which provides business case analysis, support, and technical assistance for vehicle fleets in the Company’s service area seeking to transition to EVs;
- e. the Commercial Electrification Pilot Program, which supports the deployment of Company-owned smart L2 charging infrastructure for fleets and workplaces; and
- f. the Electric School Bus Pilot Program, which supports the deployment of Company-owned smart charging infrastructure for school bus applications in the Company’s service area.

19. The Non-Road Component provides incentives to support the deployment of charging infrastructure for non-road applications, including electric forklifts, truck refrigeration units, truck stop electrification, agricultural wells, and custom equipment.

20. The Administrative Component provides for Customer Education and Outreach, Annual Reporting and Evaluation, and Program Implementation.

21. The Customer Education and Outreach portion of the Administrative Component supports portfolio-wide education and outreach activities to increase customer enrollment and encourage beneficial charging of EVs.

22. The Annual Reporting and Evaluation portion of the Administrative Component enables the data collection, analysis, and reporting of key portfolio metrics to the Commission and interested stakeholders.

23. The Program Implementation portion of the Administrative Component supports the set-up, launch, and on-going implementation of the programs making up the transportation electrification portfolio.

24. The Company anticipates the transportation electrification pilot portfolio will provide net benefits to all utility customers in the form of eventual downward pressure on electricity rates.

25. Liberty-Empire believes the transportation electrification pilot portfolio will produce numerous benefits to the Company, the Commission, other Missouri utilities, and other parties interested in promoting and facilitating the use of EVs.

26. These benefits include: downward pressure on electricity costs for all customers; enhanced reliability and flexibility of the electricity system; a reduction in air pollutant and greenhouse gas emissions relative to internal combustion engine alternatives; a reduction in costs for customers; and an improved operational experience.

Proposed Budgets

27. For the On-Road Component, the Company proposes a budget of \$1.1M for the Residential Smart Charge Pilot offering; \$2.9M for the Ready Charge Pilot offering; \$200,000 for the Fleet Advisory Services Pilot offering; \$775,000 for the Commercial Electrification Pilot offering; and \$266,000 for the Electric School Bus Pilot offering.

28. There is no separate budget proposed for the Commercial Electric Vehicle Rate Pilot as any administrative costs are included in the Administrative Component.

29. For the Non-Road Component, the Company proposes a budget of \$5.1M, inclusive of incentives and program delivery.

30. For the Administrative Component, the Company proposes a budget of \$400,000 for Customer Education and Outreach; \$100,000 for Annual Reporting and Evaluation; and \$857,000 for Program Implementation.

Requests for Relief

31. This Application seeks an order of the Commission authorizing Liberty-Empire to implement a portfolio of transportation electrification pilot programs. Specimen tariff sheets are attached to the Direct Testimony of Company witness Robin McAlester as Schedules RM-1 through RM-6. At this time, the specimen tariff sheets have not been submitted separately as proposed tariffs, recognizing that changes may need to be made as this case progresses and the Company continues to work with stakeholders.

32. With the conclusion of this proceeding, Liberty-Empire will seek approval of its tariff sheets to implement the Company's portfolio of transportation electrification pilot programs.

33. The Company also seeks accounting treatment pursuant to RSMo. §393.140(8), as Liberty-Empire proposes to isolate and track all costs and revenues related to the transportation

electrification pilot programs, with net costs allowed to be reclassified as a regulatory asset to be recovered in rates in the future. The Company is seeking accounting authority to defer and amortize these costs over a period of eight years to align with the average expected life of the assets.

WHEREFORE, for the reasons stated in this Application and in the Company's Direct Testimony, Liberty-Empire requests the Commission issue an order authorizing the transportation electrification pilot programs described herein. Liberty-Empire requests such additional relief as is just and proper under the circumstances.

/s/ Diana C. Carter

Diana C. Carter MBE #50527

The Empire District Electric Company

428 E. Capitol Ave., Suite 303

Jefferson City, Missouri 65101

Joplin Office Phone: (417) 626-5976

Cell Phone: (573) 289-1961

E-Mail: Diana.Carter@LibertyUtilities.com

CERTIFICATE OF SERVICE

I hereby certify that the above document was filed in EFIS on this 29th day of November, 2020, and electronically delivered to the Staff of the Commission and the Office of the Public Counsel.

/s/ Diana C. Carter

VERIFICATION

On behalf of the applicant, The Empire District Electric Company, the undersigned, under penalty of perjury, hereby affirms that the above Application is true and correct to the best of her information, knowledge, and belief. This Verification is executed pursuant to Commission Rule 20 CSR 4240-2.060(1)(M).

/s/ Robin McAlester
Robin McAlester
Senior Manager
Innovations Team - Sustainability