

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

In the Matter of the Request of The Empire	)	
District Electric Company d/b/a Liberty for	)	
Authority to File Tariffs Increasing Rates	)	Case No. ER-2021-0312
for Electric Service Provided to Customers	)	
in its Missouri Service Area	)	

**OPC RESPONSE TO EMPIRE DATA REQUEST 25**

**Data Request 25**

RE: Dr. Geoff Marke's Rebuttal Testimony at p. 2, line 21 – p. 3, line 1.

- a. Do you believe that the comparison shown in Table 1 can be developed using the information provided in Schedule GM-1? Please explain why or why not.
- b. Please provide copies of all the data and workpapers that were used to create Table 1.
- c. Do you believe that the Commission should deny some or all of Empire's requested rate increase based on a comparison of rates between Empire, Evergy West, and Evergy Metro? If your answer is anything other than an unqualified negative, please explain how much of Empire's requested increase should be denied on the basis of the information in Table 1.
- d. Do you agree that Empire should be allowed to recover costs that the Commission determines to have been prudently incurred and earn a return on investments it makes that the Commission determines to be prudent? If your answer is anything other than an unqualified affirmative, please explain in detail how your opinion differs.

- e. Did you or any other witness who appeared on behalf of the OPC that you are aware of, include in testimony in Commission Case No. ER-2021-0240 (Ameren's general rate case) the information included in Table 1? If yes, please provide a copy of the testimony. If your answer is anything other than an unqualified negative, please explain to the best of your knowledge whether that information was used to support Ameren's rate increase.
- f. Please indicate with page and line references all the instances in your testimony in ER-2021-0240 in which you supported Ameren's request for a rate increase on the basis of it having lower rates than the other utilities in Missouri.
- g. Please list each instance of which you are aware in which the Commission has cited or otherwise relied upon a comparison between utility rates in Missouri in a general rate case order or other order establishing rates for a Missouri utility.
- h. Please list each instance of which you are aware in which any state regulator (other than the Commission) has cited or otherwise relied upon a comparison between utility rates among utilities in any state (other than Missouri) in a general rate case order or other order establishing rates for a utility.
- i. Is it your opinion that the determination of whether a rate or charge for electric service is just and reasonable, as those terms are used in matters before the Commission, can be inferred by comparing historical utility rates or charges to those of other utilities in the same jurisdiction? If your answer is anything other than an unqualified negative, please explain how such a comparison can be used to determine whether a rate or charge for electric service is just and reasonable.
- j. Are any of the rates shown in Table 1 not just and reasonable, in your opinion? If so, please specify which one(s) and provide an explanation as to why you believe each such rate is not just and reasonable.

**Response to DR 25.**

- a. No. I inadvertently included the wrong information in Schedule GM-1. The correct Schedule for GM-1 follows, and I will correct Schedule GM-1 in my surrebuttal testimony.

Edison Electric Institute

**Average Rates**

(in cents/kilowatthour)

**Total Retail Average Rates**

		12 Months Ending 6/30	
		2019	2020
<b>Minnesota</b>			
Minnesota Power Company/ Allele	total rate	7.67	7.47
Northern States Power Company (MN)	total rate	10.96	10.75
Otter Tail Power Company	total rate	7.97	8.25
<b>Average For Minnesota</b>			
	total rate	10.06	10.54
	total for all utilities (IOUs, munis, coops, etc.)	10.55	
<b>Missouri</b>			
Ameren Missouri	total rate	8.59	8.44
Empire District Electric Company	total rate	11.78	11.51
Kansas City Power & Light - GMO	total rate	9.48	9.71
Kansas City Power & Light Company	total rate	10.92	10.73
<b>Average For Missouri</b>			
	total rate	9.34	9.23
	total for all utilities (IOUs, munis, coops, etc.)	9.63	

- b. The data is in corrected Schedule GM-1 provided in response to subpart a. of this data request. The Table was created by the Edison Electric Institute based on filed information from said utilities.
- c. I believe it is a relevant factor for consideration in setting just and reasonable rates.
- d. Yes.
- e. No.
- f. I am aware of no examples where I supported Ameren’s requested rate increase.
- g. The only other time I compared utility rates was in Empire’s last rate case. I do not know whether or not the Commission took into consideration Empire’s past cost prohibitive rates into consideration in setting its current rates.
- h. I do not know whether or not other state PSC staff regulators have compared the cost of service of various electric utilities within their state. I would assume so, especially in states where there is a large delta in costs for service between utility A and utility B, like Ameren Missouri and Empire.

- i. Yes. I am doing that in this case with Empire and this Commission. The Commission routinely looks at averages for utilities in setting ROE. This is no different, in that these numbers provide a sanity check for the cost of electricity.
- j. I don't have an opinion as to whether or not the "average" rates are unjust or unreasonable. The rates that matter are those that are averaged. The point of the table is to show the averages relative to each other.

*Submitted January 4, 2022, by Diana Carter – The Empire District Electric Company*

*Responded to January 17, 2022, by Geoff Marke of the Office of Public Counsel*