

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service  
Commission held at its office in  
Jefferson City on the 19<sup>th</sup> day of  
May, 2016.

In the Matter of The Empire District Electric Company     )  
For Authority to Implement Rate Adjustments Related     ) **File No. ER-2016-0253**  
To the Company's Fuel and Purchase Power Adjustment     ) **Tariff No. JE-2016-0253**  
Clause (FAC) Required in 4 CSR 240-20.090(4)             )

**ORDER APPROVING FUEL ADJUSTMENT CLAUSE TARIFF**

Issue Date: May 19, 2016

Effective Date: June 1, 2016

On April 1, 2016, The Empire District Electric Company ("Empire"), submitted an application and tariff designed to implement an adjustment to its Fuel and Purchased Power Adjustment Clause. The submitted tariff, which was substituted on April 19, 2016, bears an effective date of June 1, 2016. In accordance with Empire's FAC, the proposed rate schedules are designed to recover from customers 95 percent of the company's net cost increases or decreases. Empire's requested adjustment would result in a decrease in the bill of a typical residential customer of approximately \$0.35 per month. Empire also submitted a true-up filing in File No. EO-2016-0254 to identify the net fuel costs it over-charged or under-charged customers during the 13<sup>th</sup> recovery period prescribed by its FAC, which amount was used when calculating the fuel adjustment rates in this case. No persons or entities have applied to intervene in this case.

The Commission's Staff filed a recommendation regarding Empire's tariff on May 2, 2015. Staff verified that Empire's actual fuel and purchased power costs match the fuel and purchased power costs included in the company's calculated rates set in the submitted

tariff. Staff advises the Commission to approve the tariff submitted by Empire to become effective on its June 1, 2016 effective date.

Staff has verified that Empire is not delinquent on any assessment and has filed its 2015 Annual Report. Empire is current on the filing of its Surveillance Monitoring reports as required in 4 CSR 240-20.090(10) and its monthly reports as required by 4 CSR 240-3.161(5). Staff is not aware of any other matter before the Commission that affects or is affected by this filing, except as noted herein.

The Commission's rule regarding FACs requires the Commission to issue an order approving or rejecting the company's tariff within 60 days of its filing.<sup>1</sup> If the FAC rate adjustment complies with the Commission's rule, Section 386.266, RSMo (Supp. 2013), and the FAC mechanism established in the most recent general rate proceeding, the Commission is required to approve the rate adjustment or allow the proposed tariff implementing the adjustment go into effect by operation of law.<sup>2</sup>

Neither the governing statute<sup>3</sup> nor any other law requires a hearing before approving the unopposed application.<sup>4</sup> Because this is a non-contested case, the Commission acts on evidence that is not formally adduced and preserved.<sup>5</sup> There is no evidentiary record.<sup>6</sup> Consequently, the Commission bases its decision on the parties' verified filings.

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<sup>1</sup> Commission Rule CSR 240-20.090(4).

<sup>2</sup> *Id.*

<sup>3</sup> Section 386.266, RSMo (Supp. 2013). This section provides for a hearing when the FAC is approved, modified or rejected. It does not require a hearing when annual true-ups are filed by the company. Commission Rule 4 CSR 240-20.090(5) states the Commission may hold a hearing if needed, but one is not required.

<sup>4</sup> Section 536.010(4), RSMo (Supp. 2013), defines a contested case as "a proceeding before an agency in which legal rights, duties or privileges of specific parties are required by law to be determined after hearing." *State ex rel. Rex Deffenderfer Ent., Inc. v. Public Service Commission*, 776 S.W.2d 494, 496 (Mo. App. 1989).

<sup>5</sup> *State ex rel. Public Counsel v. Public Service Commission*, 210 S.W.3d 344, 353-355 (Mo. App. 2006).

<sup>6</sup> *Id.*

The Commission has reviewed Empire's tariff filings and Staff's verified recommendation and memorandum and finds that the tariff sheet implementing the FAC rate adjustment is in compliance with the Commission's order establishing the FAC and with all applicable statutes and regulations. Therefore, the Commission will approve Empire's proposed tariff.

**THE COMMISSION ORDERS THAT:**

1. The Empire District Electric Company's tariff filing, assigned Tariff Tracking No. JE-2016-0253, as substituted, is approved to be effective June 1, 2016, as an interim rate adjustment, subject to true-up and prudence reviews. The tariff approved is:

**P.S.C. Mo. No. 5**

Sec. 4, 2<sup>nd</sup> Revised Sheet No. 17t, Canceling Sec. 4, 1<sup>st</sup> Revised Sheet No. 17t

2. This order shall become effective on June 1, 2016.
3. This file shall be closed on June 2, 2016.



**BY THE COMMISSION**

A handwritten signature in cursive script that reads "Morris L. Woodruff".

Morris L. Woodruff  
Secretary

Hall, Chm., Stoll, Kenney,  
Rupp, and Coleman, CC., concur.

Bushmann, Senior Regulatory Law Judge