

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

In the Matter of The Empire District Electric            )  
Company's Fuel Costs Related to the Extraordinary) Case No. EU-2021-0274  
Weather Event of February 2021                            )

**MOTION FOR TEMPORARY VARIANCE AND PARTIAL WAIVER  
AND MOTION FOR EXPEDITED TREATMENT**

COMES NOW The Empire District Electric Company d/b/a Liberty, pursuant to 20 CSR 4240-2.060(4), 20 CSR 4240-2.080(14), and 20 CSR 4240-4.017(1), and for its Motion for Temporary Variance and Partial Waiver and Motion for Expedited Treatment (this "Motion"), seeking action by the Commission prior to April 1, 2021, to extend the deadline for the Company to submit its next Fuel Adjustment Rate ("FAR") filing, respectfully states as follows to the Missouri Public Service Commission (the "Commission"):

1. With its *Order Directing Staff to Investigate and Submit Report* issued February 24, 2021, in Case No. AO-2021-0264, the Commission stated:

Much of the Midwest, including Missouri, experienced unseasonably cold temperatures in February 2021. Such temperatures resulted in rolling electrical blackouts and extreme natural gas price spikes in Missouri.

2. Related to this extraordinary weather event (Storm Uri), on February 26, 2021, Empire submitted a Notice of Intended Case Filing, initiating this docket. The Notice stated, in part:

Liberty intends to file an application requesting an Accounting Authority Order ("AAO") and modification of its Fuel and Purchased Power Adjustment ("FAC") tariff sheets . . . to allow the Company to assist its customers by deferring certain costs that would otherwise be due in the near future under the Company's current FAC tariff.

3. Upon further examination of the law and facts, at this time, Liberty is seeking: a temporary variance from portions of its FAC tariff sheets (Rider FAC), to remain in effect until a decision is reached in Liberty's next general rate case; a partial waiver of Rule 20 CSR 4240-4.017 to allow for the filing of this Motion at this time; and an expedited ruling on its FAC variance

request before April 1, 2021. This Motion is being filed as soon as possible following the extraordinary weather event. Additional filings, as well as tariff revisions in Liberty's next general rate case, may also be necessary as a result of the extraordinary weather event and resulting fuel costs.

4. Liberty's Rider FAC, PSC Mo No. 6, Section 4, Original Sheet No. 17i, provides that the Company "will make a Fuel Adjustment Rate ('FAR') filing by each Filing Date. The new FAR rates for which a filing is made will be applicable starting with the Recovery Period that begins following the Filing Date." Additionally, "Accumulation Period" is defined as the "six calendar months during which the actual costs and revenues subject to this rider will be accumulated for the purpose of determining the FAR."

5. In terms of current applicability, the Rider FAC provides for a six-month "Accumulation Period" of September 2020-February 2021, a "Filing Date" of April 1, 2021, and a six-month "Recovery Period" of June-November 2021.

6. Current projections of fuel costs incurred by Liberty on behalf of its customers during Storm Uri show total Energy Costs under the Rider FAC being \$217.8M for just the month of February, while total Energy Costs for the previous five months averaged \$6.3M/month. Based on the Company's preliminary analysis, without a variance from the FAC tariff provisions described above, Residential Customers using 1,000 KWH would experience a \$80.95 a month increase under the Rider FAC.

7. Additional reasons justifying a temporary variance from the filing date and rate change requirements of Liberty's Rider FAC are the extraordinary nature of the weather event that led to the unusually high fuel costs and the fact that total fuel costs incurred by Liberty on behalf of its customers during Storm Uri cannot be determined with reasonable certainty at this time. In FERC

Docket ER21-1331, the Southwest Power Pool (“SPP”) requested and received a waiver from the time requirements specified in the SPP Open Access Transmission Tariff (“OATT”) regarding:

(1) Market Participants with Resources (Resources) submit support for actual costs to be recovered through make-whole payments to the MMU within 35 days of the Operating Day; (2) the MMU review the cost submissions within 45 days of the Operating Day; and (3) disputes concerning the settlement statement issued 120 calendar days following the Operating Day (S120 Settlement Statement) are limited to incremental changes between that settlement statement and the preceding settlement statement.

Liberty’s temporary variance request pertains to settlements covering the operating days February 11-20, 2021, and would allow additional time for Market Participants to receive natural gas and other cost invoices that have, in many circumstances, been delayed from when they would normally have been received. Additionally, the magnitude of the dollars from many of these invoices may require more time to process and validate. Due to the issuance of Operational Flow Orders (“OFOs”) from some of the pipelines, additional cost items may be present on invoices, and the additional processing time is critical to ensuring prudent cost recovery. Liberty is still reviewing its natural gas invoices and developing templates under the guidance from the SPP Market Monitoring Unit (“MMU”) for submission of cost recovery. It is still very unclear as to what costs will be eligible for recovery and further how those costs will be recovered from SPP Market Participants.

8. Further, in FERC Docket RP21-618, Southern Star Central Gas Pipeline (“SSCGP”) requested a waiver from all OFOs incurred as a result of Storm Uri (February 11-19, 2021). As of the filing of this Motion, FERC had not provided a decision on the waiver request, and the result of that decision could further impact the proposed costs that Market Participants will submit for cost recovery through the SPP process described above.

9. With regard to Rules 4.017(1)(D) and 2.080(14) and Liberty’s requests for a partial waiver of the 60-day notice requirement and an expedited ruling prior to April 1, 2021, Liberty

states that good cause exists, in that circumstances prevented earlier filings, and further delay would result in financial harm to Liberty's customers. As noted above, without the filing date and rate change requirements of Liberty's Rider FAC essentially being put on hold until further actions may be taken in a future rate case, a Residential Customer using 1,000 KWH could experience a \$80.95 a month increase under the Rider FAC, beginning in June of 2021 (based on a filing currently required to be made by April 1, 2021).<sup>1</sup>

10. Liberty acknowledges that variances from the Company's filed and approved tariffs are not typically sought in the normal course, but submits that the extraordinary circumstances provide adequate justification. Granting of this Motion will allow Liberty to assist its customers by deferring certain costs that would otherwise be due in the near future under the Rider FAC as a result of the unusually high fuel costs incurred by Liberty on behalf of its customers during the extraordinary weather event that occurred in February of 2021.

WHEREFORE, Liberty requests a temporary variance from portions of its Rider FAC as detailed above, a partial waiver of Rule 20 CSR 4240-4.017 to allow for the filing of this Motion at this time, and an expedited ruling on its FAC variance request before April 1, 2021. Liberty seeks such additional relief as is proper under the circumstances.

Respectfully submitted,

/s/ Diana C. Carter

Diana C. Carter MBE #50527

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

---

<sup>1</sup> Rule 20 CSR 4240-2.060(4) also requires "(t)he name of any public utility affected by the variance or waiver." Liberty is not aware of any other public utility that would be affected by the Commission granting Liberty's requested temporary variance from its Rider FAC.

**Certificate of Service**

I hereby certify that the above document was filed in EFIS on this 22<sup>nd</sup> day of March, 2021, with notification of the same being sent to all counsel of record. This Notice was also sent by electronic transmission to the Staff of the Commission and the Office of the Public Counsel.

/s/ Diana C. Carter