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

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In the Matter of The Empire District Electric Company's Request for Authority to File Tariffs Increasing Rates for Electric Service Provided to Customers in its Missouri Service Area

File No. ER-2019-0374

#### EMPIRE DISTRICT RETIRED MEMBERS AND SPOUSES ASSOCIATION'S RESPONSE TO COMMISSION OUESTIONS

COMES NOW the Empire District Retired Members and Spouses Association (EDRA),

by and through counsel, and with respect to the above-captioned matter states as follows:

On April 28, 2020, the Commission issued a set of questions to the parties. The questions were organized according to the issues as previously filed by the parties. Commission questions were listed in blue with the answering party designated at the beginning of the question.

EDRA is a signatory to the *Global Stipulation and Agreement* filed on April 15, 2020, but has only a few issues of concern in this case. However, EDRA will provide a response to the questions where the Commission designated that it is requesting a response from "signatories" and "all parties."

Commission Questions are blue / EDRA's answers are red.

- 5. *FAC* 
  - a. What is the appropriate incentive mechanism in Empire's FAC for sharing between Empire and its retail customers the difference between its actual and base net fuel costs?
  - b. What FAC-related reporting requirements should the Commission impose?
  - c. What is the appropriate base factor?
  - d. What costs and revenues should flow through Empire's FAC, including, but not necessarily limited to, the following?
    - *i.* What is the appropriate percentage of transmission costs for the FAC?
    - *ii.* What, if any, portion of the MJMEUC contract should be included or excluded from the FAC? Should the Company provide any additional reporting requirements within its FAC monthly reporting in regards to MJMEUC?

- *iii.* Should any wind project costs or revenues flow through the FAC before the wind projects revenue requirements are included in base rates?
- *iv.* Should any short-term capacity costs flow through the FAC from the effective date of this rate case?
- e. When should Empire be required to provide its quarterly FAC surveillance reports?
- 3. All parties What is the appropriate base factor for the FAC and what evidence supports it?

EDRA takes no position on this issue.

## **Questions Regarding the Global Stipulation and Agreement**

3. Signatories – In Paragraph 23, what are the planned 2020 capital expenditures (specific projects and estimated costs) to be considered when considering customer impact?

## EDRA takes no position on this issue.

4. Signatories- In Paragraph 29, what is the currently approved weighted average cost of capital referenced at (2)? Where does this cost of capital appear in the stipulation or in the record? Approved by whom?

## EDRA takes no position on this issue.

5. All Parties - If the Commission does not approve the Global Stipulation and Agreement, do OPC and the Signatories still support approval of the terms of the agreement that OPC indicated in its Objection to Parts of the Global Stipulation and Agreement that it does not oppose? If not, please identify the terms of agreement that all parties do not oppose?

# EDRA takes no position on this issue.

8. All parties - Paragraph 9 of the Stipulation and Agreement lays out a detailed list of metrics Empire will need to report to Staff and OPC regarding estimated meter reading and billing. If Empire fails to meet these metrics, what corrective actions should be taken?

EDRA takes no position on this issue.

EDRA supports all the terms in the Global Stipulation and Agreement and urges the

Commission to approve it.

WHEREFORE, EDRA urges this Commission enter its Order and Report finding that the

Global Stipulation and Agreement is a just and reasonable resolution to all the issues in the above-

captioned case.

Respectfully Submitted,

By: <u>/s/ Terry M. Jarrett</u> Terry M. Jarrett, #45663 Douglas L. Healy, # 51630 514 E. High St., Suite 22 Jefferson City, MO 65101 Telephone: (573) 415-8379 Facsimile: (573) 415-8379 E-mail: terry@healylawoffices.com doug@healylawoffices.com

#### ATTORNEYS FOR EDRA

# **Certificate of Service**

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to all counsel of record this 6th day of May, 2020.

/s/ Terry M. Jarrett