

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

In the Matter of the Tenth Prudence	)	
Review of Costs Subject to the	)	
Commission-Approved Fuel	)	Case No. EO-2023-0087
Adjustment Clause of the Empire	)	
District Electric Company d/b/a Liberty	)	
	)	

**PUBLIC COUNSEL’S RESPONSE**

**COMES NOW** the Office of the Public Counsel (“Public Counsel”) and for its response to the Public Service Commission’s Staff’s (“Staff”) February 28, 2023 Tenth Prudence Review Report, states:

1. This prudence review of Empire District Electric Company d/b/a Liberty’s (“Empire”) costs related to its fuel adjustment clause (FAC) is for the period March 1, 2021 through August 31, 2022.
2. In late March 2022, Empire’s Neosho Ridge wind farm suffered malfunctions to its primary and back-up transformers, resulting in an outage.<sup>1</sup>
3. On March 28, 2022, Empire filed incident report No. I202200111 with the Commission, wherein Empire stated, in part;

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<sup>1</sup> Warner, Chris, **Neosho Ridge wind turbines no longer working, raising concerns with a county official**, KOAM-TV, April 11, 2022. [https://www.koamnewsnow.com/news/local-news/neosho-ridge-wind-turbines-no-longer-working-raising-concerns-with-a-county-official/article\\_354b3acc-f721-5a1f-8755-2a8e6094b6a9.html](https://www.koamnewsnow.com/news/local-news/neosho-ridge-wind-turbines-no-longer-working-raising-concerns-with-a-county-official/article_354b3acc-f721-5a1f-8755-2a8e6094b6a9.html)

4. On April 6, 2022, the Commission issued a Report and Order in Empire’s general rate increase case. It provided for the first time rate recovery of costs for constructing and operating the Neosho Ridge wind farm.

5. On April 26, 2022, following a series of data requests from Staff and Public Counsel to Empire regarding the outage, Empire advised Public Counsel and Staff, that \*\*\* \_\_\_\_\_

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6. On May 23, 2022, two months after the outage began, the local newspaper near Neosho Ridge, the *Parsons Sun* in Parsons, Kansas, reported:

GALESBURG – The wind turbines remain idle in Neosho Ridge Wind more than two months after two transformers malfunctioned.

The industrial wind complex has 139 turbines located mostly in and around Galesburg and Thayer.

“We continue our efforts to restore operations at the Neosho Ridge Wind farm. The two transformers that failed are en route to the manufacturer for repairs,” said Kelli Price, Liberty Utilities senior manager of communications and marketing. “They weigh approximately 200,000 pounds each and are being transported by rail. We do not have a specific time frame for repairs.”<sup>2</sup>

7. On June 1, 2022, Empire’s rate increase from its general rate case became effective<sup>3</sup> and Empire began charging customers for Empire’s wind generation investments, including the Neosho Ridge wind farm.

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<sup>2</sup> Williamson, Colleen, **Liberty Utilities still trying to repair transformers for Neosho Ridge Wind**, *Parsons Sun*, May 23, 2022, [https://www.parsonssun.com/news/article\\_ae53bda0-db12-11ec-b52d-c7334c8345da.html](https://www.parsonssun.com/news/article_ae53bda0-db12-11ec-b52d-c7334c8345da.html).

<sup>3</sup> Case No. ER-2021-0312, *Order Approving Tariff Sheets in Compliance with Commission Order*, May 17, 2022.

8. Reports filed by Empire indicate \*\*\* \_\_\_\_\_

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9. On September 1, 2022, the Staff opened this docket to review the prudence of FAC-related costs for March 1, 2021 through August 31, 2022.

10. On October 3, 2022, more than (6) months after the start of the Neosho Ridge outage, Public Counsel sent a data request to Empire that again sought to understand the cause of the outage. Public Counsel requested from Empire, "Please provide the root cause analysis for the malfunction of the Neosho Ridge transformers."<sup>5</sup> Empire's October 20, 2022 response states, "The root cause analysis will be provided when it becomes available."

11. Almost a year has passed since the Neosho Ridge outage, and Public Counsel is still awaiting the root cause analysis.

12. On February 24, 2023, the Staff closed the Neosho Ridge incident No. I202200111 without explanation, and four (4) days later, filed the Staff's Tenth Prudence Review Report ("Report") in this case.

13. The Staff's Report does not mention the Neosho Ridge outage.

14. This docket is the appropriate venue to provide an analysis of whether the extended Neosho Ridge outage and any resulting customer impacts through August 31, 2022 were the result of imprudence.

<sup>4</sup> See BEGR-2022-1862, BEGR-2022-1953, and BEGR-2023-0068

<sup>5</sup> OPC Data Request No. 8500, Case No. EO-2023-0087.

15. Public Counsel respectfully requests the Commission direct its Staff to amend its Report and provide the Commission with a thorough prudency review analysis of the Neosho Ridge outage incident and its full impact on customers during the review period.

WHEREFORE, the Office of the Public Counsel respectfully submits this reply to the Staff's Report and requests the Commission direct its Staff to amend its Report to address the Neosho Ridge outage and its impacts on customers.

Respectfully submitted,

**/s/ Marc Poston**

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**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to all counsel of record this 10th day of March 2023.

**/s/ Marc Poston**

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