

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

In the Matter of the Empire District Electric)
Company's 2018 Renewable Energy Standard)
Compliance Report and 2019 RES Plan) **File No. EE-2019-0305**

**STAFF REPORT ON THE RETAIL RATE IMPACT PORTIONS OF
EMPIRE DISTRICT ELECTRIC COMPANY'S
2018 RES COMPLIANCE REPORT AND 2019 RES COMPLIANCE PLAN**

COMES NOW Staff of the Missouri Public Service Commission, by and through Staff Counsel's Office, and submits its report of its review of the Retail Rate Impact portions of The Empire District Electric Company's ("EDE") 2018 RES Compliance Report and its 2019 RES Compliance Plan filed with the Commission on July 1, 2019 and its Supplemental (Amended) filing on August 8, 2019. In support thereof, Staff states as follows:

1. On April 15, 2019, the Commission issued an Order Granting Request for Expedited Treatment and Motion for Extension of Time respecting EDE's request for expedited treatment and extension from filing on that date until no later than July 1, 2019, the Retail Rate Impact portions of EDE's 2018 RES Compliance Report and the 2019 RES Compliance Plan.

2. On May 6, 2019, Staff filed Staff Response To Commission's April 5 And 15, 2019 Orders.¹ Among other things, Staff requested a Commission Order granting Staff until no later than August 14, 2019 to report on its review of the Retail Rate Impact portions of EDE's 2018 RES Compliance Report and 2019 RES Compliance Plan.

¹ The Commission's April 5, 2019 Order Directing Notice And Establishing Time For Responses, among other things, directed Staff to file a recommendation no later than May 6, 2019.

3. On May 17, 2019, the Commission issued an Order Establishing Time For Staff To File Report in which the Commission directed Staff, among other things, to file its report regarding the Retail Rate Impact portions of EDE's 2018 RES Compliance Report and 2019 RES Compliance Plan no later than August 14, 2019.

4. On July 1, 2019, EDE sought to file in this proceeding the Retail Rate Impact portions of EDE's 2018 RES Compliance Report and the 2019 RES Compliance Plan generally referring to the information being provided as indicated below, in part, in the EDE filing letter:²

[2018 RES Compliance] Report – Section [4 CSR 240-20.100](8)(A)1P: Calculation of Action Calendar Year Retail Rate Impact; and

[2019 RES Compliance] Plan – Section [4 CSR 240-20.100](8)(B)1F: RES Retail Rate Impact.

On August 8, 2019, EDE made a Supplemental (Amended) filing in this proceeding stating in its filing letter, in part:³

After this [July 1, 2019] filing was made, Staff brought it to our attention that the 2018 calculation of actual calendar year retail rate impact was missing from Section (8)(A)1P of the Report, and an error was discovered in the labeling of the columns in Table 2 of Attachment 9 and 3 to the Report and Plan. As such, the Company is submitting the following amended documents:

[2018 RES Compliance] Report – Section [4 CSR 240-20.100](8)(A)1P: Calculation of Action Calendar Year Retail Rate Impact; and

[2019 RES Compliance] Plan – Section [4 CSR 240-20.100](8)(B)1F: RES Retail Rate Impact.

5. Commission Rule 4 CSR 240-20.100(8)(D) states that Staff has up to forty-five (45) days from the date of an electric utility's filing with the Commission of its

² Information in brackets provided by undersigned counsel.

³ Information in brackets provided by undersigned counsel.

RES Compliance Report and RES Compliance Plan to file Staff's report of its review of the RES Compliance Report and the RES Compliance Plan. Pursuant to the Commission's RES Rule, Staff's report is supposed to identify any deficiencies in the electric utility's compliance with the RES. The Commission authorized Staff forty-five (45) days from July 1, 2019 to August 14, 2019, to file its report of its review of the Retail Rate Impact portions of EDE's 2018 RES Compliance Report and 2019 RES Compliance Plan.

6. Staff has completed its review of EDE's July 1, 2019 Retail Rate Impact filing and EDE's Supplemental (Amended) filing made on August 8, 2019 in this proceeding, respecting and pursuant to 4 CSR 240-20.100(8)(A)1.P. and 4 CSR 240-20.100(8)(B)1.F. Staff has not found any deficiencies in EDE's Retail Rate Impact Supplemental (Amended) filing made on August 8, 2019. (See attached Appendix A).

WHEREFORE Staff submits its report on the Retail Rate Impact portions of EDE's 2018 RES Compliance Report and 2019 RES Compliance Plan sought to be filed or filed with the Commission on July 1, 2019 and on August 8, 2019, as amended in the supplemental filing. Staff has not found any deficiencies in EDE's Retail Rate Impact portions of its 2018 RES Compliance Report and 2019 RES Compliance Plan as submitted to the Commission in the EDE Supplemental (Amended) filing made on August 8, 2019.

Respectfully submitted,

/s/ Steven Dottheim

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served via e-mail on Counsel for the Parties of record to this case, on this 14th day of August, 2019.

/s/ Steven Dottheim

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
Case No. EE-2019-0305, The Empire District Electric Company's
2018 Renewable Energy Standard RES Compliance Report and
2019 RES Plan

FROM: Cedric E. Cunigan, Engineering Analysis

/s/ Daniel I. Beck, PE / 08-14-19 /s/ Steven Dottheim / 08-14-19
Engineering Analysis / Date Staff Counsel's Office / Date

SUBJECT: Staff Report and Conclusion on The Empire District Electric Company's 2018
Renewable Energy Standard Compliance Report and 2019 RES Plan Retail Rate
Impact Calculations

DATE: August 14, 2019

SUMMARY

Staff has reviewed The Empire District Electric Company's ("Empire" or "Company") amended Retail Rate Impact ("RRI") calculations for the 2018 Renewable Energy Standard ("RES") Compliance Report and 2019 RES Compliance Plan. Based on its review, Staff has not identified any deficiencies.

OVERVIEW

On April 4, 2019, Empire filed (1) a request for a variance of the filing deadline in Commission Rule 4 CSR 240-20.100(8), (2) a motion for protective order, and (3) a motion for waiver of Commission Rule 4 CSR 240-4.017(1). On April 12, 2019, Empire filed a Request for Expedited Treatment and Notice Regarding Motion for Extension of Time, requesting until July 1, 2019 to file the RRI portions of the 2018 Compliance Report and 2019 Compliance Plan. The Commission issued its Order Granting Request for Expedited Treatment and Motion for Extension of Time on April 15, 2019. Empire submitted only one of the RRI calculations on July 1, 2019. Staff reviewed the submission and requested that Empire submit the 2018 actual calendar year RRI calculation for Section (8)(A)1.P. and correct column labeling errors on the tables for Attachment 9. Empire submitted the Supplemental (Amended) Filing on August 8, 2019. Staff completed its

review and did not find any deficiencies in the Empire Supplemental (Amended) Filing made on August 8, 2019.

DISCUSSION

Staff reviewed Empire's July 1, 2019 and August 8, 2019, RRI 2018 RES Compliance Report and 2019 RES Compliance Plan filings in accordance with the established requirements to verify each contains the information required. The results of this review are detailed below, with appropriate Rule subparagraphs identified and quoted.

4 CSR 240-20.100(8)(A)1.P.

“A calculation of its actual calendar year retail rate impact.”

The Company stated that cost for compliance in 2018 was \$3,127,546 and that total MO revenue was \$522,849,829, which equates to a calendar year RRI of 0.598%

4 CSR 240-20.100(8)(B)1.F.

“A calculation of the RES retail impact limit calculated in accordance with section (5) of this rule. The calculation should be accompanied by workpapers including all the relevant inputs used to calculate the retail impact limits for the planning interval which is included in the RES compliance plan. The electric utility may designate all or part of those calculations as highly confidential, proprietary, or public as appropriate under the commission's rules”

The Company provided an explanation of the calculation of the RES RRI stating which resources were removed and added to portfolio requirements of 4 CSR 240.20.100(5)(B)1. and 2. The workpapers that were included show the result of these modifications. The calculations result in a retail impact less than 1 percent over the planning period, though the Company did note that the calculations were based on the total Company and not just the MO jurisdiction. Staff is not concerned with the Company using the total retail rate impact in this instance, because the data is from the

most recent IRP filing. In addition, Missouri accounts for roughly 88% of Empire's costs, and the results leave a wide enough margin that approaching 1% should not be a concern.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of The Empire District)
Electric Company's 2018 Renewable) Case No. EE-2019-0305
Energy Standard Compliance Report)
and 2019 RES Plan)
)

AFFIDAVIT OF CEDRIC E. CUNIGAN

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW CEDRIC E. CUNIGAN and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Staff Recommendation* in memorandum form; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

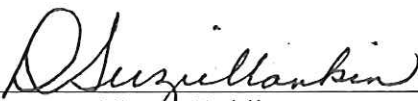


CEDRIC E. CUNIGAN

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 13th day of August 2019.

D. SUZIE MANKIN
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: December 12, 2020
Commission Number: 12412070



Notary Public