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

In the Matter of The Empire District Electric	)	
Company's Submission of Its Interim Report	)	File No. EO-2012-0269
Regarding Participation in the Southwest	)	
Power Pool, Inc.	)	

## STAFF RESPONSE TO LIBERTY'S MOTION FOR CONTINUATION OF CONDITIONAL APPROVAL

**COMES NOW** Staff of the Missouri Public Service Commission and for its response to the Motion for Continuation of Conditional Approval ("Motion") filed herein by The Empire District Electric Company d/b/a Liberty ("Liberty" or "Company") on July 17, 2022, states as follows:

- 1. As stated in Liberty's Motion, on September 11, 2013, the Commission approved a stipulation and agreement that provided for Liberty/Empire's continued participation in SPP (the Southwest Power Pool) through August 1, 2019. That stipulation and agreement contained provisions that required Liberty/Empire to undertake a cost/benefit study and prepare an interim report.
- 2. As recognized in Liberty's Motion, its continued participation in SPP has been extended several times since then without Liberty ever filing the cost/benefit study and interim report required by the 2013 stipulation and agreement (which has been stayed for various reasons).
- 3. When Liberty most recently requested a stay of the requirement to file an interim report and cost/benefit study in April 2021, the basis of such request was that "Empire [Liberty] submits that it would be reasonable and prudent to delaying [sic] Empire's filing of an Interim Report, containing a completed cost/benefit study and its case for whether to continue to participate in the SPP, until after Staff's report is filed in

EW-2021-0104 and the Commission subsequently issues its order therein. A grant of the requested stay would avoid duplication of work and the risk of inconsistent findings and conclusions." The foregoing basis is nearly identical to the basis of Liberty's current Motion, which states "Liberty submits that it would be reasonable and prudent, and would avoid duplication of work and the risk of inconsistent findings and conclusions, for the Commission's conditional approval of Liberty's membership in SPP to be extended pending further action in the working docket or other agreement among the parties."

- 4. As noted in Liberty's Motion, the "Staff Report in Case No. EW-2021-0104, including Staff's recommendation, was filed June 11, 2021, but no further action has taken place in the working docket."
- 5. Staff's recommendation included in the Staff Report in EW-2021-0104 was as follows:

Staff recommends the Commission order each electric utility to work with its respective RTO to identify the point in time at which the exit fees applicable to a given utility will reflect the most depreciation for existing projects prior to the inclusion of new projects, and file that information in this docket by December 31, 2021. Additionally, Staff recommends the Commission order each electric utility to provide in this docket, by December 31, 2021, the estimated revenue requirement impact (positive and negative) for each of the next five years of continued RTO participation. Such an estimation shall include an explanation of the level of certainty regarding those estimated revenue requirement impacts, and an identification of which costs and benefits would be flown through the Fuel Adjustment Clause.

- 6. Apparently because there was no Commission order in EW-2021-0104 requiring electric utilities to comply with Staff's recommendation therein, Liberty did not make the filings set forth in Staff's recommendation and has not made such filings to date.
- 7. Since Liberty waited until July 2022 to file for extension of the Commission's interim and conditional approval of Liberty's membership in the SPP, which expires on

August 1, 2022, requiring Liberty to make such filings prior to extension is not workable. However, any order extending Liberty's interim and conditional membership in the SPP should include the requirement that Liberty make the filings set forth in Staff's recommendation included in the Staff Report in EW-2021-0104 (with the due date of such filings changed from December 31, 2021 to January 31, 2023).

WHEREFORE, Staff states that it does not oppose Liberty's request for an additional two year extension of the Commission's interim and conditional approval of Liberty's membership in SPP, to August 1, 2024, so long as the Commission's order granting such extension further orders that Liberty make the filings as contemplated in the Staff Report in EW-2021-0104 no later than January 31, 2023, and for such further orders as the Commission deems just and reasonable under the circumstances.

Respectfully submitted,

## /s/ Jeffrey A. Keevil

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## **CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to counsel of record as reflected on the certified service list maintained by the Commission in its Electronic Filing Information System on this 20<sup>th</sup> day of July 2022.

/s/ Jeffrey A. Keevil