

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

In the Matter of The Empire District Electric)	
Company d/b/a Liberty (Empire) True-Up)	<u>File No. EO-2021-0333</u>
Fuel Adjustment Clause (FAC))	Tariff No. JE-2021-0178

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission, by and through counsel, and for its recommendation states:

1. On April 1, 2021, The Empire District Electric Company d/b/a Liberty (Empire) (hereafter “Empire”) filed its 23rd fuel adjustment clause true-up filing under the provisions of 20 CSR 4240-20.090(9).

2. On April 5, 2021, the Commission ordered staff to file a recommendation by May 3, 2021.

3. Based on its examination and analysis of the information Empire filed and submitted, Staff recommends the Commission approve Empire’s true-up filing for Recovery Period 23 (“RP23”) (billing months June 2020 through November 2020). The true-up amount of \$1,293,237 identified in this filing is the result of an **under-recovery**. Staff’s analysis is contained in the accompanying Staff Memorandum.

4. The true-up amount of \$1,293,237 for RP23 is included in the preliminary calculation of the Fuel and Purchased Power (“FPA”) amount included in Empire’s Accumulation Period 25 (“AP25”) adjustment filing, also filed on April 1, 2021, in File No. ER-2021-0332. Although the true-up amount is included in line 8 of Empire’s FPA amount in AP25, it was ultimately included in the total \$168,720,211 extraordinary costs that Empire has requested to defer related to the February Storm Uri, and thus the true-up amount was not included in Empire’s FPA amount on line 11.

5. Staff verified that Empire filed its 2020 annual report and is not delinquent on any assessment. Empire is current on submission of its Surveillance Monitoring Reports, required by 20 CSR 4240-20.090(6), and its monthly reports, required by 20 CSR 4240-20.090(5). Other than as noted in the accompanying Staff Memorandum, Staff is not aware of any other matter before the Commission that affects or is affected by this true-up filing.

WHEREFORE, based on its examination and analysis of information Empire filed and submitted in this case, Staff recommends the Commission approve Empire's RP23 true-up filing for the billing months June 2020 through November 2020 during which Empire under-recovered \$1,293,237 from its customers for inclusion in the calculation of the FPA amount in the Company's AP25 adjustment filing in File No. ER-2021-0332¹. However, as explained above, this \$1,293,237 under-recovery is part of the total suggested deferral of extraordinary costs.

Respectfully submitted,

/s/ Jeffrey A. Keevil

Jeffrey A. Keevil
Deputy Staff Counsel
Missouri Bar No. 33825
Attorney for the Staff of the
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
(573) 526-4887 (Telephone)
(573) 751-9285 (Fax)
Email: jeff.keevil@psc.mo.gov

¹ As stated above on page 1, even though Empire's RP23 true-up under-recovered amount of \$1,293,237 is included in line 8 of the Company's proposed 2nd Revised Sheet No. 17q, it is actually removed from the FPA amount in line 11, and the Company's is seeking to defer this under-recovered amount.

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 (EFIS) this 3rd day of May, 2021.

/s/ Jeffrey A. Keevil

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
File No. EO-2021-0333
The Empire District Electric Company

FROM: Brooke Mastrogiannis, Utility Regulatory Supervisor

DATE: /s/ Brad Fortson 5/3/2021 /s/ Jeff Keevil 5/3/2021
Energy Resources Department / Date Staff Counsel Department / Date

SUBJECT: Staff's Analysis of and Recommendation Concerning The Empire District Electric Company d/b/a Liberty Empire's Twenty-Third Fuel Adjustment Clause True-up Filing Under the Provisions in 20 CSR 4240-20.090(9).

DATE: May 3, 2021

Summary and Staff Recommendation

On April 1, 2021, The Empire District Electric Company ("Liberty-Empire" or "Company") filed with the Missouri Public Service Commission ("Commission"), in the form of direct testimony and supporting schedules of Liberty-Empire witness Charlotte T. Emery, its twenty-third true-up filing under the provisions of 20 CSR 4240-20.090(9).

Accumulation Period 23 ("AP23") includes the time period September 1, 2019 through February 29, 2020 and is followed by Recovery Period 23 ("RP23"), which includes the billing months of June 2020 through November 2020. The true-up amount of \$1,293,237 identified in this filing is the result of an under-recovery of the Fuel and Purchased Power Adjustment ("FPA") amount for AP23 during RP23.

The true-up amount of \$1,293,237 for RP23 is included in the preliminary calculation of the Fuel and Purchased Power ("FPA") amount included in the Company's Accumulation Period 25 ("AP25") adjustment filing, also filed on April 1, 2021, in File No. ER-2021-0332, which Liberty-Empire filed in compliance with its FAC.¹ Although the true-up amount is included

¹ The Empire District Electric Company's P.S.C. Mo. No. 5, Section 4, Original Sheet No. 17ab tariff sheet:

TRUE-UP OF FPA: In conjunction with an adjustment to its FAR, the Company will make a true-up filing with an adjustment to its FAC on the first Filing Date that occurs after completion of each Recovery Period. The true-up adjustment shall be the difference between the FPA revenues billed and the FPA revenues authorized for collection during the true-up recovery period, i.e. the true-up adjustment. Any true-up adjustments or refunds shall be reflected in item T above and shall include interest calculated as provided for in item I above.

in line 8 of the Company's FPA amount in AP25, it was ultimately included in the total \$168,720,211 extraordinary costs that the Company has requested to defer related to the February Storm Uri, and thus the true-up amount was not included in the Company's FPA amount on line 11.

The Commission Staff ("Staff") examined the direct testimony of Liberty-Empire witness Charlotte T. Emery, the amended direct testimony of Ms. Emery, the supporting schedules and work papers Liberty-Empire provided with its true-up filing in this case, and the monthly information Liberty-Empire has submitted to the Commission. Staff also reviewed and agrees with Liberty-Empire's monthly interest calculations for RP23.

Based on its examination and analysis of information Liberty-Empire filed and submitted in this case, Staff recommends the Commission approve Liberty-Empire's RP23 true-up filing for the billing months June 2020 through November 2020 during which Liberty-Empire under-recovered \$1,293,237 from its customers for inclusion in the calculation of the FPA amount in the Company's AP25 adjustment filing in File No. ER-2021-0332². However, as explained above, this \$1,293,237 under-recovery is part of the total suggested deferral of extraordinary costs.

Staff has verified that Liberty-Empire has filed its 2020 annual report and is not delinquent on any assessment. Liberty-Empire is current on its submission of its Surveillance Monitoring reports as required in 20 CSR 4240-20.090(6) and its monthly reports as required by 20 CSR 4240-20.090(5). Staff is not aware of any other matter before the Commission that affects or is affected by this filing, except as noted herein.

² As stated above on page 1, even though Liberty-Empire's RP23 true-up under-recovered amount of \$1,293,237 is included in line 8 of the Company's proposed 2nd Revised Sheet No. 17q, it is actually removed from the FPA amount in line 11, and the Company's is seeking to defer this under-recovered amount.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of The Empire District Electric) **File No. EO-2021-0333**
Company d/b/a Liberty (Empire) True-Up) Tariff No. JE-2021-0178
Fuel Adjustment Clause (FAC))

AFFIDAVIT OF BROOKE MASTROGIANNIS

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW Brooke Mastrogiannis, and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Staff Recommendation*; and that the same is true and correct according to her best knowledge and belief, under penalty of perjury.

Further the Affiant sayeth not.

/s/ Brooke Mastrogiannis
Brooke Mastrogiannis