

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

In the Matter of The Empire District Electric )  
Company's Application for a Change of Supplier ) **File No. EO-2016-0192**  
at an Existing Location in Monett, Missouri )

### **STAFF RECOMMENDATION TO APPROVE CHANGE OF SUPPLIER**

**COMES NOW** the Staff of the Missouri Public Service Commission (“Staff”), by and through the undersigned counsel, and files this *Staff Report and Recommendation to Approve Change of Supplier* (“Report”) with the Missouri Public Service Commission (“Commission”), and respectfully states:

1. On January 28, 2016, Empire District Electric Company (“Empire”) and the City of Monett, Missouri, (“Monett”)<sup>1</sup> filed with the Commission its *Joint Application for Change of Supplier* requesting Commission authorize Empire to change the supplier of electric service of certain facilities to Monett, pursuant to § 393.190, RSMo., in exchange for sum payment of four years’ worth of profits for service to the facilities.

2. On February 2, 2016, the Commission filed its *Corrected Order Directing Staff Status Report and Order Directing Filing* instructing Staff to file a status report identifying a date when Staff would file a recommendation to the Commission.

3. On February 3, 2016, Staff filed its *Status Report* identifying a filing deadline of March 14, 2016.

4. Commission Rules 4 CSR 240-3.140 and 4 CSR 240-2.060(1) details the filing requirements for applications for authority for a change of electrical suppliers.

<sup>1</sup> Monett is a municipal electric utility authorized to provide electric service to customers that lie primarily within its corporate limits as well as, in certain circumstances, structures outside these boundaries per Section 91.025, RSMo (2000). While the Commission's authority over the Monett is limited, Monett is subject to the jurisdiction of the Commission for the purpose of seeking approval of requests to change electric service providers per Section 91.025.2, RSMo (2000).

Pursuant to § 393.106.2, RSMo., the Commission, upon application, “may order a change of suppliers on the basis that it is in the public interest for a reason other than a rate differential.”

5. Staff has conducted an investigation and reviewed the information submitted in this case file. The *Staff Recommendation* is attached hereto as Appendix A, marked Highly Confidential.

6. Based on its investigation, Staff has determined that the requested change in electric service providers for a well pump and storm siren located at the Monett Municipal Airport in exchange for a one-time payment equal to four (4) years of lost revenue associated with Empire’s current provision of retail service to the Airport well and storm siren, identified in Staff’s report, as being in the interest of the public for reasons other than a rate differential. The applicants assert that Monett’s plan to provide underground service to the pump system will provide greater reliability, and that Monett is better situated to respond to any outages or emergencies that may occur. In addition, should the application be approved, Monett will install a larger water pump and integrate the pump into its municipal distribution, providing Monett with complete control of its water facilities.

7. Staff recommends that the Commission approve the application of Empire and Monett for a change of supplier to identified facilities at the Monett Municipal Airport as being in the public interest for reasons other than a rate differential and order that the electric service to these structures be changed from Empire to Monett.

8. Empire is current in its required filings of annual reports and its payment of assessment fees to the Commission. Staff is not aware of pending or final unsatisfied judgments against Empire from any state or federal court involving customer service or rates within three years of the date of filing this Application, with the exception of Empire's current request for a rate increase ER-2016-0023. If the Application is approved and this payment provided within the true-up period of the current rate case, this payment should be considered as a true-up adjustment in the current rate case.

**WHEREFORE**, the Staff respectfully requests that the Commission accept this report for its consideration and recommends the Commission find that the change of supplier proposal is in the public interest for a reason other than a rate differential, and authorize the change of supplier to for a well pump and storm siren located at the Monett Municipal Airport from Empire to Monett.

Respectfully submitted,

**/s/ Hampton Williams**

Wm. Hampton Williams  
Assistant Staff Counsel  
Missouri Bar No. 65633  
Attorney for the Staff of the  
Missouri Public Service Commission  
P.O. Box 360  
Jefferson City, MO 65102  
(573) 751-8517 (Telephone)  
Hampton.Williams@psc.mo.gov

**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed or hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record on this 7<sup>th</sup> day of March, 2016.

**/s/ Hampton Williams**