

Proposed Reconciliation - AMENDED
 Case No. ER-2019-0374
 The Empire District Electric Company

Positive Revenue Requirement Impact means if the Commission would have decided in the party's favor the revenue requirement would have increased.
 Negative Revenue Requirement Impact means if the Commission would have decided in the party's favor the revenue requirement would have decreased.

	Order	Empire	Staff	OPC
Issue 1				
Return on Equity	9.25%	9.95%	9.25%	9.25%
Revenue Requirement Impact		\$ 6,220,418		
Capital Structure	46/54	53.07/46.93	52.43/47.57	46/54
Revenue Requirement Impact		\$ 7,795,317	\$ 6,805,131	
Cost of Debt	4.65%	4.85%	4.57%	4.65%
Revenue Requirement Impact		\$ 1,588,719	\$ (595,853)	
Issue 3				
Jurisdictional Allocation Factors		\$ 15,604,454		
Revenue Requirement Impact		\$ (3,189,334)		From Revised Reconciliation (removed the impact of franchise fees from jurisdictional allocations)
Issue 6				
Credit Card Fees Expense	\$ 1,165,283	\$ 1,297,266	\$ 1,165,283	\$ -
Revenue Requirement Impact		\$ 131,983		\$ (1,165,283)
Issue 7				
Rate Case Expense Amount	\$ 71,676	\$ 222,736	\$ 71,676	\$ 53,860
Revenue Requirement Impact		\$ 151,060		\$ (17,816)
Issue 8				
Management Expense Disallowance	\$ (31,010)	\$ -	\$ -	\$ (3,707,884)
Revenue Requirement Impact		\$ 31,010	\$ 31,010	\$ (3,676,874)
Issue 10				
CWC				
Income Tax lag	39.38 days	39.38 days	39.38 days	365 days
Revenue Requirement Impact				\$ (850,670)

Cash Vouchers Lag	35.14 days	29.21 days	35.14 days	
Revenue Requirement Impact		\$ 131,384		
Bad Debt Expense Lag	0 days	42.13	0 days	
Revenue Requirement Impact		\$ 17,476		
Vacation Lag	182.5 days	182.5 days	365 days	
Revenue Requirement Impact			\$ (63,240)	
Issue 11				
ADIT	\$ 241,526,665	\$ 240,858,513	\$ 241,526,665	\$ 244,148,593
Revenue Requirement Impact		\$ 53,930		\$ (211,629.0)
Issue 12				
Tax Cut and Jobs Act Stub Period				
Rate Base Amount	\$ -	\$ -	\$ -	\$ (11,728,455.00)
Revenue Requirement Impact				\$ (946,668.00)
Amortization	\$ 2,345,691.00	\$ -	\$ 2,345,691.00	\$ -
Revenue Requirement Impact		\$ 2,345,691.00		\$ 2,345,691.00
Issue 13				
Asbury				
Revenue Requirement Impact				
Asbury Capital				\$ (21,801,887)
Asbury Depreciation Expense				\$ (11,179,375)
Asbury Operations and Maintenance Expense				\$ (10,500,000)
Total:				\$ (43,481,262) Came from filed reconciliation
Issue 14				
Fuel Inventories	60 days	60 days	18 days	0 days
Revenue Requirement Impact			\$ (168,364)	\$ (240,521)
Issue 15				
Operation and Maintenance Expense	\$ 28,877,386	\$ 32,124,367	\$ 28,877,386	From Initial Briefs and Exhibit 62.
Revenue Requirement Impact		\$ 3,246,981		
Issue 16				

Pension and OPEBs

Pension Tracker

Rate Base Value \$ (885,872) \$ (885,872) \$ (1,525,864)

Revenue Requirement Impact \$ (51,658)

OPEB Tracker

Rate Base Value \$ (4,530,308) \$ (4,530,308) \$ (4,530,070)

Revenue Requirement Impact \$ 19

Prepaid Pension Asset Balance

Rate Base Value \$ 26,269,345 \$ 26,269,345 \$ 24,325,577

Revenue Requirement Impact \$ (156,893)

Expense level

Revenue Requirement Impact \$ 17,276,991 \$ 17,710,364 \$ 9,882,816

\$ 433,373 \$ (7,394,175)

Issue 17

Affiliate Transactions 0 0 0 \$ 100,000,000 Came from filed reconciliation

Revenue Requirement Impact \$ (100,000,000)

Issue 18

Riverton O&M Tracker

Tracker Rate Base \$ 14,258,325 \$ 13,717,733 \$ 14,258,325

Revenue Requirement Impact \$ 43,635

Amortization Level

Revenue Requirement Impact \$ 2,851,665 \$ 2,743,547 \$ 2,851,665

\$ (108,118)

Expense Level

Revenue Requirement Impact \$ 7,478,634 \$ 8,349,230 \$ 8,133,625

\$ 870,596

\$7,478,634 (Total Company). Email from Kim Bolin 7/13/2020.

Issue 19

Software Maintenance

Expense Level \$ 836,858 \$ 924,820 \$ 836,858

Revenue Requirement Impact \$ 87,962

Issue 20

Advertising Expense

Expense Level	\$ 129,196	\$ 155,552	\$ 129,196
Revenue Requirement Impact		\$ 26,356	

Issue 22

Material and Supplies			
Rate Base Level	\$ 32,773,580	\$ 33,031,612	\$ 32,773,580
Revenue Requirement Impact		\$ 20,827	

Issue 23

Asset Retirement Obligations			
Rate Base Level	0	\$ 9,810,956	0
Revenue Requirement Impact		\$ 791,895	
Amortization	0	\$ 2,530,466	0
Revenue Requirement Impact		\$ 2,530,466	

Issue 25

May 2011 Tronado Unamortized AAO Balance			
Rate Base Level	\$ 1,274,630	\$ 1,274,630	\$ -
Revenue Requirement Impact			\$ (102,873)

Issue 26

Depreciation and Amortization Expense	\$ 75,379,053	\$ 75,337,510	\$ 74,811,753
Revenue Requirement Impact		\$ (41,543)	\$ (567,300)

Issue 27

Iatan/Plum Point Carrying Costs				
Rate Base Level	\$ 6,188,843	\$ 6,514,585	\$ 6,188,843	From EDE Initial Brief Filed
Revenue Requirement Impact		\$ 28,939		
Amortization	\$ 131,544	\$ 217,451	\$ 131,544	From EDE Initial Brief Filed
Revenue Requirement Impact		\$ 85,907		

Issue 28

Incentive Compensation			
Expense Level	\$ 1,245,016	\$ 4,078,229	\$ 1,245,016
Revenue Requirement Impact		\$ 2,833,213	

Issue 29

Customer Demand-Side Management Program (DSM)			
Rate Base Level	\$ 4,267,998	\$ 4,269,460	\$ 4,267,998
Revenue Requirement Impact		\$ 119	
Amortization Expense	\$ 1,447,308	\$ 1,422,715	\$ 1,447,308
Revenue Requirement Impact		\$ (24,593)	
Issue 30			
Bad Debt Expense	\$ 1,910,437	\$ 1,964,937	\$ 1,910,437
Revenue Requirement Impact		\$ 54,500	
Issue 31			
Retail Revenue			
Unbilled Revenue Adjustment	\$ (6,391,485)	\$ (6,391,485)	\$ (6,391,485)
Revenue Requirement Impact		\$ -	
Franchise Tax Revenues Adjustment	\$ (9,923,350)	\$ (9,319,510)	\$ (9,923,350)
Revenue Requirement Impact		\$ (603,840)	
FAC Revenue Adjustment	\$ (17,047,207)	\$ (17,047,207)	\$ (17,047,207)
Revenue Requirement Impact		\$ -	
Retail Revenue - Billing Determinents Adjustment	\$ (5,218,658)	\$ 14,247,750	\$ (5,218,658)
Revenue Requirement Impact		\$ (19,466,408)	
Issue 32			
Other Revenues Amount	\$ 354,638	\$ 354,638	\$ 360,306
Revenue Requirement Impact		\$ -	\$ (5,668)
Rent Revenue Amount	\$ 1,026,462	\$ 1,026,462	\$ 986,268
Revenue Requirement Impact			\$ 40,194
Fly Ash Revenue Amount	\$ 36,107	\$ 36,107	\$ 48,018
Revenue Requirement Impact			\$ (11,911)
Issue 33			
Tax Cut and Jobs Act Revenue Adjustment	\$ (7,760,076)	\$ 12,024,852	\$ (7,760,076)
Revenue Requirement Impact		\$ 19,784,928	

Empire Adjustment IS 33 & IS 49

Empire Adjustment IS 33 & IS 49

Table in email

Issue 34

Property Insurance Adjustment	\$ (116,757)	\$ (7,451)	\$ (116,757)
Revenue Requirement Impact		\$ 109,306	\$ -

Order amount from Staff True-Up Accounting Schedules; Empire amount from EDE True-Up Adjustment IS 16

Issue 35

Injuries and Damages	\$ 312,562	\$ 312,562	\$ 312,562
NO DIFFERENCES (Allocations was the only difference)			

Issue 36

Payroll and Overtime Adjustment	\$ 1,731,204	\$ 3,809,206	\$ 1,731,204
Revenue Requirement Impact		\$ 2,078,002	\$ (0)

Order amount from Staff True-Up Accounting Workpaper (Arabian)
Empire amount was determined by taking the sum of the total company true-up amounts of IS ADJ 4 & IS ADJ 5

Issue 37

Retention Bonuses Adjustment	\$ 1,021,080	\$ 1,021,080	\$ -
Revenue Requirement Impact			\$ (1,021,080.00)

Order amount from Report & Order

Issue 38

Employee Benefits Adjustment	\$ 142,353	\$ 868,171	\$ 142,353
Revenue Requirement Impact		\$ 725,818	\$ -

Order amount from Staff True-Up Accounting Schedules

Because Empire IS ADJ 6 was at a Missouri level, the 868,171 was determined by taking the difference in the GL balance at 3/31/19 & 1/31/20 for those accounts.

Issue 39

Property Taxes Expense Level	\$ 25,138,294	\$ 25,985,842	\$ 25,138,294
Revenue Requirement Impact		\$ 847,548	\$ -

Issue 40

Dues and Donations Adjustment	\$ (203,473)	\$ (23,780)	\$ (203,473)
Revenue Requirement Impact		\$ 179,693	\$ -

From Baron Direct workpapers (includes EEI and all other)

Empire amount from True-Up IS ADJ 17

Issue 41

Outside Services Expense \$ 2,326,254 \$ 2,326,254 \$ 2,326,254
NO DIFFERENCES (Allocations was the only difference)

Issue 42

Common Property Removed from Plant and Accumulated
Depreciation

General Plant Adjustment \$ (5,724,752) \$ (5,724,752) \$ (7,038,871)
Accumulated Depreciation Adjustment \$ (3,330,005) \$ (3,330,055) \$ (4,020,902)
Revenue Requirement Impact \$ (121,940)