

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

In the Matter of the True-Up of The Empire District     )  
Electric Company's Fuel Adjustment Clause (FAC)     )     **File No. EO-2019-0302**

**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, 2019 The Empire District Electric Company ("Empire") filed its nineteenth fuel adjustment clause true-up filing under the provisions of 4 CSR 240-20.090(9).

2. On April 2, 2019 the Commission ordered Staff to file a recommendation by May 1, 2019.

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 its 19th Recovery Period ("RP19") (billing months June 2018 through November 2018), during which Empire under-recovered \$844,601 from its customers. Staff's analysis is contained in the attached Staff Memorandum, marked as Appendix A.

4. The under-recovered amount of \$844,601, which is the true-up amount for RP19, and interest for RP19 are both included in the calculation of the Fuel and Purchased Power Adjustment ("FPA") amount in Empire's 21st Accumulation Period ("AP21") adjustment filing, also filed on April 1, 2019, in File No. ER-2019-0301.

5. Staff verified that Empire filed its 2017<sup>1</sup> annual report and is not delinquent on any assessment. Empire is current on submission of its monthly reports, required by 4 CSR 240-20.090(5), and its surveillance monitoring reports, required by 4 CSR 240-20.090(6). Other than as noted in the attached Staff Memorandum, Staff is not aware of any other matter before the Commission that affects or is affected by this true-up filing.

**WHEREFORE**, Staff recommends the Commission approve Empire's RP19 true-up filing for the billing months of June 2018 through November 2018, during which Empire under-recovered \$844,601 from its customers, for inclusion in the calculation of the FPA amount included in Empire's AP21 rate adjustment filing in File No. ER-2019-0301.

Respectfully submitted,

**/s/ Karen E. Bretz**

Karen E. Bretz  
Senior Counsel  
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Missouri Public Service Commission  
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### **CERTIFICATE OF SERVICE**

I certify that a copy of the foregoing was served via e-mail on counsel for the parties of record to this case on this 25th day of April, 2019.

**/s/ Karen Bretz**

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<sup>1</sup> On February 19, 2019 the Company filed a request for an extension of time in which to file its 2018 Annual Report. This request was approved, and the Annual Report is due May 15, 2019.

## MEMORANDUM

**TO:** Missouri Public Service Commission Official Case File  
Case No. EO-2019-0302  
The Empire District Electric Company

**FROM:** Cynthia M. Tandy, Utility Regulatory Auditor I  
Lisa Wildhaber, Utility Regulatory Auditor III  
Brooke Mastrogiannis, Utility Regulatory Auditor IV

**DATE:** /s/ Brad J. Fortson      04/25/2019      /s/ Karen Bretz      04/25/2019  
Energy Resources Department / Date      Staff Counsel Department / Date

**SUBJECT:** Staff's Analysis of and Recommendation Concerning The Empire District Electric Company's Nineteenth Fuel Adjustment Clause True-up Filing Under the Provisions in 4 CSR 240-20.090(9).

**DATE:** April 25, 2019

On April 1, 2019<sup>1</sup>, The Empire District Electric Company ("Empire" or "Company") filed with the Missouri Public Service Commission ("Commission") in the form of direct testimony and supporting schedules of Empire witness Leslie Forest, its nineteenth true-up filing under the provisions in 4 CSR 240-20.090(9).

Accumulation Period 19 ("AP19") includes the time period September 1, 2017 through February 28, 2018 and is followed by Recovery Period 19 ("RP19") which includes the billing months of June 2018 through November 2018. The true-up amount of \$844,601 identified in this filing is the result of an under-recovery of the Fuel and Purchased Power Adjustment ("FPA") amount for AP19 during RP19.

The true-up amount of \$844,601 for RP19 is included in the calculation of the Fuel and Purchased Power ("FPA") amount included in the Company's Accumulation Period 21 ("AP21") adjustment filing, also filed on April 1, 2019, in File No. ER-2019-0301, which Empire filed in compliance with its FAC.<sup>2</sup>

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<sup>1</sup> On April 12, 2019, a substitute testimony was filed due to errors not affecting the tariff sheet.

<sup>2</sup> 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.

The Commission Staff (“Staff”) examined the direct testimony of Empire witness Leslie Forest, the supporting schedules and work papers Empire provided with its true-up filing in this case, and the monthly information Empire has submitted to the Commission. Staff also reviewed and agrees with Empire’s monthly interest calculations for RP19.

Based on its examination and analysis of information Empire filed and submitted in this case, Staff recommends the Commission approve Empire’s RP19 true-up filing for the billing months June 2018 through November 2018 during which Empire under-recovered \$844,601 from its customers for inclusion in the calculation of the FPA amount in the Company’s AP21 adjustment filing in File No. ER-2019-0301.

Staff has verified that Empire has filed its 2017<sup>3</sup> annual report and is not delinquent on any assessment. Empire is current on its submission of its Surveillance Monitoring reports as required in 4 CSR 240-20.090(6) and its monthly reports as required by 4 CSR 240-20.090(5). Staff is not aware of any other matter before the Commission that affects or is affected by this filing, except as noted herein.

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<sup>3</sup> The Company has filed a request for extension of time in which to file their 2018 Annual Report on February 19<sup>th</sup>, 2019. This request has been approved and the Annual Report is due on May 15, 2019.

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

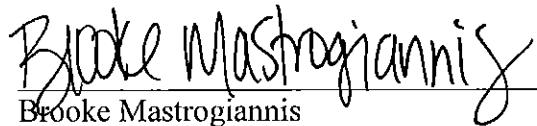
In the Matter of the True-Up of The Empire )  
District Electric Company's Fuel Adjustment ) File No. EO-2019-0302  
Clause (FAC) )

**AFFIDAVIT OF BROOKE MASTROGIANNIS**

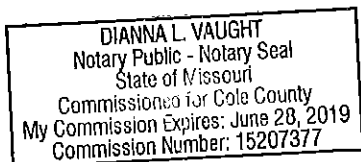
STATE OF MISSOURI )  
 ) ss  
COUNTY OF COLE )

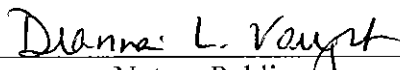
**COMES NOW**, Brooke Mastrogiannis, and on her oath declares that she is of sound mind and lawful age; that she contributed to the attached *Staff Recommendation* in Memorandum form; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.

  
\_\_\_\_\_  
Brooke Mastrogiannis

Subscribed and sworn to be this 25th day of April, 2019.



  
\_\_\_\_\_  
Notary Public

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

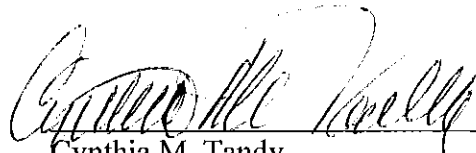
In the Matter of the True-Up of The Empire )  
District Electric Company's Fuel Adjustment ) File No. EO-2019-0302  
Clause (FAC) )

**AFFIDAVIT OF CYNTHIA M. TANDY**

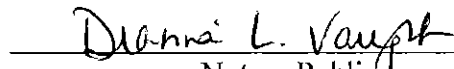
STATE OF MISSOURI )  
 ) ss  
COUNTY OF COLE )

**COMES NOW**, Cynthia M. Tandy, and on her oath declares that she is of sound mind and lawful age; that she contributed to the attached *Staff Recommendation* in Memorandum form; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.

  
Cynthia M. Tandy

Subscribed and sworn to be this 25<sup>th</sup> day of April, 2019.

  
Notary Public

DIANNA L. VAUGHT  
Notary Public - Notary Seal  
State of Missouri  
Commissioned for Cole County  
My Commission Expires: June 28, 2019  
Commission Number: 15207377

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In the Matter of the True-Up of The Empire )  
District Electric Company's Fuel Adjustment ) **File No. EO-2019-0302**  
Clause (FAC) )

**AFFIDAVIT OF LISA WILDHABER**

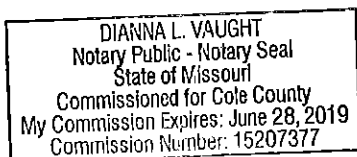
STATE OF MISSOURI )  
 ) ss  
COUNTY OF COLE )

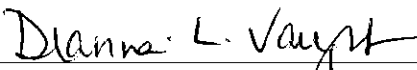
**COMES NOW**, Lisa Wildhaber, and on her oath declares that she is of sound mind and lawful age; that she contributed to the attached *Staff Recommendation* in Memorandum form; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.

  
\_\_\_\_\_  
Lisa Wildhaber

Subscribed and sworn to be this 25<sup>th</sup> day of April, 2019.



  
\_\_\_\_\_  
Notary Public