

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

In the Matter of The Empire District )  
Electric Company’s Request for Authority )  
to File Tariffs Increasing Rates for Electric )  
Service Provided to Customers in its )  
Missouri Service Area )

Case No. ER-2019-0374

**PUBLIC COUNSEL’S REPLY TO EMPIRE’S RESPONSE TO  
PUBLIC COUNSEL’S SUGGESTED LOCAL PUBLIC HEARINGS NOTICE**

COMES NOW the Office of Public Counsel (Public Counsel) and replies to The Empire District Electric Company’s response to the form of the notice Public Counsel suggested that the Commission order Empire to adopt and provide individually to each of its customers regarding the local public hearings the Commission has now set as follows:

1. First, Empire states that it has used “Liberty-Empire” since 2017 and that “[i]f the notice just uses ‘Empire,’ customers may be confused and may be dissuaded from coming to the public hearings under the incorrect impression that the notice pertains to the ‘old’ company.” While Public Counsel does not concur with Empire’s assertions of customer confusion, Public Counsel does not oppose this change.

2. Second, although its overall request is stated on an annual basis, Empire opposes the notice stating the increases it is proposing to its residential customers on an annual basis speculating that doing so “may cause confusion and unnecessary shock and concern.” As a double peaking electric utility, Empire’s residential customers’ monthly electric bills vary considerably during the course of a year. Annual amounts are more representative of the bill impacts to all of Empire’s customers, including its residential customers, and better correlates with the annual overall increase Empire is seeking. For this reason, OPC opposes Empire’s proposed edit to only include the monthly impact. In the spirit of compromise, Public Counsel proposes a new column to the table proposed by Public Counsel that shows the monthly impact, enabling customers to see

*both* a monthly and an annual bill impact. Public Counsel also disagrees with Empire’s proposal to remove a row for Residential customers from the table, as the table is the best format for easily conveying the proposed increase to residential customers. Public Counsel suggests the following table to do so:

<b>Customer Class</b>	<b>Customer Bill Impact</b>		
	<b>Average Annual</b>		<b>Average Monthly (Annual / 12)<sup>1</sup></b>
RG-Residential	\$96.24	5.8%	\$8.02
CB-Commercial	\$125.82	5.2%	\$10.49
Small Heating	\$164.22	5.0%	\$13.69
GP-General Power	\$1,476.02	3.1%	\$123.00
SC-P Praxair Transmission	\$212,414.31	5.1%	\$17,7001.19
TEB-Total Electric Building	\$1,172.45	3.0%	\$97.70
PFM-Feed Mill / Grain Elev	\$115.67	1.6%	\$9.64
LP-Large Power	\$81,320.65	5.2%	\$6,776.72
MS-Miscellaneous	\$282.94	5.8%	\$23.58
SPL-Municipal Street Lighting	\$29,358.47	9.4%	\$2,446.54
PL-Private Lighting	\$553.88	3.4%	\$46.16
LS-Special Lighting	\$72.13	6.9%	\$6.01

3. Third, Empire states:

“[Empire] believes that its customers may be confused by the large table that Public Counsel suggests should be included showing all rate classes and the proposed rate increase by class in both dollars and percentages. The exact dollar amounts and percentages are not known at this time and could change significantly during the case. Presenting these amounts at this time may result in unnecessary confusion and concern.”

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<sup>1</sup> Annual divided by 12.

The local public hearing is an opportunity for all members of the public to provide their input in response to Empire's rate increase request; therefore, Empire's proposed impacts on each of its customer classes should be included. The table to which Empire refers is taken from the table on page 22 of 23 in Schedule TSL-12 to the prefiled direct testimony of Empire witness Timothy S. Lyons titled, *Summary of Customer Bill Impacts*. That table is Empire's representation of the bill impacts to its customers of the tariff sheets that it filed to initiate this rate case, and is so represented in the draft notice Public Counsel suggested. Informing the public of what Empire says it is requesting of the Commission provides clarity, which reduces unnecessary confusion and concern, and alerts all classes of the impact of Empire's proposed rate increase.

4. Fourth, Empire states, "[It] also believes it would be improper to include a statement in the public hearing notice regarding the admissibility (or lack thereof) of customer comments, as is being requested by Public Counsel." There is confusion about the difference between public comments and evidence adduced at a local hearing in terms of the record upon which the Commission decides cases such as this one. Public comments are usually not entered into the evidentiary record of rate cases, whereas sworn testimony at local hearings and documents admitted into the record from local hearings are evidence. Public Counsel believes that it is imperative that the public be made aware of that difference.

5. Fifth, Empire prefers "FAC" to "Fuel Adjust Charge"; however, according to Schedule SDR-12 (Sample Customer Bills) to the prefiled corrected direct testimony of Empire witness Sheri Richards, "FAC" appears nowhere on Empire's customers' bills, but "Fuel Adjust Charge" does. Empire's other offered changes would lengthen the notice without purpose.

**WHEREFORE**, Office of Public Counsel replies to Empire's response as set forth above, and continues to suggest that the Commission order Empire to adopt and provide individually to

each of its customers notice of the local public hearings the Commission orders in this case in the form of the draft notice attached to Public Counsel's suggested local public hearings notice, with the slight edits addressed above.

Respectfully,

/s/ Nathan Williams

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**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 18<sup>th</sup> day of December 2019.

/s/ Nathan Williams