

**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 ) **Case No. ER-2019-0374**  
Rates for Electric Service Provided )  
To Customers in its Missouri Service )  
Area )

**STAFF’S RESPONSE TO COMPLIANCE TARIFFS**

**COMES NOW** the Staff of the Missouri Public Service Commission, by and through counsel, and for its *Response to Compliance Tariffs* in this matter hereby states:

1. The Commission issued a *Report and Order* in this matter on July 1, 2020, and filed an *Amended Report and Order* in response to several clarifying motions filed by the parties. Empire District Electric Company filed a new tariff book on August 17, 2020, in response to that *Amended Order*, to effectuate a fictitious name change, and to incorporate changes approved in Case No. AO-2020-0237. The Company also filed substitute sheets on August 28, 2020.

2. On August 5, 2020, the Commission entered its “Order of Clarification,” concerning the “Additional Motion for Clarification,” filed by Staff on July 29. Page 4 of the Order provides as follows:

The Commission clarifies that Option A, as put forth in Staff’s motion, correctly articulates the Commission’s intentions as explained below.  
Option A:

(1) Reflect the approximate reduction of \$18.1 million in the class revenue requirements associated with the ER-2018-0366 credits generated by the trued up billing determinants.

(2) Proportionately adjust Class Revenue Requirements to achieve the revenue requirement ordered in this case, net of the ER-2018-0366 credit values. (3) Remove the amount of each ER-2018-0366 credit from each energy charge rate ordered in ER-2016-0023, then proportionately adjust each remaining energy charge rate to recover the class revenue requirement. **No Class Cost of Service report in**

**this rate proceeding was sufficiently reliable for the purpose of allocating the revenue requirement among the rate classes. The last time a reliable Class Cost of Service report was available was in File No. ER-2016-0023, class cost allocations should be as ordered in accordance with that File with no regard for ER-2018-0366.<sup>1</sup>**

(4) Eliminate the ER-2018-0366 tariff references and credits.  
**[Emphasis Added]**

In conversations and correspondence, Empire's technical witnesses have explained to Staff that they understand the bolded language identified above and similar language on the third page of the Order to be a provision of instruction concerning future rate cases and class cost of service studies.<sup>2</sup> As such, Empire has omitted application of the sentence on page 4 of the Commission's *Order Of Clarification*, filed August 5, that "class cost allocations should be as ordered in accordance with that File with no regard for ER-2018-0366," from its calculation of rates as filed in its Compliance Tariff in this matter.

If that is the Commission's intention, Staff agrees that the tariff book and rates contained therein filed by Empire on August 17, 2020, are in compliance with the Amended Report and Order, as Clarified. Further, Empire has removed the sheets and references associated with the ER-2018-0366 credits, consistent with subpart (4) of Option A, as stated in the Order of Clarification.

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<sup>1</sup> The bolded language was not included in "Option A," as provided in the Additional Motion for Clarification.

<sup>2</sup> On page three of that Order, the Commission states, "The Commission clarifies that the revenue requirement allocations to be applied in this case are as they existed prior to File No. ER-2018-0366 credits," and, "The Commission clarifies that decreases within each class should be applied proportionately to the magnitude of the energy block charges as they existed in the tariff promulgated pursuant to File No. ER-2016-0023." Empire's calculation of rates omits application of these statements, as they are in direct conflict with the remainder of "Option A," as provided in the Additional Motion for Clarification. If these sentences and the bolded sentence are to be effectuated in designing rates in this matter, the resulting rates would be most similar to those derived by application of "Option E," as provided in the Additional Motion for Clarification, and would not be reflective of "Option A."

3. Staff reviewed the compliance tariff book, as substituted on August 28. Staff recommends that the Commission approve the compliance tariff book, as substituted in compliance with its *Amended Report and Order*, and which incorporates a fictitious name change<sup>3</sup> along with the AMI tariff changes as approved in Case No AO-2020-0237.

**WHEREFORE**, Staff prays that the Commission will accept Staff's *Response*; approve Empire's filed compliance tariff book; and grant such other and further relief as the Commission considers just in the circumstances.

**/s/ Whitney Payne**

Whitney Payne  
Senior Counsel  
Missouri Bar No. 64078  
Attorney for the Staff of the  
Missouri Public Service Commission  
P. O. Box 360  
Jefferson City, MO 65102  
(573) 751-8706 (Telephone)  
(573) 751-9285 (Fax)  
[whitney.payne@psc.mo.gov](mailto:whitney.payne@psc.mo.gov)

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing was served by electronic mail, or First Class United States Postal Mail, postage prepaid, on this 1st day of September, 2020, to all counsel of record.

**/s/Whitney Payne**

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<sup>3</sup> On August 17, 2020, Empire also filed the same tariff book in Case No. EN-2021-0038 (Tariff Tracking No. YE-2021-0041. As will be explained in more detail in Staff's recommendation in that case, the tariff book should be approved in this case, and not in Case No. EN-2021-0038.

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**AFFIDAVIT OF MICHELLE A. BOCKLAGE, CLAIRE M. EUBANKS, PE,  
BRAD J. FORTSON, ROBLIN KLIETHERMES AND SARAH L.K. LANGE**

STATE OF MISSOURI )  
) ss.  
COUNTY OF COLE )

**COME NOW** Michelle A. Bocklage, Claire M. Eubanks, PE, Brad J. Fortson, Robin Kliethermes and Sarah L.K. Lange, and on their oath declares that they are of sound mind and lawful age; that they contributed to the foregoing *Staff's Response to Compliance Tariffs*; and that the same is true and correct according to their best knowledge and belief, under penalty of perjury.

Further the Affiant sayeth not.

/s/ Michelle A. Bocklage  
Michelle A. Bocklage

/s/ Claire M. Eubanks, PE  
Claire M. Eubanks, PE

/s/ Brad J. Fortson  
Brad J. Fortson

/s/ Robin Kliethermes  
Robin Kliethermes

/s/ Sarah L.K. Lange  
Sarah L.K. Lange