

In Re: Petition of Empire District Electric Company to Obtain a Financing Order

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Procedural Conference Before:

Judge Morris L. Woodruff

March 01, 2022

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Vol 01

**PHIPPS REPORTING**

*Raising the Bar!*

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BEFORE THE PUBLIC SERVICE COMMISSION

STATE OF MISSOURI

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TRANSCRIPT OF PROCEEDINGS

Procedural Conference

via WebEx

March 1, 2022

Volume 1

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In The Matter of the Petition )  
of The Empire District Electric) File No. EO-2022-0040  
Company d/b/a Liberty to Obtain)  
a Financing Order that )  
Authorizes the Issuance of )  
Securitized Utility Tariff )  
Bonds for Qualified )  
Extraordinary Costs )

MORRIS L. WOODRUFF, Presiding  
CHIEF REGULATORY LAW JUDGE

REPORTED BY:  
Tracy Taylor, CCR No. 939  
Job Number: 236513

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A P P E A R A N C E S

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1 JUDGE WOODRUFF: So we're on the record  
2 at this point. And this is the matter of the petition  
3 of Empire District Electric Company, doing business as  
4 Liberty, to obtain a financing order that authorizes  
5 the issuance of securitized utility tariff bonds for  
6 qualified extraordinary costs. It's File Number  
7 EO-2022-0040. And we're here today for a procedural  
8 conference.

9 Let's start out by asking -- taking the  
10 entries of appearance beginning with Liberty.

11 MS. CARTER: Good morning. This is Diana  
12 Carter for the Empire District Electric Company, doing  
13 business as Liberty.

14 MR. WOODSMALL: And for Staff?

15 MR. STOKES: This is Curt Stokes on  
16 behalf of Staff, 200 Madison Street, PO Box 360,  
17 Jefferson City, Missouri 65102.

18 MR. WOODSMALL: And Public Counsel?

19 MR. WILLIAMS: Nathan Williams, Chief  
20 Deputy Public Counsel, PO Box 2230, Jefferson City,  
21 Missouri 65102.

22 JUDGE WOODRUFF: And for MECG?

23 MR. WOODSMALL: Good morning, Your Honor,  
24 David Woodsmall.

25 JUDGE WOODRUFF: And I believe that's all

1 the parties. The main reason I requested that we have  
2 this procedural conference is in response to the  
3 proposed procedural schedule that was scheduled last  
4 week.

5                   Unfortunately, I must report that the  
6 proposed hearing dates of June 20th through June 24th  
7 are not available on the Commission's schedule. It's  
8 conflict with the MARC conference in Chicago and  
9 several of the commissioners will be attending that  
10 and will also want to be able to attend this hearing.

11                   So we need to come up with another date.  
12 What I got from the commissioners, the previous week,  
13 that would be the week of the 13th I believe it would  
14 be, would be -- would be available for them if it's  
15 available to you. And then you might want to just --  
16 other dates in the schedule as well to match that.

17                   The other thing I noticed, that the  
18 commissioners as well noticed from the proposed  
19 procedural schedule, was the concept of consolidating  
20 this case with the -- which is the Storm Uri docket,  
21 with the Asbury securitization docket and suggesting  
22 that in the schedule that the motion to consolidate  
23 would be filed on April 25.

24                   I just have some questions about that if  
25 you can all -- if somebody can answer these for me.

1 First of all, have the parties all agreed upon  
2 consolidation at this point or is this something that  
3 Liberty is going to be proposing and then we'll decide  
4 later? Anybody want to address that?

5 MS. CARTER: Judge --

6 MR. WOODSMALL: For a non-Liberty party,  
7 this is MECG. We certainly agree to the  
8 consolidation. And the main reason behind that is  
9 there are economics involved if we can put together  
10 the Uri with the Asbury securitization. Instead of  
11 having two bond issuances, we can combine them into  
12 one bond issuance and save those issuance costs. So  
13 we're certainly amenable to putting these two cases  
14 together on a common procedural schedule.

15 JUDGE WOODRUFF: And Ms. Carter, I  
16 think -- go ahead.

17 MS. CARTER: Oh, I'm sorry. I was going  
18 to say the reasoning behind allowing time then was  
19 although we are all in agreement, the parties in the  
20 docket, we didn't know if anyone else would  
21 intervene -- move to intervene in the Asbury docket.  
22 So we wanted to allow time for interventions in that  
23 docket and then ask for consolidation, knowing that we  
24 wouldn't be able to bind potential future parties to  
25 the Asbury docket to our agreement here to

1 consolidate.

2 JUDGE WOODRUFF: Okay. I understand.  
3 Would the current deadline of August 22nd for the  
4 Storm Uri case also then apply to the Asbury financing  
5 order or are you anticipating a single order in the  
6 two cases?

7 MS. CARTER: Judge, we were, I believe,  
8 anticipating a single order here, keeping us on the  
9 Storm Uri timeline. The Commission wouldn't be  
10 obligated to issue the order on Asbury without  
11 allowing the 215 days from the filing of the Asbury  
12 petition, where they're statutorily obligated to issue  
13 the order on Storm Uri within the 215 days of that  
14 application filing date.

15 We were hoping to keep Asbury -- as  
16 Mr. Woodsmall mentioned, we are hoping to bring Asbury  
17 in and keep that on the Storm Uri docket so we can  
18 have one financing order -- or financing orders issued  
19 at the same time so that bonds could then be issued  
20 together and save money.

21 JUDGE WOODRUFF: So it would be a single  
22 bond issuance?

23 MS. CARTER: That -- that would be the  
24 hope. This is new for all of us, but it is our  
25 understanding that that should be possible.

1 JUDGE WOODRUFF: And would the  
2 Asbury-related bond charges be allocated among the  
3 rate classes in the same manner as the Uri-related  
4 bond charges, or is that something still to be  
5 decided?

6 MR. STOKES: I think that would probably  
7 be something that is decided.

8 MS. CARTER: I think there are potential  
9 issues where maybe there could be differences. We've  
10 tried to get as much information as we can from people  
11 who have done this before in other states and it does  
12 seem possible to still have bonds issued together even  
13 if you then have to have separate charges on the  
14 utility bills.

15 MR. STOKES: Yeah. There might be -- I  
16 don't know what you call them, different tranches or  
17 two different series of bonds, but one -- one bond  
18 issuance or one bond order that would allow the  
19 company to save. The big focus -- like MCEG, Staff's  
20 big focus was saving on the transactional costs by  
21 consolidating.

22 JUDGE WOODRUFF: Okay. And I'm sure it's  
23 kind of early in the process to be able to answer  
24 this, but do we know will we actually need a full week  
25 of hearing on this?



1 MR. STOKES: I hope not, but I think, you  
2 know, we were going to reserve a full week just in  
3 case.

4 MR. WILLIAMS: This is Public Counsel. I  
5 anticipate there will be a number of litigated issues.

6 JUDGE WOODRUFF: Okay. I appreciate  
7 that. As I say, this is all new to all of us, so  
8 we're going to try and come up with the best plan we  
9 can.

10 Is there anything else that any party  
11 wants to bring up while we're on the record on this?

12 MS. CARTER: Judge, I have a question on  
13 dates.

14 JUDGE WOODRUFF: Okay.

15 MS. CARTER: I was trying to check with  
16 my witnesses on conflict dates and when I add all  
17 my -- the Asbury folks in as well, I ended up with  
18 more conflict dates than I thought, I guess being a  
19 hearing and right there in summertime.

20 JUDGE WOODRUFF: Sure.

21 MS. CARTER: You indicated the week  
22 before, the 13th through the 17th , was available. Is  
23 the weekend -- not weekend, although I hope we  
24 don't --

25 JUDGE WOODRUFF: Interesting concept.

1 MS. CARTER: Yes. Is the week after that  
2 available, after we had proposed -- I'm trying to find  
3 dates here -- June 20th to the 24th?

4 JUDGE WOODRUFF: So you'd be talking  
5 about the week of the 27th through the 1st?

6 MS. CARTER: Yes, 27th to the July 1st.

7 JUDGE WOODRUFF: Yeah, I don't see  
8 anything on the calendar. But of course, that -- that  
9 starts squeezing us at the end here.

10 MS. CARTER: Yeah.

11 JUDGE WOODRUFF: So --

12 MR. WILLIAMS: This is Nathan Williams.  
13 We did look at that prior week and were told there  
14 were conflicts that made it unworkable for the  
15 parties.

16 MS. CARTER: Yes, that's on my end.  
17 Thanks, Nathan. One of my main witnesses is out of  
18 the country that week, but we may just have to figure  
19 that out. And maybe we can get agreement just on her  
20 issues at least so that she wouldn't need to testify.

21 MR. STOKES: Judge, what about the week  
22 of June 6th? Would that be open? I know that kind of  
23 squeezes, you know -- moving too far ahead, we don't  
24 want to squeeze the parties and we don't want to  
25 squeeze the Commission either direction, but --

1                   JUDGE WOODRUFF: Yeah. I don't see  
2 anything on the calendar for that week. I'll also  
3 mention here, the proposed procedural schedule also  
4 suggests that if the Commission wanted to expedite  
5 transcripts, that briefing could be moved up a week.  
6 We will certainly expedite transcripts to -- you can  
7 keep that in mind when you're coming up with a  
8 proposed schedule. Anything else we need to discuss  
9 while we're on the record?

10                   MS. CARTER: Judge, would you give us a  
11 day or so to figure it out then and we propose a new  
12 hearing date?

13                   JUDGE WOODRUFF: Sure. If you'd give me  
14 something -- well, tomorrow would be ideal.

15                   MR. STOKES: Okay.

16                   JUDGE WOODRUFF: And if you all want to  
17 stay on the line here and discuss this amongst  
18 yourselves, I'll go ahead and drop off and you can  
19 discuss it this way, or if you have other arrangements  
20 you want to make, feel free. At this point then, we  
21 are off the record.

22                   (Whereupon, the proceedings concluded at  
23 8:40 a.m.)

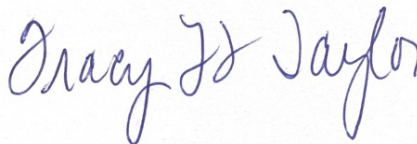
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CERTIFICATE OF REPORTER

I, Tracy Thorpe Taylor, CCR No. 939, within the State of Missouri, do hereby certify that the foregoing proceeding was duly taken by me to the best of my ability and thereafter reduced to typewriting under my direction; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this deposition was taken, and further, that I am not a relative or employee of any attorney or counsel employed by the parties thereto, nor financially or otherwise interested in the outcome of the action.



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Tracy Thorpe Taylor, CCR

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