BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of The Empire District)	
Electric Company's d/b/a Liberty (Empire))	
Fuel Costs Related to the Extraordinary)	Case No. EU-2021-0274
Weather Event of February 2021)	

PUBLIC COUNSEL'S REPLY TO LIBERTY'S RESPONSE TO PUBLIC COUNSEL'S MOTION TO DISMISS LIBERTY'S APPLICATION

COMES NOW the Office of the Public Counsel and, for its reply to The Empire District Electric Company d/b/a Liberty's response to Public Counsel's motion to dismiss Liberty's application, states:

- 1. In its response to Public Counsel's motion to dismiss its application Liberty argues that the Commission should not dismiss its application for authority to "track and defer, to a regulatory asset, the costs associated with Winter Storm Uri" because the Commission has not yet ordered the periods for the historical information the Commission will principally rely on for projecting the future for designing Liberty's future rates in Liberty's pending general electric rate case (Case No. ER-2021-0312), Liberty intends to file for securitization when it becomes available on August 28, 2021, and Liberty anticipates it will have "costs specifically related to Winter Storm Uri are not yet known and measurable."
- 2. Liberty does not require a Commission order to identify and track which costs it incurs that it attributes to Storm Uri—it can do that in accounts and subaccounts. What Liberty is seeking is authority to defer those costs to regulatory asset recorded in its regulatory books.
- 3. There is no need to defer any of Liberty's costs, or credits, properly attributable to Storm Uri that are historical costs when the Commission receives evidence in Liberty's pending electric general rate case—Case No. ER-2021-0312, likely in January or February of 2022.

- 4. Nothing in HB 734, which will not be law until August 28, 2021, requires or contemplates the deferral of any extraordinary storm costs that are to be securitized.
- 5. To the extent that Liberty incurs costs, or credits, attributable to Storm Uri that become both known and measurable after the evidence adduced to the Commission in Case No. ER-2021-0312, if requested of it, the Commission can determine whether to authorize Liberty to defer those costs and credits to appropriate regulatory assets/liabilities.
- 6. Additionally, Liberty has given notice of its intent to file a gas general rate case that the Commission has docketed as Case No. GR-2021-0320. The scope of Liberty's application in this case does not encompass its gas operations, but, like its general electric rate case, Liberty's costs and credits related to Storm Uri affecting its gas operations should fall within the historical information the Commission will principally rely on for projecting the future for designing Liberty's future gas rates, and for the same reasons for why the Commission should deny Liberty's application in this case, it should not issue an order authorizing Liberty to "track and defer, to a regulatory asset, the costs associated with Winter Storm Uri" that affected its gas operations.

WHEREFORE, having shown "good cause" required by rule 20 CSR 4240-2.116(4) in its motion to dismiss Liberty's application, and having refuted Liberty's responses above, the Office of the Public Counsel continues to move the Commission to dismiss Liberty's *Verified Winter Storm Uri AAO Application*.

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 13th day of July 2021.

/s/ Nathan Williams