

Exhibit No.: \_\_\_\_\_  
Issue: Fuel Adjustment – True-Up  
Witness: Monica K. Gloodt  
Type of Exhibit: Direct Testimony  
Sponsoring Party: The Empire  
District Electric Company  
File No. EO-2024- \_\_\_\_\_  
Date Prepared: September 2023

**Before the Public Service Commission  
of the State of Missouri**

**FAC True-Up Direct Testimony**

**of**

**Monica K. Gloodt**

**on behalf of**

**The Empire District Electric Company**

**September 29, 2023**



FAC TRUE-UP DIRECT TESTIMONY OF MONICA K. GLOODT  
THE EMPIRE DISTRICT ELECTRIC COMPANY  
BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION  
CASE NO. ER-2024-\_\_\_\_\_

1 **Q. Please state your name and business address.**

2 A. My name is Monica K. Gloodt, and my business address is 602 South Joplin Avenue,  
3 in Joplin, Missouri.

4 **Q. By whom are you employed and in what capacity?**

5 A. My employer is Liberty Utilities Services Corp. (“LUSC”), and I serve as an Analyst  
6 in the Rates and Regulatory Affairs Department for Liberty’s Central Region, which  
7 includes The Empire District Electric Company (“Liberty-Empire” or “Company”).

8 **Q. Please describe your educational and professional background.**

9 A. I graduated from Pittsburg State University, Pittsburg, Kansas, in 2018 with a Bachelor  
10 of Science degree with a major in Finance. In July of 2020, I assumed my current role  
11 as Analyst I, Rates and Regulatory Affairs for LUSC. Prior to joining the Company, I  
12 was employed with Maneval Inc, where I assisted in grain contracting.

13 **Q. Have you previously testified before this or any other state utility commission?**

14 A. I have not previously testified before the Missouri Public Service Commission (the  
15 “Commission”). However, I have submitted Direct Testimony before the Arkansas  
16 Public Service Commission in Docket Nos. 18-054-TF,18-055-TF, 13-111-U and 16-  
17 053-U.

18 **Q. What is the purpose of your FAC True-Up Direct Testimony?**

19 A. The purpose of this testimony is to identify and explain the true-up amount included in  
20 the Company’s Fuel & Purchased Power Adjustment Clause (“FAC”) filing. Liberty-  
21 Empire is filing to adjust the Fuel Adjustment Rate (“FAR”) in a separate filing, and

1 the true-up amount (with interest) is a component of the FAR. The true-up is the over  
2 or under recovered FAC balance from the prior Recovery Period. In other words, the  
3 true-up adjustment of the fuel & purchased power adjustment (“FPA”), as defined by  
4 the tariff, is the difference between the FPA revenues billed and the FPA revenues  
5 authorized for collection during the true-up Recovery Period, i.e. the true-up  
6 adjustment.

7 **Q. Please briefly explain the FAC true-up process.**

8 A. The Commission’s rule governing fuel and purchased power cost recovery mechanisms  
9 for electric utilities, 20 CSR 4240-20.090, requires Liberty-Empire to make periodic  
10 FAC filings designed to enable Commission review of the actual fuel costs, purchased  
11 power costs, cost of consumables associated with the power plants’ air quality control  
12 system (“AQCS”), net cost of emission allowances, revenue from the sale of renewable  
13 energy credits (“REC”), and off-system sales revenues (collectively referred to as total  
14 energy costs) the Company has incurred during an Accumulation Period. In addition,  
15 these periodic filings are designed to adjust the FAC rates up or down, to reflect the  
16 actual energy costs incurred during the Accumulation Period. Liberty-Empire’s FAC  
17 tariff calls for two annual filings: a filing covering the six-month Accumulation Period  
18 running from September through February and a second filing covering the  
19 Accumulation Period running from March through August. Any increases or decreases  
20 in rates approved by the Commission, or that take effect by operation of law, are then  
21 collected from or refunded to customers over two six-month Recovery Periods: June  
22 through November and December through May.

23 **Q. With this true-up, is the Company seeking an increase or a decrease in its FAC**  
24 **rates?**

1 A. In this instance, Liberty-Empire is seeking a decrease in its FAC rates to reflect 95%  
2 of the difference between the base energy costs built into its base Missouri rates and  
3 Liberty-Empire’s actual Missouri energy costs for the Accumulation Period plus a true-  
4 up of the costs recovered during the Recovery Period ending May 31, 2023. This true-  
5 up adjustment is a component of the FAC rates which will be reflected on the Missouri  
6 customers’ bills over the six-month Recovery Period from December 2023 through  
7 May 2024.

8 **Q. What was the timing of the accumulation and recovery relating to this true-up?**

9 A. The Accumulation Period for the true-up portion of the FAC rate was from March 1,  
10 2022, through August 31, 2022. The Recovery Period for that Accumulation Period  
11 was December 1, 2022, through May 31, 2023.

12 **Q. Why is there a difference between what was accumulated (plus over – or under-  
13 recovery) and the amount billed during the recovery period?**

14 A. The FAR is calculated based on projected kWh sales for the recovery period. Because  
15 the projected sales can vary from actual, due to things such as weather, once the actual  
16 sales are recorded, a difference exists between the estimate and the actual kWh billed.  
17 This difference is “trued-up” in the subsequent FAC filing.

18 **Q. What was the over – or under recovery for the recovery period at issue in this  
19 filing?**

20 A. The FAC was under-collected by \$3,013,909. As indicated above, the true-up amount  
21 during the Recovery Period is due to the difference between actual and estimated kWh  
22 sales. The estimated kWh’s for recovery period were 2,321,470,205 and the actual  
23 kWh were 2,198,760,444. The true-up amount is the net difference between the FPA  
24 revenues billed and the FPA revenues authorized for collection during the true-up

1 recovery period. **Direct Schedule MKG-1**, which is attached to this testimony,  
2 contains details of the calculations that produce the amount to be returned to customers.

3 **Q. How will that amount be reflected in customer rates?**

4 A. As mentioned earlier, the true-up amount plus interest is a component of the FAR. As  
5 defined in the FAC tariff, the true-up amount plus interest is added into the FPA. The  
6 adjustment to the FAR rate is being filed concurrently in a separate docket.

7 **Q. Does this conclude your FAC True-Up Direct Testimony?**

8 A. Yes.

**VERIFICATION**

I, Monica K. Gloodt, under penalty of perjury, on this 29th day of September, 2023,  
declare that the foregoing is true and correct to the best of my knowledge and belief.

/s/ Monica K. Gloodt