

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

In the Matter of The Empire District Electric)
Company's Revised Economic Development) **Case No. ET-2019-0029**
Economic Development Rider Tariff Sheets)

STAFF RECOMMENDATION

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

1. The Empire District Electric Company filed its revised economic development rider tariff sheet with the Commission July 2, 2018, bearing an effective date of August 1, 2018. The tariff sheet was assigned tracking number JE-2019-0002. Staff filed a *Motion to Suspend Tariff Sheet and Open New Docket* on July 30, 2018, citing a potential substantive dispute. The Commission granted Staff's Motion and suspended Empire's proposed tariff sheet to November 28, 2018.

2. Staff conducted an investigation; its findings are attached as Appendix A. In summary, Empire has affirmed that the proposed revised tariff is not intended to interfere with any previous stipulations and agreements it has entered into in prior cases. This affirmation alleviates any concerns of Staff and Staff can now recommend approval of the proposed revised tariff.

WHEREFORE, Staff prays that the Commission will approve Empire's revised tariff sheet bearing tracking number JE-2019-0002; and grant such other and further relief as the Commission considers just in the circumstances.

Respectfully submitted,

/s/ Whitney Payne

Whitney Payne

Assistant Staff Counsel

Missouri Bar No. 64078

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Missouri Public Service Commission

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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 12th day of September, 2018, to all counsel of record.

/s/ Whitney Payne

M E M O R A N D U M

To: Missouri Public Service Commission Official Case File, Case No. ET-2019-0029,
Tariff File No. JE-2019-0002

From: Sarah L.K. Lange, Regulatory Economist III, Tariff and Rate Design Department

/s/ Robin Kliethermes 9/12/18
Tariff and Rate Design Department/Date

/s/ Whitney Payne 9/12/18
Staff Counsel's Office/Date

Subject: Staff Recommendation for the **Approval** of the Empire District Electric Company
Economic Development Rider Tariff.

Date: 9/12/2018

Procedural History

On July 2, 2018, The Empire District Electric Company (“Empire”) submitted one (1) tariff sheet with a proposed effective date of August 1, 2018, intending to implement an alternative method for estimating baseline usage pursuant to the mechanism of the Economic Development Rider (“EDR”) tariff operation.

On July 30, 2018, the Missouri Public Service Commission (“Commission”) Staff (“Staff”) moved the Commission suspend the tariff sheet and open a docket to formally address the revision requested. On July 31, 2018, the Commission suspended the tariff sheet to November 28, 2018.

Discussion

Empire’s proposed EDR tariff does not include provisions governing Empire’s review of a customers continued qualification under the EDR, nor does it include the provisions concerning documentation that Staff has recommended in recent cases where EDRs have been at issue. The proposed revision further increases the discretion afforded to Empire in providing discounts under the EDR. However, at paragraph 12 of the Nonunanimous Stipulation and Agreement resolving Case No. ER-2012-0345, Empire committed that “Empire agrees to hold customers harmless in future general rate increase requests from any rates collected by Empire pursuant to the Economic Development Rider that are less than the rates a similarly situated customer would be charged pursuant to the applicable tariff rate.”

In its September 5 response to a Staff Data Request, Empire has represented that “Empire does not intend for this proposed tariff change to have any impact on how revenues related to service provided under the EDR are treated. Empire does not believe the proposed language change has any relationship to paragraph 12 of the stipulation in ER-2012-0345.”

With this assurance that non-participating customers will continue to be held harmless from the revenue impact of offering certain customers discounts pursuant to the EDR, Staff does not object to Empire’s requested revision provided in Tariff File No. JE-2019-0002.

Staff Recommendation

Due to the reasons stated above, Staff recommends the Commission enter an order approving Empire’s proposed tariff sheet P.S.C. Mo. No. 5 Sec. 4 1st Revised Sheet No. 22, canceling P.S.C. Mo. No. 5 Sec. 4 Original Sheet No. 22, or allow the same to take effect by operation of law November 28, 2018.

Staff is not aware that Empire Electric is delinquent in its assessment nor of any other filing impacting this matter.

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Rider Tariff Sheets)

AFFIDAVIT OF SARAH L.K. LANGE

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

COMES NOW Sarah L.K. Lange, and on her oath states that she is of sound mind and lawful age; that she contributed to the foregoing *Staff Recommendation*; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.

Sarah L.K. Lange
Sarah L.K. Lange

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 12th day of September, 2018.

Dianna L. Vaught
Notary Public

DIANNA L. VAUGHT
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: June 28, 2019
Commission Number: 15207377