

ISSUANCE ADVICE LETTER

January 19, 2024

File Nos. EO-2022-0040 and EO-2022-0193

MISSOURI PUBLIC SERVICE COMMISSION

SUBJECT: ISSUANCE ADVICE LETTER FOR SECURITIZED UTILITY TARIFF BONDS

Pursuant to the Financing Order adopted in *In the Matter of the Petition of The Empire District Electric Company d/b/a Liberty to Obtain a Financing Order that Authorizes the Issuance of Securitized Utility Tariff Bonds for (i) Qualified Extraordinary Costs and (ii) Energy Transition Costs Related to the Asbury Plant*, File Nos. EO-2022-0040 and EO-2022-0193, respectively (the “Financing Order”), THE EMPIRE DISTRICT ELECTRIC COMPANY D/B/A LIBERTY (“Petitioner”) hereby submits, no later than the end of the first business day after the pricing date of this series of Securitized Utility Tariff Bonds, the information referenced below. This Issuance Advice Letter is for the Securitized Utility Tariff Bonds, Series 2024-A, tranches A-1 through A-2. Any capitalized terms not defined in this letter have the meanings ascribed to them in the Financing Order.

PURPOSE

This filing establishes the following:

- (a) the total amount of Securitized Utility Tariff Costs and Financing Costs being financed;
- (b) confirmation of compliance with issuance standards;
- (c) the actual terms and structure of the Securitized Utility Tariff Bonds being issued;
- (d) the initial Securitized Utility Tariff Charge for retail customers; and
- (e) the identification of the Special Purpose Entity (SPE).

SECURITIZED UTILITY TARIFF COSTS AND FINANCING COSTS BEING FINANCED

The total amount of Securitized Utility Tariff Costs and Financing Costs being financed (the “Securitized Costs”) is presented in Attachment 1.

COMPLIANCE WITH ISSUANCE STANDARDS

The Financing Order requires Petitioner to confirm, using the methodology approved therein, that the actual terms of the Securitized Utility Tariff Bonds result in compliance with the standards set forth in the Financing Order. These standards are:

1. The financing of Energy Transition Costs, Qualified Extraordinary Costs and Financing Costs will provide quantifiable net present value benefits to retail customers, greater than would be achieved compared to (a) the traditional method of financing with respect to the Energy Transition Costs and (b) the customary method of financing and reflecting the Qualified Extraordinary Costs, collectively, in retail customer rates (See Attachment 2, Schedule D-1 and Schedule D-2);
2. The Securitized Utility Tariff Bonds will be issued in one or more series comprised of one or more tranches having a scheduled final payment of 13.0 years and legal final maturities not exceeding 15.0 years from the date of issuance of such series (See Attachment 2, Schedule A);
3. The Securitized Utility Tariff Bonds may be issued with an original issue discount, additional credit enhancements, or arrangements to enhance marketability provided that the Petitioner certifies that the original issue discount is reasonably expected to provide quantifiable net present value benefits greater than its cost; and
4. The structuring, marketing and pricing of the Securitized Utility Tariff Bonds is certified by the Petitioner to result in the lowest Securitized Utility Tariff Charges consistent with market conditions at the time the Securitized Utility Tariff Bonds were priced and the terms of the Financing Order (See Attachment 4).
5. The Securitized Utility Tariff Charge Rider SUTC is included, pursuant to Ordering Paragraphs 7 and 8 of the Financing Order (See Attachment 5).
6. The amount of Securitized Utility Tariff Costs to be financed using Securitized Utility Tariff Bonds are \$296,576,000, which includes carrying costs in accordance with Ordering Paragraph 2.
7. The recovery of such Securitized Utility Tariff Costs is just and reasonable and in the public interest.
8. The amount of Upfront Financing Costs to be financed using Securitized Utility Tariff Bonds is \$8,914,000 and the estimate of the annual amount of Ongoing Financing Costs that may be recovered through Securitized Utility Tariff Charges, assuming the Petitioner is the Servicer, is \$2,613,000.
9. The period over which the Securitized Utility Tariff Costs and Financing Costs may be recovered is 15.0 years.
10. For so long as the Securitized Utility Tariff Bonds are outstanding and until all Financing Costs have been paid in full, the imposition and collection of the Securitized Utility Tariff Charges authorized under the Financing Order are nonbypassable and will be paid by all existing and future retail customers receiving electrical service from Liberty or its successors or assignees.

11. The Securitized Utility Tariff Charges are subject to adjustments by the formula-based true-up mechanism approved in the Financing Order.
12. The Securitized Utility Tariff Property is created in favor of Liberty and shall pay and secure the Securitized Utility Tariff Bonds.

ACTUAL TERMS OF ISSUANCE

Securitized Utility Tariff Bond Series: 2024-A

Securitized Utility Tariff Bond Issuer: Empire District Bondco, LLC

Trustee: The Bank of New York Mellon Trust Company, N.A.

Closing Date: January 30, 2024

Bond Ratings: S&P AAA(sf), Moody's Aaa(sf)

Amount Issued: \$305,490,000

Securitized Utility Tariff Bond Upfront Financing Costs: See Attachment 1, Schedule B.

Securitized Utility Tariff Bond Estimated Annual Ongoing Financing Costs: See Attachment 2, Schedule B.

Tranche	Coupon Rate	Scheduled Final Payment	Legal Final Maturity
A-1	4.943%	1/1/2033	1/1/2035
A-2	5.091%	1/1/2037	1/1/2039

Effective Annual Weighted Average Interest Rate of the Securitized Utility Tariff Bonds:	5.027%
Life of Series:	14.9 years
Weighted Average Life of Series:	Tranche A-1: 4.84 Tranche A-2: 11.06
Call provisions (including premium, if any):	None
Target Revenue Requirement Schedule:	Attachment 2, Schedule A
Scheduled Final Payment Dates:	Tranche A-1: 1/1/2033 Tranche A-2: 1/1/2037
Legal Final Maturity Dates:	Tranche A-1: 1/1/2035 Tranche A-2: 1/1/2039
Payments to Investors:	Semi-annually Beginning January 1, 2025
Initial annual Servicing Fee as a percent of original Securitized Utility Tariff Bond principal balance:	0.05%

INITIAL SECURITIZED UTILITY TARIFF CHARGE

Table I below shows the current assumptions for each of the variables used in the calculation of the initial Securitized Utility Tariff Charges.

TABLE I	
Input Values For Initial Securitized Utility Tariff Charges	
Applicable period: from March 1, 2024 to November 30, 2024	
Forecasted retail kWh/kW sales for the applicable period:	3,753,189,448
Securitized Utility Tariff Bond debt service for the applicable period	\$29,993,350
Percent of billed amounts expected to be charged-off:	0.32%
Forecasted % of Billing Paid in the Applicable Period:	88.41%
Forecasted retail kWh/kW sales billed and collected for the applicable period.	3,307,583,200
Forecasted annual ongoing transaction expenses, excluding Bond principal and interest:	\$2,612,173
Initial Securitized Utility Tariff Bond outstanding balance :	\$305,490,000.00
Target Securitized Utility Tariff Bond outstanding balance as of: November 30, 2024:	\$305,490,000.00
Total Periodic Billing Requirement for applicable period:	\$32,605,523

Based on the foregoing, the initial Securitized Utility Tariff Charges shall be assessed to all customers at an equal cents per kWh charge that is adjusted for line losses determined for each voltage level as follows:

TABLE II	
<u>Voltage Level</u>	<u>Securitized Utility Tariff Charge Line Loss Adjustment Factor</u>
Secondary	1.0625
Primary	1.0429
Transmission	1.0210

IDENTIFICATION OF SPE

The owner of the Securitized Utility Tariff Property will be: Empire District Bondco, LLC.

EFFECTIVE DATE

In accordance with the Financing Order, the Securitized Utility Tariff Charge Rider SUTC shall be automatically effective on January 29, 2024.

NOTICE

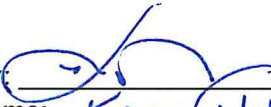
Copies of this filing are being furnished to the parties on the attached service list. Notice to the public is hereby given by filing and keeping this filing open for public inspection at Petitioner's corporate headquarters.


AUTHORIZED OFFICER

The undersigned is an officer of Petitioner and authorized to deliver this Issuance Advice Letter on behalf of Petitioner.

Respectfully submitted,

THE EMPIRE DISTRICT ELECTRIC COMPANY
D/B/A LIBERTY

By: 
Name: Kevin Nohlet
Title: President

By: 
Name: Jennifer Sheumake
Title: VP, Finance and Admin

ATTACHMENT 1
SCHEDULE A
CALCULATION OF SECURITIZED UTILITY TARIFF COSTS AND FINANCING
COSTS

Securitized Utility Tariff Costs to be financed:	\$296,576,000
Upfront Financing Costs	\$8,914,000
TOTAL COSTS TO BE FINANCED	\$305,490,000

ATTACHMENT 1
SCHEDULE B
ESTIMATED UPFRONT FINANCING COSTS

UPFRONT FINANCING COSTS	
Legal Fees	\$ 3,800,000
Underwriters' Fees (40 bps)	\$ 1,221,960
Accountant's Fees	\$ 100,000
Structuring Advisor (including discount)	\$ 192,000
Miscellaneous Fees (i.e., Printer/EDGARization Costs)	\$ 100,040
Consultant Fees	\$ 449,000
Commission Staff Advisor's Fees	\$ 1,561,000
Commission Staff Advisor's Bond Counsel Fees	\$ 750,000
Commission's Advisor Fees	\$ 275,000
Total Fixed Fees	\$ 8,449,000
SEC Filing Fee	\$ 45,000
Bond Rating Fees	\$ 420,000
TOTAL UPFRONT FINANCING COSTS FINANCED	\$ 8,914,000

Note: Differences that result from the Estimated Upfront Financing Costs financed being more or less than the Actual Upfront Financing Costs incurred will be resolved through the reconciliation process described in the Financing Order.

ATTACHMENT 2

SCHEDULE A

**SECURITIZED UTILITY TARIFF BOND REVENUE REQUIREMENT
INFORMATION**

SERIES, 2024-A TRANCHE A-1

Payment Date	Principal Balance	Interest	Principal	Total Payment
1/30/2024	\$180,490,000	\$0	\$0	\$0
1/1/2025	\$164,550,699	\$8,202,935	\$15,939,301	\$24,142,236
7/1/2025	\$155,499,939	\$4,066,871	\$9,050,760	\$13,117,630
1/1/2026	\$146,231,780	\$3,843,181	\$9,268,159	\$13,111,340
7/1/2026	\$136,741,000	\$3,614,118	\$9,490,780	\$13,104,899
1/1/2027	\$127,022,251	\$3,379,554	\$9,718,749	\$13,098,303
7/1/2027	\$117,070,058	\$3,139,355	\$9,952,193	\$13,091,548
1/1/2028	\$106,878,813	\$2,893,386	\$10,191,245	\$13,084,631
7/1/2028	\$96,442,775	\$2,641,510	\$10,436,039	\$13,077,548
1/1/2029	\$85,756,062	\$2,383,583	\$10,686,712	\$13,070,295
7/1/2029	\$74,812,655	\$2,119,461	\$10,943,407	\$13,062,868
1/1/2030	\$63,606,388	\$1,848,995	\$11,206,268	\$13,055,262
7/1/2030	\$52,130,946	\$1,572,032	\$11,475,442	\$13,047,474
1/1/2031	\$40,379,863	\$1,288,416	\$11,751,082	\$13,039,499
7/1/2031	\$28,346,520	\$997,988	\$12,033,343	\$13,031,332
1/1/2032	\$16,024,136	\$700,584	\$12,322,384	\$13,022,968
7/1/2032	\$3,405,768	\$396,037	\$12,618,368	\$13,014,404
1/1/2033	\$0	\$84,174	\$3,405,768	\$3,489,941
7/1/2033	\$0	\$0	\$0	\$0
1/1/2034	\$0	\$0	\$0	\$0
7/1/2034	\$0	\$0	\$0	\$0
1/1/2035	\$0	\$0	\$0	\$0
7/1/2035	\$0	\$0	\$0	\$0
1/1/2036	\$0	\$0	\$0	\$0
7/1/2036	\$0	\$0	\$0	\$0
1/1/2037	\$0	\$0	\$0	\$0
7/1/2037	\$0	\$0	\$0	\$0
1/1/2038	\$0	\$0	\$0	\$0

SERIES, 2024-A TRANCHE A-2				
Payment Date	Principal Balance	Interest	Principal	Total Payment
1/30/2024	\$125,000,000	\$0	\$0	\$0
1/1/2025	\$125,000,000	\$5,851,115	\$0	\$0
7/1/2025	\$125,000,000	\$3,181,875	\$0	\$0
1/1/2026	\$125,000,000	\$3,181,875	\$0	\$0
7/1/2026	\$125,000,000	\$3,181,875	\$0	\$0
1/1/2027	\$125,000,000	\$3,181,875	\$0	\$0
7/1/2027	\$125,000,000	\$3,181,875	\$0	\$0
1/1/2028	\$125,000,000	\$3,181,875	\$0	\$0
7/1/2028	\$125,000,000	\$3,181,875	\$0	\$0
1/1/2029	\$125,000,000	\$3,181,875	\$0	\$0
7/1/2029	\$125,000,000	\$3,181,875	\$0	\$0
1/1/2030	\$125,000,000	\$3,181,875	\$0	\$0
7/1/2030	\$125,000,000	\$3,181,875	\$0	\$0
1/1/2031	\$125,000,000	\$3,181,875	\$0	\$0
7/1/2031	\$125,000,000	\$3,181,875	\$0	\$0
1/1/2032	\$125,000,000	\$3,181,875	\$0	\$0
7/1/2032	\$125,000,000	\$3,181,875	\$0	\$0
1/1/2033	\$115,484,307	\$3,181,875	\$9,515,693	\$12,697,568
7/1/2033	\$102,246,858	\$2,939,653	\$13,237,449	\$16,177,102
1/1/2034	\$88,683,635	\$2,602,694	\$13,563,222	\$16,165,916
7/1/2034	\$74,786,622	\$2,257,442	\$13,897,013	\$16,154,455
1/1/2035	\$60,547,603	\$1,903,693	\$14,239,019	\$16,142,712
7/1/2035	\$45,958,162	\$1,541,239	\$14,589,441	\$16,130,680
1/1/2036	\$31,009,675	\$1,169,865	\$14,948,487	\$16,118,352
7/1/2036	\$15,693,305	\$789,351	\$15,316,370	\$16,105,721
1/1/2037	\$0	\$399,473	\$15,693,305	\$16,092,778

ATTACHMENT 2
SCHEDULE B
ESTIMATED ANNUAL ONGOING FINANCING COSTS

	ANNUAL AMOUNT
Servicing Fee (Liberty as Servicer) (0.05% of initial Securitized Utility Tariff Bond principal amount)	\$ 152,745
Administration Fee	\$ 50,000
Trustee's Fees	\$ 10,000
Accountant's Fee	\$ 75,000
Legal Fees	\$ 35,000
Rating Agency Surveillance Fees	\$ 50,000
Return on Capital Account for Credit enhancement (calculated at proposed WACC from ER-2019-0374)	\$ 103,000
Printing/Edgarizing Fees	\$ 10,000
Miscellaneous	\$ 10,255
Income Tax	\$ 2,117,000
TOTAL ONGOING FINANCING COSTS (with Liberty as Servicer)	\$ 2,613,000
Ongoing Servicers Fee (Third Party as Servicer) (0.60% of principal amount)	\$ 1,832,940
TOTAL ONGOING FINANCING COSTS (Third Party as Servicer)	\$ 4,293,195

Note: The amounts shown for each category of operating expense on this attachments are the expected expenses for the first year of the Securitized Utility Tariff Bonds. Securitized Utility Tariff Charges will be adjusted at least annually to reflect any changes in Ongoing Financing Costs through the true-up process described in the Financing Order.

ATTACHMENT 2
SCHEDULE C
CALCULATION OF SECURITIZED UTILITY TARIFF CHARGES

Year	Securitized Utility Tariff Bond Payments¹	Ongoing Costs²	Total Nominal Securitized Utility Tariff Charge Requirement³	Present Value of Securitized Utility Tariff Charges⁴
1	\$ 29,993,350	\$ 2,401,748	\$ 32,395,098	\$ 30,949,603
2	\$ 32,592,720	\$ 2,612,173	\$ 35,204,894	\$ 32,407,268
3	\$ 32,566,951	\$ 2,612,173	\$ 35,179,125	\$ 30,815,085
4	\$ 32,539,929	\$ 2,612,173	\$ 35,152,103	\$ 29,300,068
5	\$ 32,511,594	\$ 2,612,173	\$ 35,123,767	\$ 27,858,477
6	\$ 32,481,880	\$ 2,612,173	\$ 35,094,054	\$ 26,486,757
7	\$ 32,450,723	\$ 2,612,173	\$ 35,062,896	\$ 25,181,524
8	\$ 32,418,050	\$ 2,612,173	\$ 35,030,223	\$ 23,939,557
9	\$ 32,383,789	\$ 2,612,173	\$ 34,995,962	\$ 22,757,792
10	\$ 32,343,018	\$ 2,612,173	\$ 34,955,191	\$ 21,630,331
11	\$ 32,297,168	\$ 2,612,173	\$ 34,909,341	\$ 20,555,694
12	\$ 32,249,033	\$ 2,612,173	\$ 34,861,206	\$ 19,533,133
13	\$ 32,198,499	\$ 2,612,173	\$ 34,810,673	\$ 18,560,126
Total	\$ 419,026,705	\$ 33,747,824	\$ 452,774,532	\$ 329,975,416

¹ From Attachment 2, Schedule A.

² From Attachment 2, Schedule B.

³ Sum of Securitized Utility Tariff Bond payments and ongoing costs.

⁴ The discount rate used is the weighted average effective annual interest rate of the Securitized Utility Tariff Bonds.

ATTACHMENT 2
SCHEDULE D-1
COMPLIANCE WITH RSMO SECTION 393.1700

Quantifiable Benefits Test for Energy Transition Costs:⁵

	Range of Traditional Financing	Securitization Financing ¹	Savings/(Cost) of Securitization Financing
Nominal	\$151,933,621	\$136,883,286	\$15,050,335
Present Value	\$147,457,076	\$132,836,427	\$14,620,649

ATTACHMENT 2
SCHEDULE D-2
COMPLIANCE WITH RSMO SECTION 393.1700

Quantifiable Benefits Test for Qualified Extraordinary Costs:²

	Customary Financing	Securitization Financing	Savings/(Cost) of Securitization Financing
Nominal	\$333,835,802	\$315,891,242	\$17,944,559
Present Value	\$323,999,724	\$306,552,139	\$17,447,584

¹ Calculated in accordance with the methodology cited in the Financing Order.

² Calculated in accordance with the methodology cited in the Financing Order.

ATTACHMENT 3

INITIAL ALLOCATION OF COSTS TO SUTC CLASSES

Not applicable.

ATTACHMENT 4
FORM OF PETITIONER'S CERTIFICATION

[Liberty Letterhead]

Date: January 19, 2024

Missouri Public Service Commission
200 Madison Street
P.O. Box 360
Jefferson City, MO 65102-0360

Re: *Petition of The Empire District Electric Company d/b/a Liberty for a Financing Order*, File Nos. EO-2022-0040 and EO-2022-0193

The Empire District Electric Company d/b/a Liberty (the "Petitioner") submits this Certification Empire to Ordering Paragraph No. 7 of the Financing Order in *In the Matter of the Petition of The Empire District Electric Company d/b/a Liberty to Obtain a Financing Order that Authorizes the Issuance of Securitized Utility Tariff Bonds for (i) Qualified Extraordinary Costs and (ii) Energy Transition Costs Related to the Asbury Plant*, File Nos. EO-2022-0040 and EO-2022-0193, respectively (the "Financing Order"). All capitalized terms not defined in this letter have the meanings ascribed to them in the Financing Order.

In its issuance advice letter dated January 19, 2024, the Petitioner has set forth the following particulars of the Securitized Utility Tariff Bonds:

Name of Securitized Utility Tariff Bonds: Securitized Utility Tariff Bonds, Series 2024-A

SPE: Empire District Bondco, LLC

Closing Date: January 30, 2024

Amount Issued: \$305,490,000

Expected Amortization Schedule : See Attachment 2, Schedule A to the Issuance Advice Letter

Distributions to Investors (quarterly or semi-annually):

Weighted Average Coupon Rate: 5.034%

Weighted Average Yield⁸: 5.027%

⁸ The internal rate of return, calculated including all up-front and ongoing costs.

The following actions were taken in connection with the design, marketing, structuring and pricing of the Securitized Utility Tariff Bonds:

- Conducted an RFP process for the selection of the underwriters and considered the results and recommendations of a broad universe of respondents
- Reviewed underwriters including underwriters and co-managers and made the determination of the number necessary to achieve Savings Standard.
- Selected underwriters that have relevant experience and execution capability.
- Developed bond allocations, examined underwriter compensation and examined the design of the preliminary price guidance alongside the Finance Team to ensure it achieved the lowest Securitized Utility Tariff Charges consistent with market conditions at the time the Securitized Utility Tariff Bonds were priced and the terms of the Financing Order.
- Worked with underwriters (and their counsel) to finalize documentation in accordance with established standards for transactions of this sort and the terms of the Financing Order.
- Included credit enhancement in the form of the true-up mechanism and an equity contribution of 0.50% of the original principal amount.
- Registered the Securitized Utility Tariff Bonds with the Securities and Exchange Commission to facilitate greater liquidity.
- Achieved preliminary Aaa(sf)/AAA(sf) ratings from at least two of the three major rating agencies with final Aaa(sf)/AAA(sf) ratings a condition of closing.
- Sought advice from the underwriters on the:
 - Structure to achieve the Savings Standard.
 - Pool of investors to target, rating agencies to use and number of rating agencies, use of other leads and co-managers, marketing tools, length of process, pricing process, pricing strategy/movements/tightening, and call features to achieve the Savings Standard.
- Evaluated the potential inclusion of a call feature for the Securitized Utility Tariff Bonds and analyzed the expected price implications with the underwriters.
- Discussed and cooperated with the Finance Team during weekly meetings on subjects including: (i) the process for choosing underwriters; (ii) upfront and ongoing financing costs; (iii) selecting the appropriate number of tranches/tranche sizing and structure given market conditions; (iv) structure and structuring alternatives for the Securitized Utility Tariff Bonds; (v) marketing approach and strategy; (vi) pricing strategy, comparable issuance pricing and expected levels; and (vii) rating agency information.
- Had multiple conversations with all of the members of the underwriting team before and during the marketing phase in which we stressed the requirements of the Financing Order.
- Arranged for the issuance of rating agency pre-sale reports during the marketing period.

- Developed and implemented a marketing plan designed to give the underwriters incentive to aggressively market the Securitized Utility Tariff Bonds to their customers and to reach out to a broad base of potential investors, including investors who may not have previously purchased this type of security.
- Developed Intex model with the structuring advisor in order to provide a CDI file to prospective investors required for their investment and portfolio monitoring needs.
- Developed a roadshow presentation to highlight positive credit characteristics of the Securitized Utility Tariff Bonds.
- Provided the preliminary term sheet and preliminary prospectus to prospective investors.
- Allowed sufficient time for investors to review the preliminary term sheet and preliminary prospectus and to ask questions regarding the transaction.
- Instructed the underwriters to widely circulate details of the offering in an electronic roadshow to structured finance and corporate investors. Held live electronic roadshow with investors to present the marketing materials, with replay available for investors who were unable to join the live presentation.
- During the period that the Securitized Utility Tariff Bonds were marketed, held daily market update discussions with the underwriting team to develop recommendations for pricing.
- Reached out to a broad universe of investors and included a broader investor list at the request of the Finance Team.
- Offered one-on-one meetings with potential investors as part of the marketing process.
- Adapted the Securitized Utility Tariff Bond offering to market conditions and investor demand at the time of pricing. Variables impacting the final structure of the transaction were evaluated including the length of average lives and maturity of the Securitized Utility Tariff Bonds and interest rate requirements at the time of pricing so that the structure of the transaction would correspond to investor preferences and rating agency requirements for AAA ratings, while meeting the requirements of the Financing Order. After evaluation, incorporated the use of original issue discount to investors consistent with the expectation that it would provide greater benefit than its cost.

Based upon information reasonably available to the officers, agents, and employees of the Petitioner, the Petitioner hereby certifies that (i) the issuance of the Securitized Utility Tariff Bond complies with the Financing Order, (ii) the issuance of the Securitized Utility Tariff Bond complies with all other applicable legal requirements, (iii) that the issuance of the Securitized Utility Tariff Bonds and the imposition of the securitized utility tariff charges are expected to provide quantifiable net present value benefits to customers as compared to recovery of the components of securitized utility tariff costs that would have been incurred absent the issuance of securitized utility tariff bonds, and (iv) the structuring, marketing and pricing of the Securitized Utility Tariff Bonds, as described in the issuance advice letter, will result in the lowest Securitized Utility Tariff Charges consistent with market conditions at the time the Securitized Utility Tariff Bonds were priced and the terms of the Financing Order (including the amortization structure, if any, ordered by the Commission), all within the meaning of Sections RSMo 393.1700.2.(3)(c)b.-c. Petitioner further certifies that it reasonably expects the small amount of original issue discount associated with the bonds to provide benefits greater than its costs.

THE EMPIRE DISTRICT ELECTRIC COMPANY
D/B/A LIBERTY

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Attachment 5
Securitized Utility Tariff Charge
Rider SUTC

1	Securitized Utility Tariff Bond Payment (SUTBP _{AP})		\$29,993,350
2	Projected Transaction Costs (PTC _{AP})	+	\$2,612,173
3	Transaction Cost Reconciliation (TCR _{AP})	+	
4	True-Up Reconciliation (TUR _{AP})	+	
5	Forecasted Usage Reconciliation (FUR _{AP})	+	
6	Annual Payment Requirement (APR) [Line 6 = Sum of Lines 1-5]	=	\$32,605,523
7	Projected Usage (kWh) for Annual Period (PU _{AP})		3,307,583,200
8	[Line 8 = Line 6 divided by Line 7]	=	0.009858
9	True-Up Adjustment Rate (TUAN) Effective _____	+	
10	SUTCR _{at generation} [Line 10 = Line 8 + Σ of all TUAs in effect]	=	0.009858
	Loss Adjusted SUTCR Rates		
11	Secondary (SUTCR _{at generation} x VAF _{SEC} 1.0625) per kWh	=	0.010474
12	Primary (SUTCR _{at generation} x VAF _{PRIM} 1.0429) per kWh	=	0.010280
13	Transmission (SUTCR _{at generation} x VAF _{TRNS} 1.0210) per kWh	=	0.010065