OF THE STATE OF MISSOURI

| In the Matter of the First Prudence Review of |) |
|---|-------------------------|
| the Missouri Energy Efficiency Investment Act |) |
| (MEEIA) Cycle 1 Energy Efficiency Programs |) File No. EO-2024-0151 |
| of The Empire District Electric Company |) |
| d/b/a Liberty |) |

STAFF REPORT

COMES NOW the Staff of the Missouri Public Service Commission ("Staff"), by and through counsel, and for its report regarding the First MEEIA Prudence Review of Cycle 1 Energy Efficiency Programs ("Cycle 1") of The Empire District Electric Company d/b/a Liberty ("Liberty"), respectfully states:

- 1. On November 3, 2023, pursuant to Commission Rule 20 CSR 4240.093(11) and Liberty's Energy Efficiency Investment Charge tariff,¹ authorized under §§ 393.1075.3 and 393.1075.11, RSMo., Staff filed its *Notice of Start of First MEEIA Prudence Review of Cycle 1 Energy Efficiency Programs* ("Notice").
- 2. Staff's Notice and Rule 20 CSR 4240-20.093(11) established the following schedule by which certain events are to take place based on the November 3, 2023 start date of the Staff's prudence review:

| <u>Time from start of Staff prudence</u> <u>review to event</u> | <u>Event</u> |
|--|---|
| Within 150 days (04/01/24) | Submission of Staff Recommendation to Commission regarding Staff's examination and analysis |
| Within 160 days (04/11/24) | Request for hearing |
| Within 210 days (05/31/24) | Commission Order, if no hearing requested |

¹ The Empire District Electric Company d/b/a Liberty Tariff P.S.C. MO. No. 6, Sec. 4, 3rd Revised Sheet No. 21e.

- 3. The program costs and throughput disincentive ("TD"), including interest associated with both, along with the earnings opportunity ("EO"), are the costs subject to Staff's first prudence review of Liberty's Cycle 1 programs. Attached and incorporated herein as Appendix A is the *Staff Report*, which contains Staff's recommendation and analysis.
- 4. As discussed in greater detail in the *Staff Report*, Staff reviewed and analyzed a variety of items to ascertain whether Liberty prudently incurred program costs, TD, EO, and interest costs associated with the Cycle 1 programs for the Review Period, which is the period of January 1, 2022 through September 30, 2023. Based on its review and the information provided to Staff, Staff identified no incidence or evidence of imprudence at this time by Liberty for the Review Period.
- 5. The Staff's Energy Resources Department is primarily responsible for conducting the prudence review and may change its examination approach in future prudence reviews, based on the particular circumstances existing at the time of the review.

WHEREFORE, Staff respectfully requests the Commission accept its Staff Report regarding the prudency of Liberty's MEEIA Cycle 1 Energy Efficiency Programs, and issue such further orders as the Commission deems proper.

Respectfully submitted,

/s/ Travis J. Pringle

Travis J. Pringle
Deputy Counsel
Missouri Bar No. 71128
Attorney for the Staff of the
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102-0360
573-751-5700 (Telephone)
573-526-1500 (Facsimile)
(Email) Travis.pringle@psc.mo.gov

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 and/or parties of record this 1st day of April, 2024.

/s/ Travis J. Pringle