

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 24th day of April, 2024.

In the Matter of the First Prudence Review)
of the Missouri Energy Efficiency)
Investment Act (MEEIA) Cycle 1 Energy)
Efficiency Programs of The Empire District)
Electric Company d/b/a Liberty)

File No. EO-2024-0151

ORDER APPROVING STAFF'S PRUDENCE REVIEW

Issue Date: April 24, 2024

Effective Date: May 24, 2024

On November 3, 2023, the Staff of the Commission (Staff) filed notice that it started its first prudence review of The Empire District Electric Company d/b/a Liberty's costs associated with Demand-Side Programs Investment Mechanisms (DSIM) for Cycle 1 Energy Efficiency Programs. DSIMs are authorized pursuant to Section 393.1075, RSMo, which is the Missouri Energy Efficiency Investment Act (MEEIA).

Commission Rule 20 CSR 4240-20.093(11) requires that Staff conduct prudence reviews of an electric utility's costs recovered through its DSIM, no less frequently than every twenty-four months. On April 1, 2024, Staff filed its Report of the prudence review, (Report). The Report addresses the period of January 1, 2022 through September 30, 2023 (Review Period).

This is Staff's first prudence review of Liberty's Demand-Side Programs Investment Mechanism (DSIM) costs. Staff examined whether Liberty prudently incurred program costs, throughput disincentive, earnings opportunity, and interest costs associated with the MEEIA 2022 Plan for the Review Period.

Commission Rule 20 CSR 4240-20.093(11)(B) requires Staff to file its recommendation regarding the prudence review no later than 150 days after it initiates the review. Pursuant to the same rule, other parties to the case have 160 days to request a hearing.

In a prudence review, Staff considers whether a reasonable person in the same circumstances as those the utility experienced at the time of its decisions would find that the information relied on, and the processes employed for those decisions were reasonable, without the benefit of hindsight. If Staff finds the utility's reliance on either that information or those processes imprudent, Staff then considers whether that imprudence caused harm to ratepayers. During its review, Staff found no evidence of imprudence by Liberty. No responses to Staff's report were received.

The Commission finds Staff's Report regarding its prudence review of Liberty's costs recovered through its DSIM, incurred during the Review Period, to be reasonable. No party has requested a hearing or opposed or objected to Staff's recommendation. Therefore, the Commission will approve Staff's report.

THE COMMISSION ORDERS THAT:

1. Staff's Report regarding the prudence of costs recovered through its DSIM for the Review Period of period of January 1, 2022 through September 30, 2023 is approved.
2. This order shall become effective on May 24, 2024.
3. This file shall be closed on May 25, 2024.



BY THE COMMISSION

Nancy Dippell

Nancy Dippell
Secretary

Hahn, Ch., Rupp, Coleman, Holsman
and Kolkmeier CC., concur.

Pridgin, Deputy Chief Regulatory Law Judge

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 24th day of April 2024.



Nancy Dippell

Nancy Dippell
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

April 24, 2024

File/Case No. EO-2024-0151

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Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,



**Nancy Dippell
Secretary**

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.