BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Request of The Empire)
District Electric Company d/b/a Liberty for)
Authority to File Tariffs Increasing Rates for)
Electric Service Provided to Customers in its)
Missouri Service Area

Case No. ER-2021-0312 Tracking No. JE-2024-0153

STAFF RECOMMENDATION TO APPROVE TARIFF SHEET

COMES NOW Staff of the Missouri Public Service Commission and hereby respectfully submits this *Staff Recommendation to Approve Tariff Sheet* as follows:

- 1. On April 30, 2024, The Empire District Electric Company d/b/a Liberty (the "Company") filed a tariff sheet for the Company's Renewable Energy Purchase Program ("the Program"), tariff sheet PSC MO No. 6, Section 4, 2nd Revised Sheet No. 7a. The submitted tariff sheet bore a proposed effective date of June 1, 2024, and was assigned Tariff Tracking No. JE-2024-0153. On May 7, 2024, the Company made a substitute tariff filing to reflect a correction.
- 2. On May 1, 2024, the Commission directed Staff to file, no later than May 9, 2024, a recommendation regarding the proposed tariff sheet.
- 3. As reflected in Staff's Memorandum attached hereto and incorporated herein by reference, Staff has reviewed the filing and recommends that the Commission issue an order approving the tariff sheet as substituted on May 7, 2024, with an effective date of June 1, 2024.
- 4. In addition, Staff recommends the Commission order the Company to provide its workpapers along with its quarterly reviews moving forward.

WHEREFORE, Staff recommends that the Commission issue an order (1) approving the following tariff sheet originally filed by the Company on April 30, 2024, as substituted on May 7, 2024, with an effective date of June 1, 2024, and (2) ordering the Company to provide its workpapers along with its quarterly reviews moving forward:

P.S.C. MO. No. 6, Section 4

2nd Revised Sheet No. 7a Canceling 1st Revised Sheet No. 7a

Respectfully submitted,

/s/ Jeffrey A. Keevil

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Attorney for the Staff of the Missouri Public Service Commission

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to counsel of record as reflected on the certified service list maintained by the Commission in its Electronic Filing Information System on this 9th day of May 2024.

/s/ Jeffrey A. Keevil

<u>MEMORANDUM</u>

TO: Missouri Public Service Commission Official Case File

Case No. ER-2021-0312, Tracking No. JE-2024-0153

In the Matter of the Request of The Empire District Electric Company d/b/a Liberty for Authority to File Tariffs Increasing Rates for Electric

Service Provided to Customers in its Missouri Service Area

FROM: Amanda Coffer, Senior Utility Regulatory Auditor, Engineering Analysis Dept.

/s/ Amanda Coffer / 05-09-2024 Industry Analysis Division / Date

SUBJECT: Renewable Energy Purchase Plan

DATE: May 9, 2024

EXECUTIVE SUMMARY

On April 30, 2024, The Empire District Electric Company, d/b/a Liberty (the "Company"), submitted revised tariff sheets for the Company's Renewable Energy Purchase Program ("the Program"), tariff sheet PSC MO No. 6, Section 4, 2nd Revised Sheet No. 7a with a proposed effective date of June 1, 2024.

On May 1, 2024, the Commission issued its Order Directing a Staff Tariff Recommendation and Setting Time for Responses, ordering Staff to file its recommendation on the tariff sheet¹, no later than May 9, 2024.

On May 7, 2024, the Company filed a substitute tariff sheet, correcting an error in the revised tariff sheet.

BACKGROUND

The Company proposed its Renewable Energy Purchase Plan as part of its 2021 rate case². The purpose of the Program is to offer non-residential customers the opportunity to offset their carbon emissions by up to 100% of their electricity consumption through the purchase of renewable energy credits ("RECs"). The Program was approved and placed into effect June 1, 2022. The tariff that was placed into effect contains language requiring the Company to periodically review the REC rate:

On a quarterly basis, the Company shall perform a review of the previous three months' average weighted price ("Quarterly Review") for the Company's REC sales to the schedule's REC Rate.

¹ JE-2024-0153.

² ER-2021-0312.

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> If the REC Rate is outside a five percent threshold as compared to the Quarterly Review, the REC Rate will be recalculated as the weighted average price for the most recent 12-month ending period. This updated REC Rate shall become effective with the first billing cycle of the following month.

STAFF REVIEW

The substitute tariff sheet updates the REC rate, previously set at \$2.57 per 1,000 kWh, to reflect the Renewable Energy Credits ("RECs") rate of \$2.21 per 1,000 kWh for the 2023 calendar year. Staff has reviewed the workpapers provided by the Company and agrees that \$2.21 is the weighted average for the 2023 calendar year.

Per the Company's tariff, the REC rate is up for review on a quarterly basis. At the time of its last REC price update, it was unclear to Staff whether the Company had kept up with its quarterly reviews since the tariff became effective June 1, 2022. In its March 7, 2024 recommendation Staff recommended the Commission order the Company to provide its quarterly reviews to Staff moving forward. Additionally, Staff recommends the Company provide its workpapers with its quarterly reviews as it would expedite Staff's review process.

STAFF RECOMMENDATION

Staff recommends the Commission approve the following substitute tariff sheet, as filed on May 7, 2024, to go into effect for service on and after June 1, 2024 the requested effective date.

P.S.C. MO. No. 6, Section 4

2nd Revised Sheet No. 7a Canceling 1st Revised Sheet No. 7a

Additionally, Staff recommends the Company provide its workpapers along with its quarterly reviews.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of the Request of The Empire District Electric Company d/b/a Liberty for Authority to File Tariffs Increasing Rates for Electric Service Provided to Customers in its Missouri Service Area)
AFFIDAVIT OF A	MANDA COFFER
STATE OF MISSOURI) COUNTY OF COLE)	
	on her oath declares that she is of sound mind and g Staff Recommendation, in Memorandum form; o her best knowledge and belief. Mande General Manda COFFER
	RAT Istituted and authorized Notary Public, in and for fice in Jefferson City, on this 944 day
DIANNA L. VAUGHT Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: July 18, 2027 Commission Number: 15207377	Dianna L. Vaurt- Notary Public