BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of The Empire District Electric Company's) Request for Authority to Increase Rates for Electric) Case No. ER-2019-0374 Service Provided to Customers in Missouri)

JOINT POSITION STATEMENT OF SIERRA CLUB AND NRDC

Come now Natural Resources Defense Council (NRDC) and Sierra Club, and state their position on one contested issue only.

13. Asbury

- a. Is it lawful to require Empire's customers to pay for Asbury costs through new rates?
- b. Is it reasonable to require Empire's customers to pay for Asbury costs through new rates?
- c. If it is unlawful and/or unreasonable to include the costs of the retired Asbury plant in rates, what amount should be removed from Empire's cost of service?

NRDC and Sierra Club support the position taken in the Global Stipulation and Agreement, pages 9-10, to defer the questions of prudence, cost-recovery and offsets till the next rate case, tracking changes through an Accounting Authority Order for future decision.

The Commission has already decided, twice, that this is the path to be followed. Order Denying Motion to Modify Test Year, Jan. 28, 2020; Order Denying Motion for *Reconsideration*, Feb. 19, 2020. The Stipulation, ¶ 26, also leaves open the issue of Asbury's retirement date, or the date when it ceased to be used and useful.

The idea of recording isolated adjustments after the true-up date in this case does not overcome the objection that it is premature to decide the ratemaking treatment of Asbury retirement when there are ongoing expenses at the site and the possibility of offsets favorable to ratepayers through sale, reuse or repurposing of assets associated with the plant. (Rebuttal Testimony of Aaron Doll for Liberty-Empire, pp. 2, 5-6.)

The Commission should approve the Global Stipulation on this point.

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct PDF version of the foregoing was filed on EFIS and sent by email on this 17th day of April, 2020, to all counsel of record.

<u>/s/ Henry B. Robertson</u> Henry B. Robertson