

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the True-Up of The Empire)	<u>File No. EO-2020-0312</u>
District Electric Company's Fuel)	Tariff No. JE-2020-0171
Adjustment Clause (FAC))	

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission, by and through counsel, and for its recommendation states:

1. On April 1, 2020 The Empire Electric District Company ("Empire") filed its twenty first fuel adjustment clause true-up filing under the provisions of 20 CSR 4240-20.090(9).
2. On April 3, 2020 the Commission ordered Staff to file a recommendation by May 1, 2020.
3. On April 6, 2020, Empire made a substitute tariff filing to correct an error in its April 1 filing.
4. Based on its examination and analysis of information Empire filed and submitted in this case, Staff recommends the Commission approve Empire's Recovery Period 21 ("RP21") true-up filing for the billing months June 2019 through November 2019 during which Empire under-recovered \$1,074,609 from its customers. Staff's analysis is contained in the attached Staff Memorandum, marked as Appendix A.
5. The under-collected amount of \$1,074,609, which is the true-up amount for Recovery Period 21 ("RP 21"), is included in the calculation of the Fuel and Purchased Power ("FPA") amount included in Empire's Accumulation Period 23 ("AP23") adjustment filing, also filed on April 1, 2020, as substituted April 6, 2020, in File No. ER-2020-0311.

6. Staff verified that Empire filed its 2018 annual report¹ and is not delinquent on any assessment. It is current on submission of its monthly reports, required by 20 CSR 4240-20.090(5), and its surveillance monitoring reports, required by 20 CSR 4240-20.090(6).

WHEREFORE, Staff recommends the Commission approve Empire's RP 21 true-up filing, during which Empire under-collected \$1,074,609 from its customers, for inclusion in the calculation of the FPA amount included in its AP23 rate adjustment filing in File No. ER-2020-0311.

Respectfully submitted,

/s/ Jamie S. Myers

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CERTIFICATE OF SERVICE

I certify that a copy of the foregoing was served via e-mail on counsel for the parties of record to this case on this 1st day of May, 2020.

/s/ Jamie S. Myers

¹ On January 30, 2020, Empire filed a request for an extension of time to file their 2019 Annual Report. The request was approved and the 2019 Annual Report is due by May 15, 2020.

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
File No. EO-2020-0312
The Empire District Electric Company

FROM: Lisa Wildhaber, Utility Regulatory Auditor III
Brooke Mastrogiannis, Utility Regulatory Auditor IV
Cynthia M. Tandy, Utility Regulatory Auditor II

DATE: /s/ Brad J. Fortson 05/01/2020 /s/ Jamie S. Myers 05/01/2020
Energy Resources Department / Date Staff Counsel Department / Date

SUBJECT: Staff's Analysis of and Recommendation Concerning The Empire District Electric Company's Twenty-First Fuel Adjustment Clause True-up Filing Under the Provisions in 20 CSR 4240-20.090(9).

DATE: May 01, 2020

On April 1, 2020, The Empire District Electric Company ("Empire" or "Company") filed with the Missouri Public Service Commission ("Commission"), in the form of direct testimony and supporting schedules of Empire witness Charlotte T. Emery, its twenty-first true-up filing under the provisions of 20 CSR 4240-20.090(9).

Accumulation Period 21 ("AP21") includes the time period September 1, 2018 through February 28, 2019 and is followed by Recovery Period 21 ("RP21"), which includes the billing months of June 2019 through November 2019. The true-up amount of \$1,074,609 identified in this filing is the result of an under-recovery of the Fuel and Purchased Power Adjustment ("FPA") amount for AP21 during RP21.

The true-up amount of \$1,074,609 for RP21 is included in the calculation of the Fuel and Purchased Power ("FPA") amount included in the Company's Accumulation Period 23 ("AP23") adjustment filing, also filed on April 1, 2020, as substituted April 6, 2020, in File No. ER-2020-0311, which Empire filed in compliance with its FAC.¹

¹ The Empire District Electric Company's P.S.C. Mo. No. 5, Section 4, Original Sheet No. 17ab tariff sheet:

TRUE-UP OF FPA: In conjunction with an adjustment to its FAR, the Company will make a true-up filing with an adjustment to its FAC on the first Filing Date that occurs after completion of each Recovery Period. The true-up adjustment shall be the difference between the FPA revenues billed and the FPA revenues authorized for collection during the true-up recovery period, i.e. the true-up adjustment. Any true-up adjustments or refunds shall be reflected in item T above and shall include interest calculated as provided for in item I above.

The Commission Staff (“Staff”) examined the direct testimony of Empire witness Charlotte T. Emery, the supporting schedules and work papers Empire provided with its true-up filing in this case, and the monthly information Empire has submitted to the Commission. Staff also reviewed and agrees with Empire’s monthly interest calculations for RP21.

Based on its examination and analysis of information Empire filed and submitted in this case, Staff recommends the Commission approve Empire’s RP21 true-up filing for the billing months June 2019 through November 2019 during which Empire under-recovered \$1,074,609 from its customers for inclusion in the calculation of the FPA amount in the Company’s AP23 adjustment filing in File No. ER-2020-0311.

Staff has verified that Empire has filed its 2018² annual report and is not delinquent on any assessment. Empire is current on its submission of its Surveillance Monitoring reports as required in 20 CSR 4240-20.090(6) and its monthly reports as required by 20 CSR 4240-20.090(5). Staff is not aware of any other matter before the Commission that affects or is affected by this filing, except as noted herein.

² On January 30, 2020, the Company filed a request for an extension of time to file their 2019 Annual Report. The request was approved and the 2019 Annual Report is due by May 15, 2020.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of the True-Up of The Empire)
District Electric Company's Fuel Adjustment)
Clause (FAC)) **File No. EO-2020-0312**

**AFFIDAVIT OF BROOKE MASTROGIANNIS,
CYNTHIA M. TANDY, AND LISA WILDHABER**

STATE OF MISSOURI)
)
COUNTY OF COLE) ss.

COME NOW Brooke Mastrogiannis, Cynthia M. Tandy, and Lisa Wildhaber and on their oath declare that they are of sound mind and lawful age; that they contributed to the foregoing *Memorandum*; and that the same is true and correct according to their best knowledge and belief, under penalty of perjury.

Further your Affiants sayeth not.

/s/ Brooke Mastrogiannis
Brooke Mastrogiannis

/s/ Cynthia M. Tandy
Cynthia M. Tandy

/s/ Lisa Wildhaber
Lisa Wildhaber