

The Empire District Electric Company
Test Year Ending September 30, 2023
ER-2024-0261
Schedule 4 - Explanation of Rate Base Adjustments

Line No.	Description (a)	Reference		Effect on Rate Base (d)
		Sch/WP (b)	Witness (c)	
PLANT IN SERVICE				
1	To include plant additions and the related accumulated depreciation/amortization for assets that will be used and useful by September 30, 2024.			
	- Plant in Service	RB ADJ 1	Emery	240,273,809
	- Accumulated Depreciation/Amortization	RB ADJ 1	Emery	(5,405,600)
2	To remove the non-electric portion of certain general plant assets that are shared between multiple entities, as 100 percent of shared general plant facilities are reflected on The Empire District Electric Company's general ledger at the test year end.			
	- Plant in Service	RB ADJ 2	Emery	(7,007,466)
	- Accumulated Depreciation	RB ADJ 2	Emery	3,596,960
3	To adjust the test year level of accumulated depreciation to the expected pro forma balances at the update period	RB ADJ 3	Emery	(107,371,596)
4	To adjust the test year level of accumulated amortization to the expected pro forma balances at the update period	RB ADJ 4	Emery	(7,860,276)
5	To determine the amount of capital expenditures related to Iatan & PCB Transformer/Sub Transformer environmental activities that have been settled or are expected to be settled and paid by the end of the update period.	RB ADJ 11	Emery	7,403,604
WORKING CAPITAL				
6	To include a cash working capital amount in the cost of service.	RB ADJ 5	Emery	(9,650,939)
7	To adjust prepayments included in rate base to the 13 month average balance.	RB ADJ 6	Emery	(931,538)
8	To adjust materials and supplies included in rate base to the 13 month average balance.	RB ADJ 6	Emery	(3,294,458)
9	To determine a normalized level of fuel inventories.	RB ADJ 7	Emery	(1,573,635)
ADDITIONS AND DEDUCTIONS				
10	To adjust customer deposits and advances included in rate base to the 13 month average balance.	RB ADJ 6	Emery	1,338,486
13	To project out ADIT balances at the end of the update period.	RB ADJ 8	Emery	(50,609,687)
11	To present the expected balances of the regulatory assets at the update period.	RB ADJ 9	Emery/Fallert	(293,684,948)
12	To present the expected balances of the regulatory liabilities at the update period.	RB ADJ 10	Emery/Fallert	39,368,821
13	Total Adjustments to Rate Base:			\$ (195,408,461)

Source: See column (b).

Purpose: To provide a description for the rate base adjustments.