

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

In the Matter of the Petition of The Empire)	
District Electric Company d/b/a Liberty to)	<u>File No. EO-2022-0040</u>
Obtain a Financing Order that Authorizes)	Tracking No. JE-2025-0129
the Issuance of Securitized Utility Tariff)	
Bonds for Qualified Extraordinary Costs)	

STAFF RECOMMENDATION

COMES NOW Staff of the Missouri Public Service Commission (“Staff”) and for its Staff Recommendation about Liberty’s tariff sheet assigned Tracking No. JE-2025-0129 respectfully states as follows:

1. On February 28, 2025, The Empire District Electric Company d/b/a Liberty (“Liberty” or “Company”), submitted a revised tariff sheet which is an additional true-up outside of the required annual true-up of its Securitized Utility Tariff Charge Rider (“SUTC”), namely, tariff sheet PSC Mo. No. 6, Section 4, 2nd Revised Sheet No. 26e¹, with an effective date of April 1, 2025. On March 3, 2025, Liberty extended the tariff sheet’s effective date to April 14, 2025, and on March 5, 2025, Liberty extended the tariff sheet’s effective date to May 1, 2025.

2. On March 3, 2025, the Commission issued an *Order Directing an Expedited Staff Tariff Recommendation and Shortening the Time for Objections or Comments* concerning Liberty’s proposed tariff revision, ordering Staff to file its recommendation about the tariff sheet no later than March 11, 2025.

3. As discussed in more detail and reflected in the Staff Recommendation Memorandum which is attached hereto and incorporated herein by reference, Staff has reviewed the Company’s filing and recommends the Commission approve the

¹ JE-2025-0129

following tariff sheet (subject to paragraph 4 below), filed on February 28, 2025, with the effective date subsequently extended to May 1, 2025, to go into effect on and after May 1, 2025, the requested effective date:

PSC Mo. No. 6, Section 4

2nd Revised Sheet No. 26e Cancelling 1st Revised Sheet No. 26e

4. Staff would also note that, in addition to the effective date at the bottom of the tariff sheet which will need to be changed to May 1, 2025, to reflect Liberty's extension of the effective date, the effective date set forth on line number 9 of the tariff sheet will also need to be changed to May 1, 2025.

WHEREFORE Staff submits its Staff Recommendation as set forth hereinabove and in the Staff Recommendation Memorandum which is attached hereto and prays the Commission issue an order accordingly.

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 this 11th day of March 2025.

/s/ Jeffrey A. Keevil

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
Case No. EO-2022-0040, Tracking No. JE-2025-0129
In the Matter of the Petition of The Empire District Electric Company
d/b/a Liberty to Obtain a Financing Order that Authorizes the Issuance
of Securitized Utility Tariff Bonds for Qualified Extraordinary Costs

FROM: Kimberly K. Bolin, Director,
Financial and Business Analysis Division

Alexis Haug, Financial Analyst, Financial Analysis Department
Financial and Business Analysis Division

/s/ Kimberly K. Bolin / 03-11-2025
Financial and Business Analysis Division / Date

SUBJECT: Interim True-Up

DATE: March 11, 2025

INTRODUCTION

On February 28, 2025, The Empire District Electric Company d/b/a Liberty (“Company”) submitted a revised tariff sheet for the Company’s interim true-up of its Securitized Utility Tariff Charge Rider (“SUTC”), tariff sheet PSC MO No. 6, Section 4, 2nd Revised Sheet No. 26e, with an effective date of April 1, 2025.

On March 3, 2025, the Company extended the tariff’s effective date to April 14, 2025.

On March 3, 2025, the Commission issued its Order Directing an Expedited Staff Tariff Recommendation and Shortening the Time for Objections or Comments about Liberty’s Tariff Revision, ordering Staff to file its recommendation on the tariff sheet¹ no later than March 11, 2025.

On March 4, 2025, the Commission issued its Order Directing Liberty to File a Tariff Extension, ordering the Company to file a letter extending the effective date of its proposed tariff revision.

On March 5, 2025, the Company filed a tariff extension letter extending the tariff’s effective date to May 1, 2025.

BACKGROUND

On January 19, 2022, the Company filed a verified petition for a financing order seeking authority to issue securitized utility tariff bonds regarding the extraordinary costs incurred by the Company during Winter Storm Uri. That petition was assigned Missouri Public Service Commission (“the Commission”) File No. EO-2022-0040. Similarly, on March 21, 2022, the Company filed a verified petition for financing order seeking authority to issue securitized utility tariff bonds to

¹ JE-2025-0129.

recover energy transition costs associated with retirement of the Asbury coal-fired generating plant. That petition was assigned Commission File No. EO-2022-0193. The Commission issued an Order on April 27, 2022, consolidating the two cases for purposes of the hearing and procedural schedule.

On September 22, 2022, the Commission issued its *Amended Report and Order*, approving the Company's petitions to issue securitized utility tariff bonds. The Commission ordered Liberty to file annual true-ups. The *Amended Report and Order* also provided that:

In addition to annual true-up adjustments, true-up adjustments may be made by the servicer more frequently at any time during the term of the securitized utility tariff bonds to correct any undercollection or, as provided for in this Financing Order, in order to assure timely payment of securitized utility tariff bonds. Further, the servicer must make a mandatory interim true-up adjustment semi-annually (or quarterly beginning 12 months prior to the final scheduled payment date of the last tranche of the securitized utility tariff bonds): (a) if the servicer forecasts that securitized utility tariff charge collections will be insufficient to make all scheduled payments of principal, interest, and other amounts in respect of the securitized utility tariff bonds on a timely basis during the current or next succeeding payment period; or (b) to replenish any draws upon the capital subaccount.

STAFF REVIEW

Section 393.1700.2(3)(e), RSMo. states in part:

If the commission issues a financing order, the electrical corporation shall file with the commission at least annually a petition or a letter applying the formula-based true-up mechanism and, based on estimates of consumption for each rate class and other mathematical factors, requesting administrative approval to make the applicable adjustments. The review of the filing shall be limited to determining whether there are any mathematical or clerical errors in the application of the formula-based true-up mechanism relating to the appropriate amount of any overcollection or undercollection of securitized utility tariff charges and the amount of an adjustment. . . .

Staff has reviewed the workpapers for mathematical or clerical errors in the calculation of the securitized utility tariff charge.

STAFF RECOMMENDATION

Staff recommends the Commission approve the following tariff sheet, filed on February 28, 2025, to go into effect on and after May 1, 2025, the requested effective date:

PSC MO No. 6, Section 4

2nd Revised Sheet No. 26e Canceling 1st Revised Sheet No. 26e

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OF THE STATE OF MISSOURI

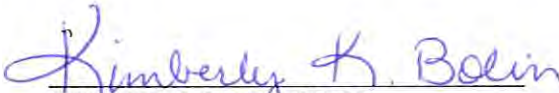
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for Qualified Extraordinary Costs)

AFFIDAVIT OF KIMBERLY K. BOLIN

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

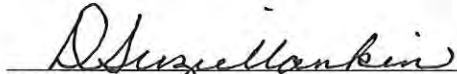
COMES NOW KIMBERLY K. BOLIN and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Staff Recommendation, in Memorandum form*; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.


KIMBERLY K. BOLIN

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 10th day of March 2025.


Notary Public



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Obtain a Financing Order that Authorizes the) Case No. EO-2022-0040
Issuance of Securitized Utility Tariff Bonds)
for Qualified Extraordinary Costs)

AFFIDAVIT OF ALEXIS HAUG

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW ALEXIS HAUG and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Staff Recommendation, in Memorandum form*; and that the same is true and correct according to her best knowledge and belief.

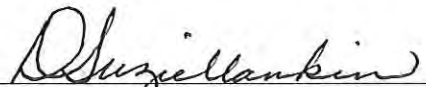
Further the Affiant sayeth not.



ALEXIS HAUG

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 10th day of March 2025.



Notary Public

