



The Empire District Electric Company

A Liberty Utilities Company

Case No. ER-2019-0374

OPC Data Request – 1040

Data Request Received: 04/03/20

Request No. 1040

Date of Response: 04/13/2020

Respondent: Mark Timpe

Submitted by: Robert Schallenberg

REQUEST:

How many credit rating agencies were charging Empire before Algonquin acquired Empire? Why was it necessary for Empire to incur these costs?

RESPONSE:

This response is provided subject to and without waiving the previously served objections.

Immediately prior to the acquisition, there were two rating agencies providing corporate ratings for Empire: Moody's and S&P. Empire's commercial paper program required two debt ratings and ratings were also necessary to support Empire's capital markets activity. The credit ratings were and remain a key indication of financial strength and support the Company's efforts to obtain/negotiate favorable payment terms with vendors.