

**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-2017-0255**

STAFF RECOMMENDATION

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

1. On March 31, 2017, The Empire District Electric Company ("Empire" or "Company") filed its fifteenth (15th) fuel adjustment clause true-up filing under the provisions of 4 CSR 240-3.161(8) and 4 CSR 240-20.090(5).

2. In the attached Staff Memorandum, based on its examination and analysis of information filed and submitted by Empire, Staff recommends the Commission approve Empire's true-up filing for Recovery Period 15 ("RP15") (billing months of June 2016 through November 2016), during which Empire under-recovered \$5,816 from its customers.

3. The under-recovered amount of \$5,816 is the true-up amount for RP15, which along with interest for RP15 are both included in the calculation of the Fuel and Purchased Power Adjustment ("FPA") amount included in Empire's Accumulation Period 17 ("AP17") adjustment filing, also filed on March 31, 2016, in File No. ER-2017-0254.

4. Staff has verified that Empire has filed its 2015 annual report and is not delinquent on any assessment. Empire received an extension of time to file its 2016 annual report to May 15, 2017. Empire is current on its submission of its Surveillance Monitoring reports as required in 4 CSR 240-20.090(10) and its monthly reports as

required by 4 CSR 240-3.161(5). Other than as noted in the attached Staff Memorandum, Staff is not aware of any other matter before the Commission that affects or is affected by Empire's true-up filing.

WHEREFORE, Staff recommends the Commission approve Empire's RP15 true-up filing for the billing months of June 2016 through November 2016, during which period Empire under-recovered \$5,816 from its customers, for inclusion in the calculation of the FPA amount included in the Company's AP17 adjustment filing in File No. ER-2017-0254.

Respectfully submitted,

/s/ Robert S. Berlin

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to all counsel of record this 1st day of May, 2017.

/s/ Robert S. Berlin

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
File No. EO-2017-0255
The Empire District Electric Company

FROM: David C. Roos, Regulatory Economist III
Ron Irving, Utility Regulatory Auditor I

DATE: /s/ John A. Rogers 5/1/2017 /s/ Bob Berlin 5/1/2017
Energy Resources Department / Date Staff Counsel Department / Date

SUBJECT: Staff's Analysis of and Recommendation Concerning The Empire District Electric Company's Fourteenth Fuel Adjustment Clause True-up Filing Under the Provisions in 4 CSR 240-3.161(8) and 4 CSR 240-20.090(5).

DATE: May 1, 2017

On March 31, 2017, The Empire District Electric Company ("Empire" or "Company") filed with the Missouri Public Service Commission ("Commission") in the form of direct testimony and supporting schedule by Bethany Q. King, its fifteenth true-up filing under the provisions in 4 CSR 240-3.161(8) and 4 CSR 240-20.090(5).

Accumulation Period 15 ("AP15") includes the time period September 1, 2015 through February 28, 2016 and is followed by Recovery Period 15 ("RP15") which includes the billing months of June 2016 through November 2016. The true-up amount of \$5,816 identified in this filing is the result of an under collection of the Fuel and Purchased Power Adjustment ("FPA") amount for AP15 during RP15.

The true-up amount of \$5,816 for RP15 is included in the calculation of the Fuel and Purchased Power ("FPA") amount included in the Company's Accumulation Period 17 ("AP17") adjustment filing, also filed on March 31, 2017, in File No. ER-2017-0254, which Empire filed in compliance with its FAC.¹

The Commission's Staff ("Staff") examined the direct testimony of Bethany Q. King, the supporting schedules and work papers Empire provided with its application 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 RP15.

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.

Based on its examination and analysis of information Empire filed and submitted in this case, Staff recommends the Commission approve Empire's RP15 true-up filing for the billing months June 2016 through November 2016 during which Empire under-collected \$5,816 from its customers for inclusion in the calculation of the FPA amount included in the Company's AP17 adjustment filing in File No. ER-2017-0255.

Staff has verified that Empire has filed its 2015 annual report and is not delinquent on any assessment. Empire received an extension of time to file their 2016 Missouri Public Service Commission's Annual Report. The 2016 Annual Report is now due May 15, 2017. Empire is current on its submission of its Surveillance Monitoring reports as required in 4 CSR 240-20.090(10) and its monthly reports as required by 4 CSR 240-3.161(5). Staff is not aware of any other matter before the Commission that affects or is affected by this filing, except as noted herein.

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OF THE STATE OF MISSOURI**

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Electric Company's Fuel Adjustment Clause (FAC))


Case No. ER-2017-0255

AFFIDAVIT

State of Missouri)
) ss.
County of Cole)

COMES NOW Ron Irving and on his oath declares that he is of sound mind and lawful age; that he contributed to the attached Staff Memorandum; and that the same is true and correct according to his best knowledge and belief.


Further the Affiant sayeth not.



Ron Irving

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 1st day of May, 2017.



NOTARY PUBLIC

