

**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-2015-0086**

**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 October 1, 2014, The Empire District Electric Company (“Empire” or “Company”) filed its tenth fuel adjustment clause true-up filing under the provisions of 4 CSR 240-3.161(8) and 4 CSR 240-20.090(5).<sup>1</sup>

2. In the attached Staff Memorandum (*Appendix A*), 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 10 (“RP10”) (billing months of December 2013 through May 2014), during which Empire under-collected \$220,997 from its customers.

3. The under-collection amount of \$220,997 for RP10 includes monthly interest and is included in the calculation of the Fuel and Purchased Power Adjustment (“FPA”) amount included in Empire’s Accumulation Period 12 (“AP12”) adjustment filing, also filed on October 1, 2014, in File No. ER-2015-0085.

4. Staff has verified that Empire has filed its 2013 annual report and is not delinquent on any assessment; 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

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<sup>1</sup> The Company’s cover letter accompanying its filing referenced 4 CSR 240-20.090(4).

required by 4 CSR 240-3.161(5). Other than as noted in Appendix A, 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 RP10 true-up filing for the billing months of December 2013 through May 2014, during which period Empire under-collected \$220,997 from its customers, for inclusion in the calculation of the FPA amount included in the Company's AP12 adjustment filing in File No. ER-2015-0085.

Respectfully submitted,

**/s/ Jeffrey A. Keevil**

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Missouri Public Service Commission  
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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 27<sup>th</sup> day of October 2014.

**/s/ Jeffrey A. Keevil**

## MEMORANDUM

TO: Missouri Public Service Commission Official Case File  
File No. EO-2015-0086  
The Empire District Electric Company

FROM: Matthew Barnes, Utility Regulatory Auditor IV  
David Roos, Regulatory Economist III  
Curtis Gateley, Utility Policy Analyst II

DATE: /s/ John Rogers 10/27/2014                      /s/ Jeffrey A. Keevil 10/27/2014  
Energy Resource Analysis Unit / Date              Staff Counsel's Office / Date

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

DATE: October 27, 2014

On October 1, 2014, 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 by Todd W. Tarter, its tenth true-up filing under the provisions in 4 CSR 240-3.161(8) and 4 CSR 240-20.090(5).

The true-up amount of \$220,997 identified in this filing is the result of an under-recovery of the Fuel and Purchased Power Adjustment ("FPA") amount for Accumulation Period 10 ("AP10") during Recovery Period 10 ("RP10") that includes the billing months of December 2013 through May 2014. RP10 is the recovery period for and following AP10 that includes the period of March 1, 2013 through August 31, 2013.

The under-recovered amount of \$220,997 is the true-up amount for RP10 and is included in the calculation of the FPA amount included in the Company's Accumulation Period 12 ("AP12") adjustment filing, also filed on October 1, 2014, in File No. ER-2015-0085, in compliance with Empire's FAC.<sup>1</sup>

The Commission's Staff ("Staff") examined the direct testimony of Todd W. Tarter, the supporting schedules Empire provided with its application in this case, and the monthly

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<sup>1</sup> The Empire District Electric Company's P.S.C. Mo. No. 5, Section 4, 6<sup>th</sup> Revised Sheet No. 17c 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."

information Empire has submitted to the Commission. Staff also reviewed Empire's monthly interest calculations for RP10; Staff agrees with them.

Based on its examination and analysis of information Empire filed and submitted in this case, Staff recommends the Commission approve Empire's RP10 true-up filing for the billing months December 2013 through May 2014 during which Empire under-recovered \$220,997 from its customers for inclusion in the calculation of the FPA amount included in the Company's AP12 adjustment filing in File No. ER-2015-0085.

Staff has verified that Empire has filed its 2013 annual report and is not delinquent on any assessment. 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.

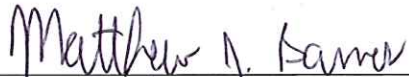
**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of the True-Up of the Empire	)	Case No. EO-2015-0086
District Electric Company's Fuel	)	File No. JE-2015-0137
Adjustment Clause (FAC)	)	

**AFFIDAVIT OF MATTHEW J. BARNES**

STATE OF MISSOURI    )  
                                  ) ss  
COUNTY OF COLE     )

Matthew J. Barnes, of lawful age, on oath states: that he participated in the preparation of the foregoing Staff Recommendation in memorandum form, to be presented in the above case; that the information in the Staff Recommendation was provided to him; that he has knowledge of the matters set forth in such Staff Recommendation; and that such matters are true to the best of his knowledge and belief.

  
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Matthew J. Barnes

Subscribed and sworn to before me this 27<sup>th</sup> day of October, 2014.

LAURA BLOCH Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: June 21, 2015 Commission Number: 11203914
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Notary Public

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In the Matter of the True-Up of the Empire	)	Case No. EO-2015-0086
District Electric Company's Fuel	)	File No. JE-2015-0137
Adjustment Clause (FAC)	)	

**AFFIDAVIT OF CURT B. GATELEY**

STATE OF MISSOURI    )  
                                  ) ss  
COUNTY OF COLE     )

Curt B. Gateley, of lawful age, on oath states: that he participated in the preparation of the foregoing Staff Recommendation in memorandum form, to be presented in the above case; that the information in the Staff Recommendation was provided to him; that he has knowledge of the matters set forth in such Staff Recommendation; and that such matters are true to the best of his knowledge and belief.

  
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Curt B. Gateley

Subscribed and sworn to before me this 27<sup>th</sup> day of October, 2014.

LAURA BLOCH Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: June 21, 2015 Commission Number: 11203914
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In the Matter of the True-Up of the Empire ) District Electric Company's Fuel ) Adjustment Clause (FAC) )	Case No. EO-2015-0086 File No. JE-2015-0137
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**AFFIDAVIT OF DAVID C. ROOS**


STATE OF MISSOURI    )  
 ) ss  
 COUNTY OF COLE      )

David C. Roos, of lawful age, on oath states: that he participated in the preparation of the foregoing Staff Recommendation in memorandum form, to be presented in the above case; that the information in the Staff Recommendation was provided to him; that he has knowledge of the matters set forth in such Staff Recommendation; and that such matters are true to the best of his knowledge and belief.

  
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 David C. Roos

Subscribed and sworn to before me this 24th day of October, 2014.

LAURA BLOCH Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: June 21, 2015 Commission Number: 11203914
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 Notary Public