

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

In the Matter of the Fifth Prudence Review       )  
of Costs Subject to the Commission-Approved    )  
Fuel Adjustment Clause of The Empire District   )  
Electric Company                                        )

**Case No. EO-2015-0214**

**STAFF'S FIFTH PRUDENCE AUDIT REPORT AND  
RECOMMENDATION**

**COMES NOW** the Staff of the Missouri Public Service Commission, by and through counsel, and submits Staff's Fifth Prudence Audit Report of the costs subject to the fuel adjustment clause ("FAC") of The Empire District Electric Company ("Empire"). As a result of its prudence review of FAC costs, the Staff has found no evidence of imprudence on the part of Empire and, in support thereof, states as follows:

1. On March 5, 2015, the Staff filed notice that on March 2, 2015, it started its prudence audit of the FAC established for Empire for the period of March 2, 2013 through February 28, 2015. On March 6, 2015, the Commission issued its *Order Directing Notice, Acknowledging Automatic Parties, Establishing Deadlines for Intervention and for Requesting a Hearing* ("Order"). The Order required Staff's audit report to be filed no later than August 31, 2015.

2. Staff's Notice set forth a plan for examining and analyzing the costs and revenues associated with Empire's commission-approved FAC for the period March 2, 2013, to February 28, 2015. This audit period corresponds to the tenth through thirteenth sequential FAC accumulation periods since the Commission first authorized an FAC for Empire.

3. The Staff has completed its prudence audit and provides a detailed discussion of its findings in Staff's *Fifth Prudence Review of Costs Related To The Fuel*

*Adjustment Clause For The Electric Operations Of The Empire District Electric Company* ("Prudence Audit Report"), attached as Appendix A in Highly Confidential and Public formats. As a result of its prudence audit, and as more fully explained in the Prudence Audit Report, the Staff identified no instances of imprudence on the part of Empire during the period of review.

**WHEREFORE**, the Staff of the Missouri Public Service Commission does not recommend any adjustment and prays the Commission accept its Prudence Audit Report of Empire.

Respectfully submitted,

**/s/ Marcella L. Mueth**

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### **CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 31<sup>st</sup> day of August, 2015.

**/s/ Marcella L. Mueth**