

*Exhibit No.:*  
*Issue(s):* Allocation Factors,  
Corporate Expense,  
Jurisdictional Allocations  
*Witness:* Angela Niemeier  
*Sponsoring Party:* Mo PSC Staff  
*Type of Exhibit:* Surrebuttal / True-Up Direct  
Testimony  
*Case No.:* ER-2024-0261  
*Date Testimony Prepared:* September 17, 2025

# **MISSOURI PUBLIC SERVICE COMMISSION**

## **FINANCIAL & BUSINESS ANALYSIS DIVISION**

### **AUDITING DEPARTMENT**

#### **SURREBUTTAL / TRUE-UP DIRECT TESTIMONY**

#### **OF**

#### **ANGELA NIEMEIER**

#### **THE EMPIRE DISTRICT ELECTRIC COMPANY, d/b/a Liberty**

**CASE NO. ER-2024-0261**

*Jefferson City, Missouri  
September 2025*

1                                   **SURREBUTTAL / TRUE-UP DIRECT TESTIMONY**

2   **OF**

3   **ANGELA NIEMEIER**

4                                   **THE EMPIRE DISTRICT ELECTRIC COMPANY,**  
5   **d/b/a Liberty**

6                                   **CASE NO. ER-2024-0261**

7                   Q.     Please state your name and business address.

8                   A.     My name is Angela Niemeier, 200 Madison Street, P.O. Box 360, Jefferson City,  
9 Missouri 65102.

10                  Q.     Are you the same Angela Niemeier who filed direct testimony on July 2, 2025?

11                  A.     Yes.

12                  Q.     What is the purpose of your surrebuttal / true-up direct testimony?

13                  A.     The purpose of my testimony is to describe changes made to allocations and  
14 corporate expense, as well as discuss Staff's position concerning jurisdictional allocations.

15                   **CORPORATE ALLOCATIONS & AFFILIATE TRANSACTIONS**

16                  Q.     Did Empire change its allocation factors due to the January 2025 sale of  
17 Algonquin's non-regulated assets?

18                  A.     Yes. On page 7 of his rebuttal testimony, Empire witness Peter Eichler explains  
19 that subsequent to the sale of non-regulated assets, allocation factors were reviewed and  
20 adjusted to reflect actual assets owned.

21                  Q.     Has Empire filed its 2025 Cost Allocation Manual ("CAM")  
22 with the Commission?

23                  A.     No.

1 Q. Does Empire recalculate allocations on an annual basis?

2 A. Yes, allocations are generally recalculated on April 1 of each year, but can also  
3 be recalculated if there are changes to the corporate structure affecting allocations in-between  
4 the annual date.

5 Q. Is Staff aware of the allocations changing before April 1, 2025?

6 A. Yes. On August 27, 2025, during a virtual meeting, Staff learned that Empire's  
7 allocations changed in January 2025.

8 Q. Has Staff received satisfactory documentation supporting allocation  
9 changes to review?

10 A. No. Staff received a copy of the allocations on September 7, 2025;  
11 however, no other information, such as the changes to the CAM with language describing how  
12 the allocations have changed and the reason for other changes made, have been provided.  
13 Staff is currently reviewing the changes and will address them further in Staff's true-up rebuttal,  
14 as needed.

15 Q. Please describe why Empire is proposing changes to its allocations beginning in  
16 January 2025.

17 A. In January 2025, Empire's parent company, Algonquin Power & Utilities Corp,  
18 completed its sale of its non-regulated renewable energy business.

19 Q. Will the sale of Empire's non-regulated renewable energy business  
20 impact allocations?

21 A. The \$2.5 billion sale of renewables will likely have an impact on corporate  
22 allocations, but without reviewing the material, Staff cannot conclude how much the impact

1 will be.<sup>1</sup> Consequently, Staff did not revise its recommended allocations for the true-up  
2 in this case.

3 Q. Are there other factors that weigh in on Staff's decision not to use the  
4 January 2025 change to corporate allocations?

5 A. Yes. Staff also learned that Empire Electric was separated from all other Empire  
6 companies beginning January 2025.<sup>2</sup> Staff has not yet determined the final impact to Empire's  
7 cost of service. Theoretically, Staff currently has to remove all non-Empire Electric items from  
8 Empire's accounting records in a rate case audit, but I have not reviewed these new changes to  
9 their corporate allocations or audited the changes reflected in Empire's 2025 CAM, which as  
10 noted earlier has not yet been filed with the Commission. If Staff receives the January 2025  
11 allocations and updated CAM, Staff may address this further in true-up rebuttal testimony.

## 12 **JURISDICTIONAL ALLOCATIONS**

13 Q. Does Empire agree with Staff's calculations for jurisdictional allocations?

14 A. No. In her Rebuttal Testimony, page 47, line 22, Empire witness  
15 Charlotte Emery supports Empire's allocations, stating they are more detailed and on a general  
16 ledger account level.

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<sup>1</sup> The \$2.5 billion has been reported in several online websites, including;  
<https://renewablesnow.com/news/ls-power-closes-acquisition-of-algonquins-non-hydro-renewables-1269068/>  
[https://www.utilitydive.com/news/algonquin-power-sells-renewable-energy-business-25-billion-ls-](https://www.utilitydive.com/news/algonquin-power-sells-renewable-energy-business-25-billion-ls-power/723901/)  
power/723901/

<sup>2</sup> According to the CAM filed by Empire in ER-2024-0261, the four business segments are in Empire Company are 1) Empire: Empire Electric, 2) Gas: Empire Gas and Liberty Midstates, 3) Water: Missouri Water, 4) Other-Unregulated: Empire District Industries, which includes Fibercom. CAM is attached to Angela Niemeier Direct Testimony.

1 Q. Have you compared Staff's jurisdictional allocations to Empire's?

2 A. Yes. In roughly half of the calculations, there is less than 1% difference between  
3 Staff and Empire. Some are more difficult to tell, as Staff and Empire differ in some account  
4 names and Empire's jurisdictional allocation sheet does not list account numbers, so it is  
5 difficult to tell which accounts these arise from.

6 Q. Does Empire offer support for their jurisdictional allocations?

7 A. No. Empire includes their jurisdictional allocations with their revenue  
8 requirement model, with no supporting calculations that show how these were derived.

9 Q. Did Staff request supporting documentation?

10 A. Staff requested support and Empire provided an email response with images.  
11 Staff was not able to review any detailed calculations related to Empire  
12 jurisdictional allocations.

13 Q. Does Staff feel comfortable adopting allocations that it has not reviewed?

14 A. No. Staff cannot support allocations based on material it has not been able to  
15 review and recommends the allocations based on Staff's methodology.

16 **CORPORATE EXPENSE**

17 Q. Did Staff disallow certain corporate expenses in the direct filing?

18 A. Yes. The corporate expenses disallowed included expenses for car and house  
19 allowances, advertising, gifts, and bonuses which Empire had not provided documentation or  
20 invoices to support.

21 Q. In rebuttal testimony, did Empire raise question with these disallowances?

22 A. In Charlotte Emery's Rebuttal Testimony, Page 41, line 20, she describes a  
23 mismatch between the level of expenses being removed and the allocation factors applied.

1 During a phone discussion, the concern relayed was more of a timing issue in the mechanics of  
2 the adjustment. Empire believes the disallowed items should come out first, then Staff should  
3 restate test year using 2024 allocation factors. Restating the test year, using the 2024 allocation  
4 factor, will theoretically bring all transaction data into the same time period to align with the  
5 matching principle.

6 Q. Does Staff agree?

7 A. Yes. After deliberation, Staff agrees with this change. Certain items were  
8 disallowed from the test year and then the test year was restated using the 2024  
9 allocation factors.

10 Q. Did Empire witness Ms. Emery mention other concerns with  
11 corporate expenses?

12 A. Yes. In her rebuttal testimony, on page 41, line 24, she addresses Staff witness  
13 Jared Giacone and I removed the same costs for severance. There was one disallowance  
14 transaction that I included in my workpaper to align with Empire witness Jill Schwartz  
15 disallowance in EXP ADJ 11- Non-Recoverables.<sup>3</sup> After discussion with Empire and  
16 Jared Giacone, I removed that disallowance so there is no longer a duplicate disallowance.

17 Q. Does this conclude your surrebuttal / true-up direct testimony?

18 A. Yes it does.

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<sup>3</sup> Jill Schwartz Direct Testimony has been adopted by Peter Eichler, which was noted on page 2, line 10, of his rebuttal testimony.

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

In the Matter of the Request of The Empire     )  
District Electric Company d/b/a Liberty for     )  
Authority to File Tariffs Increasing Rates     )  
for Electric Service Provided to Customers     )  
in Its Missouri Service Area                     )

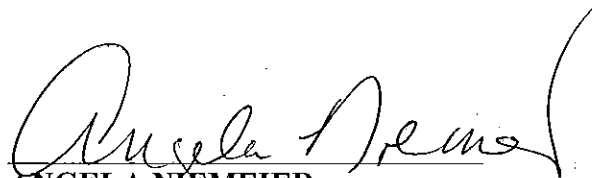
Case No. ER-2024-0261

**AFFIDAVIT OF ANGELA NIEMEIER**

STATE OF MISSOURI     )  
                                      )  
COUNTY OF COLE     )     ss.

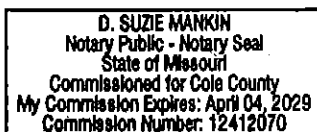
**COMES NOW ANGELA NIEMEIER** and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Surrebuttal / True-Up Direct Testimony of Angela Niemeier*; and that the same is true and correct according to her best knowledge and belief.

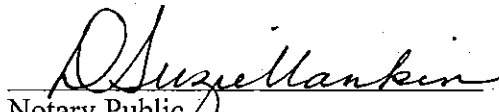
Further the Affiant sayeth not.

  
**ANGELA NIEMEIER**

**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 11<sup>th</sup> day of September 2025.



  
Notary Public