

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

In the Matter of The Empire District Electric)
Company d/b/a Liberty (Empire) for Authority) **Case No. ER-2023-0122**
to Implement Rate Adjustments Related to the) **Tariff No. JE-2023-0060**
Company's Fuel and Purchase Power Adjustment)
(FAC) Required in 20 CSR 4240-20.090.)

In the Matter of the True-Up of The Empire District)
Electric Company d/b/a Liberty (Empire) Fuel)
Adjustment Clause (FAC) True-Up.) **Case No. EO-2023-0123**

Staff Recommendation

COMES NOW the Staff of the Missouri Public Service Commission and for its *Recommendation*, states as follows:

1. On September 30, 2022, The Empire District Electric Company d/b/a Liberty (“Empire”) filed its proposed tariff sheet, 5th Revised Sheet No. 17q Canceling 4th Revised Sheet No. 17q, with a proposed effective date of December 1, 2022, to revise its Current Period Fuel Adjustment Rates (“FARs”) of its Fuel Adjustment Clause (“FAC”) used to determine the Fuel Charge on customers’ bills, together with the supporting direct testimony of Brooke M. Prier. This filing was docketed as Case No. ER-2023-0122. Empire also submitted work papers to Staff supporting the proposed tariff sheet.

2. Based on a monthly usage of 1,000 kWh, the proposed change to the FAR will increase the Fuel Charge of an Empire residential customer’s bill from \$12.97 to \$17.98, an increase of \$5.01 per month.

3. Staff reviewed Empire’s proposed tariff sheet, the direct testimony of Brooke M. Prier, and Empire’s monthly filings and work papers for the 28th Accumulation Period (“AP28”). Staff has verified that the actual fuel costs plus purchased power costs plus net emissions allowance costs less off-system sales

revenues and less REC revenues, match the fuel costs plus purchased power costs plus net emissions allowance costs less off-system sales revenues and less REC revenues in Empire's proposed tariff sheet. Staff also reviewed Empire's monthly interest rates that are applied to the monthly over- and under-recovery amounts for AP28, including cumulative amounts for AP27 and AP26, and the calculation of those monthly interest amounts. The information filed with the tariff sheet and work papers includes sufficient data to calculate the FARs for AP28.

4. Based on its review of Empire's proposed tariff sheet, supporting testimony and workpapers, as well as Empire's monthly filings and work papers for AP28, Staff has determined that the proposed adjustment is in compliance with Commission Rule 20 CSR 4240-20.090, Section 386.266, RSMo, and Empire's FAC tariff, and that Empire's proposed tariff sheet should therefore be **APPROVED**.

5. Also on September 30, 2022, Empire filed its twenty-sixth true-up filing under the provisions of 20 CSR 4240-20.090(9) in the form of the direct testimony and supporting schedules of Brooke M. Prier. This filing was docketed as Case No. EO-2023-0123.

6. Accumulation Period 26 ("AP26") includes the time period March 1, 2021, through August 31, 2021, and is followed by Recovery Period 26 ("RP26"), which includes the billing months of December 1, 2021, through May 31, 2022. The true-up amount of \$2,473,664 identified in this filing is the result of an under-collection of the Fuel and Purchased Power Adjustment ("FPA") amount for AP26 during RP26. This amount is included in the adjustment proposed in Case No. ER-2023-0122.

7. Staff has examined the direct testimony of Brooke M. Prier, the supporting schedules and work papers Empire provided with its true-up filing in this case, and the monthly information Empire submitted to the Commission. Staff also reviewed and agrees with Empire's monthly interest calculations for RP26. Based on its examination and analysis, Staff has concluded that Empire's calculations are accurate and compliant with its tariff and the Commission's rules and therefore recommends that Empire's RP26 true-up filing be **APPROVED**.

8. Staff has verified that Empire has filed its 2021 annual report and is not delinquent on any assessment. Empire is current on its submission of its Surveillance Monitoring reports as required in 20 CSR 4240-20.090(6) and its monthly reports as required by 20 CSR 4240-20.090(5). Staff is not aware of any other matter before the Commission that affects or is affected by this filing, except as noted herein.

WHEREFORE, Staff recommends the Commission issue an order approving (1) Empire's R26 true-up filing and (2) Empire's proposed Tariff Sheet No. JE-2023-0060, for service rendered on and after December 1, 2022, subject to both true-up and prudence reviews:

P.S.C. Mo. No. 6 Section 4
5th Revised Sheet No. 17q Cancelling 4th Revised Sheet No. 17q

Respectfully submitted,

/s/ Kevin A. Thompson

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Certificate of Service

I hereby certify that a true and correct copy of the foregoing was served electronically or by First Class United States Mail, postage prepaid, on the parties appearing on the Service List maintained for these cases by the Commission's Data Center, **on this 31st day of October, 2022.**

/s/ Kevin A. Thompson