

Exhibit No. 24

Empire District Electric Company – Exhibit 24
Testimony of James A. Fallert
True-Up Rebuttal
File No. ER-2024-0261

Exhibit No.: _____
Issue(s): Pension, OPEB
Witness: James A. Fallert
Type of Exhibit: True-Up Rebuttal
Testimony
Sponsoring Party: The Empire District
Electric Company d/b/a Liberty
Case No.: ER-2024-0261
Date Testimony Prepared: September 2025

**Before the Public Service Commission
of the State of Missouri**

True-Up Rebuttal Testimony

of

James A. Fallert

on behalf of

The Empire District Electric Company d/b/a Liberty

September 22, 2025



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FOR THE TRUE-UP REBUTTAL TESTIMONY OF JAMES A. FALLERT
THE EMPIRE DISTRICT ELECTRIC COMPANY D/B/A LIBERTY
BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION
CASE NO. ER-2024-0261

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CASE NO. ER-2024-0261

1 **I. INTRODUCTION**

2 **Q. Please state your name and business address.**

3 A. My name is James A. Fallert. My business address is 3507 Burgundy Way Dr., St.
4 Louis, MO, 63129.

5 **Q. Are you the same James A. Fallert who provided direct, rebuttal and true-up**
6 **direct testimony in this matter on behalf of The Empire District Electric Company**
7 **d/b/a Liberty (“Liberty” or the “Company”)?**

8 A. Yes.

9 **Q. What is the purpose of your true-up rebuttal testimony in this proceeding before**
10 **the Missouri Public Service Commission (“Commission”)?**

11 A. I will be addressing the differences between the true-up filings of Staff and the
12 Company in regard to pension and OPEB issues.

13 **II. PENSION EXPENSE**

14 **Q. What are differences in pension expense between Staff’s and the Company’s true-**
15 **up filings?**

16 A. I noted three differences which are described below.

17 **Q. What is the first difference?**

18 A. The direct filings were based on final actuarial calculations made for 2024. The
19 Company’s true-up filing updated the calculations to use the preliminary actuarial
20 calculations for 2025. Staff’s true-up filing continued to use the final 2024 numbers.

1 The Company has no objection to using Staff's calculation in this instance since the
2 expenses are included in the tracker.

3 **Q. What is the second difference?**

4 A. Staff continues to exclude any recovery for FAS 88 settlement expense. The Company
5 continues to include FAS 88 expense and contends that this is more appropriate for
6 reasons detailed in my rebuttal testimony.

7 **Q. Please explain the third difference that you noted.**

8 A. The Company calculated amortization of the tracker balance associated with FAS 88
9 based on the balance as of the true-up date of March 31, 2025. It appears that Staff's
10 calculation continues to use the balance at September 30, 2024. This would appear to
11 be merely a formula issue that we hope to rectify in discussions with Staff. This
12 correction would result in annual amortization of FAS 88 tracker balances decreasing
13 by \$192,948.

14 **III. SERP**

15 **Q. What difference did you note regarding SERP expense?**

16 A. Staff continues to calculate SERP expense based on payments made to participants.
17 The Company continues to include SERP based on the actuarial expense calculations
18 and updated SERP expense in true-up based on the preliminary 2025 actuarial numbers.
19 Liberty contends that this methodology is preferable due to the reasons detailed in my
20 rebuttal testimony.

21 **Q. Do you have any additional comments regarding the calculation of SERP expense**
22 **in this case?**

23 A. Yes. Staff's direct filing included \$736,062 of SERP expense. This was based on
24 annualization of payments in July through September of 2024. The calculation was

1 based on \$72,377 in each of these months, annualized as \$868,524. An allocation of
2 84.7486% of this amount to Missouri resulted in \$736,062. Staff included this same
3 amount in the true-up filing.

4 The Company believes that, if the Commission opts to use Staff's payment basis
5 methodology, that it would be appropriate to update based on payments in the period
6 immediately prior to the March 31, 2025 true-up date. Based on supplements in
7 response to Data Request 0058, the payments in each of January, February, and March
8 2025 were \$73,950. Applying Staff's methodology to these updated payment amounts
9 results in annualized expense of \$752,059 (\$73,950 annualized to \$887,400 times the
10 84.7486% Missouri allocation rate).

11 **IV. CONCLUSION**

12 **Q. Do you have any additional differences?**

13 A. No. Staff and Company calculations in regard to OPEB expense and rate base are in
14 agreement.

15 **Q. Does this conclude your true-up rebuttal testimony at this time?**

16 A. Yes.

VERIFICATION

I, James A. Fallert, under penalty of perjury, on this 22nd day of September, 2025,
declare that the foregoing is true and correct to the best of my knowledge and belief.

/s/ James A. Fallert