BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Petition of The Empire District Electric Company d/b/a Liberty to Obtain a Financing Order that Authorizes the Issuance of Securitized Utility Tariff Bonds for Qualified Extraordinary Costs	)))))	**<u>File No. EO-2022-0040</u>** Tracking No. JE-2026-0055

<u>STAFF RECOMMENDATION</u>

COMES NOW Staff of the Missouri Public Service Commission ("Staff") and for its Staff Recommendation about Liberty's tariff sheet assigned Tracking No. JE-2026-0055 respectfully states as follows:

1. On October 15, 2025, The Empire District Electric Company d/b/a Liberty ("Company"), submitted a revised tariff sheet which is the required annual true-up of its Securitized Utility Tariff Charge Rider ("SUTC"), namely, tariff sheet PSC Mo. No. 6, Section 4, 4th Revised Sheet No. 26e, with an effective date of December 1, 2025.

2. On October 23, 2025, the Commission issued an *Order Directing a Staff Tariff Recommendation and Setting Time for Other Tariff Responses* concerning Liberty's proposed tariff revision, ordering Staff to file its recommendation on the tariff sheet[1] no later than November 4, 2025.

3. As discussed in more detail and reflected in the Staff Recommendation Memorandum which is attached hereto and incorporated herein by reference, Staff has reviewed the Company's filing pursuant to the applicable statute, § 393.1700.2(3)(e), RSMo., and recommends the Commission approve the following tariff

[1] JE-2026-0055

sheet, originally filed on October 15, 2025, to go into effect on and after December 1, 2025, the requested effective date:

PSC MO No. 6, Section 4

4th Revised Sheet No. 26e Cancelling 3rd Revised Sheet No. 26e

WHEREFORE Staff submits its Staff Recommendation as set forth hereinabove and in the Staff Recommendation Memorandum which is attached hereto and prays the Commission issue an order accordingly.

Respectfully submitted,

/s/ Tracy D. Johnson
Tracy D. Johnson
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Attorney for the Staff of the
Missouri Public Service Commission

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to counsel of record as reflected on the certified service list maintained by the Commission in its Electronic Filing Information System this 4th day of November 2025.

/s/ Tracy D. Johnson

M E M O R A N D U M

TO: Missouri Public Service Commission Official Case File
In the Matter of the Petition of The Empire District Electric Company d/b/a Liberty to Obtain a Financing Order that Authorizes the Issuance of Securitized Utility Tariff Bonds for Qualified Extraordinary Costs

Case Number: EO-2022-0040

Tracking No. JE-2026-0055

FROM: Alexis Haug
Financial Analyst, Financial and Business Analysis Division

/s/ Alexis Haug 11/4/2025
Staff Member / Date

SUBJECT: Annual True-Up

DATE: November 4, 2025

INTRODUCTION

On October 15, 2025, The Empire District Electric Company d/b/a Liberty ("Company") submitted a revised tariff sheet for the Company's annual true-up of its Securitized Utility Tariff Charge Rider ("SUTC"), tariff sheet PSC MO No. 6, Section 4, 4th Revised Sheet No. 26e, which bears an effective date of December 1, 2025.

On October 23, 2025, the Commission issued its Order Directing Staff Tariff Recommendation and Setting Time for Other Tariff Responses about Liberty's Tariff Revision, ordering Staff to file its recommendation on the tariff sheet[1] no later than November 4, 2025.

BACKGROUND

On January 19, 2022, the Company filed a verified petition for a financing order seeking authority to issue securitized utility tariff bonds regarding the extraordinary costs incurred by the Company during Winter Storm Uri. That petition was assigned Missouri Public Service Commission ("the Commission") File No. EO-2022-0040. Similarly, on March 21, 2022, the Company filed a verified petition for financing order seeking authority to issue securitized utility tariff bonds to recover energy transition costs associated with retirement of the Asbury coal-fired generating plant. That petition was assigned Commission File No. EO-2022-0193. The Commission issued an order on April 27, 2022, consolidating the two cases for purposes of the hearing and procedural schedule.

[1] JE-2026-0055

On September 22, 2022, the Commission issued its *Amended Report and Order,* approving the Company's petitions to issue securitized utility tariff bonds. The Commission ordered Liberty to file annual true-ups. The *Amended Report and Order* also provided that "In addition to annual true-up adjustments, true-up adjustments may be made by the servicer more frequently at any time during the term of the securitized utility tariff bonds to correct any undercollection or, as provided for in this Financing Order, in order to assure timely payment of securitized utility tariff bonds. Further, the servicer must make a mandatory interim true-up adjustment semi-annually (or quarterly beginning 12 months prior to the final scheduled payment date of the last tranche of the securitized utility tariff bonds): (a) if the servicer forecasts that securitized utility tariff charge collections will be insufficient to make all scheduled payments of principal, interest, and other amounts in respect of the securitized utility tariff bonds on a timely basis during the current or next succeeding payment period; or (b) to replenish any draws upon the capital subaccount."

STAFF REVIEW

Section 393.1700.2(3)(e), RSMo. states in part:

> If the commission issues a financing order, the electrical corporation shall file with the commission at least annually a petition or a letter applying the formula-based true-up mechanism and, based on estimates of consumption for each rate class and other mathematical factors, requesting administrative approval to make the applicable adjustments. The review of the filing shall be limited to determining whether there are any mathematical or clerical errors in the application of the formula-based true-up mechanism relating to the appropriate amount of any overcollection or undercollection of securitized utility tariff charges and the amount of an adjustment. . . .

Staff has reviewed the workpapers for mathematical or clerical errors in the calculation of the securitized utility tariff charge.

STAFF RECOMMENDATION

Staff recommends the Commission approve the following tariff sheet, filed on October 15, 2025, to go into effect on or after December 1, 2025, the requested effective date:

PSC MO No. 6, Section 4
4th Revised Sheet No. 26e Canceling 3rd Revised Sheet No. 26e

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AFFIDAVIT OF LEXY HAUG

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

COMES NOW LEXY HAUG, and on her oath states that she is of sound mind and lawful age; that she contributed to the foregoing *Staff Recommendation, in Memorandum form*; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.

Lexy Haug
LEXY HAUG

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 3rd day of November 2025.

Dianna L. Vaught
Notary Public

DIANNA L. VAUGHT
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: July 18, 2027
Commission Number: 15207377