

**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) Case No. ER-2024-0261
For Electric Service Provided to Customers)
In its Missouri Service Area)

LIBERTY’S REPLY TO OPC’S RESPONSE TO STAFF’S REPORT

COMES NOW The Empire District Electric Company d/b/a Liberty (“Liberty” or the “Company”), and in reply to the Office of the Public Counsel’s (“OPC”) Response to Staff’s Report, respectfully states as follows to the Missouri Public Service Commission (the “Commission”):

1. The only thing currently at issue in this case is the question of reporting and compliance with the customer service and billing metrics found in the Supplemental Stipulation filed on December 12, 2025, as approved by the Commission’s *Report and Order*. Staff’s Report addressed its position in this regard, and Liberty and OPC filed their responses to Staff’s Report on June 18, 2026.

2. Liberty’s response explained its disagreement with Staff’s position. OPC stated a contrary position, as it agreed with Staff’s Report as to the metrics, but OPC further addressed issues related to franchise fees and sales tax that it described as “new information.”¹

3. The metrics at issue do not address sales tax and franchise fee matters. Moreover, the need for corrections as to franchise fees and sales tax do not represent “new information.” They have been the subject of the Staff’s investigation in File No. OO-2025-0233. Staff’s Investigation Report in File No. OO-2025-0233, submitted on March 6, 2026, contained a section

¹ OPC Response, p. 1.

dedicated to sales taxes and franchise fees.² Staff's Investigation Report further included a recommendation that "Liberty conduct a thorough audit of all customers to verify all customers are being correctly charged for any applicable local taxes or franchise fees per the records of the taxing authorities."³

4. On May 8, 2026, Liberty responded to Staff's Investigation Report in File OO-2025-0233. Among other things, Liberty addressed Staff's recommendations as to sales taxes and franchise fees.

- As to sales taxes, Liberty explained it had engaged Grant Thornton, a firm that provides tax and business consulting services, to perform an independent assessment and review, and based on the recommendations, would implement improvements to its sales and use tax processes to further support accurate tax determination, compliance and reporting. This project is expected to be completed in the fourth quarter of 2026.⁴
- As to franchise fees, Liberty explained that all franchise fee collections had been remitted to the respective municipalities on a monthly, quarterly, semi-annual or annual basis, as required by the respective municipalities and that Liberty was in the process of validating that the correct franchise fee rates are coded and applied within SAP, consistent with applicable franchise agreements and ordinances.⁵

5. The Global Stipulation, as approved by the Commission in this case, established the customer service and billing metrics and stated, in part, that "[t]he Parties will confer on the

² File No. OO-2025-0233, Staff's Investigation Report, pp. 36-38.

³ File No. OO-2025-0233, Staff's Investigation Report, p. 117.

⁴ File No. OO-2025-0233, Liberty's Response to Staff's Investigation Report, pp. 7-8.

⁵ File No. OO-2025-0233, Liberty's Response to Staff's Investigation Report, p. 8.

appropriate and reasonably achievable monthly normalized performance metrics and targets in the separate investigation and reach agreement by May 31, 2026.”⁶

6. Within File No. OO-2025-023, there was initial agreement by May 31, 2026. Although the parties in that docket are continuing to discuss the complete set of “appropriate and reasonably achievable monthly normalized performance metrics and targets,” there are metrics in place for both sales taxes and franchise fees.⁷ In fact, the data request responses to which OPC refers in its Response were propounded, and responded to, within File No. OO-2025-0233. The issues discussed by OPC are not new and are not being ignored. They are being appropriately addressed within File No. OO-2025-0233.

7. OPC’s Response asks that the Commission suspend the rate tariff sheets for an additional 30 days plus six months based upon known issues that predate the implementation of Liberty’s SAP system⁸ and which are currently being addressed in another docket before the Commission. Such delay is not warranted by the status of this case or the issues raised.

8. As indicated in Liberty’s Response to Staff’s Report and Memorandum, the Commission should recognize Liberty’s sustained improvements in customer service and billing and, based on the documentation and arguments now before the Commission, find that the Company has met the performance metrics from January through March 2026 and authorize the compliance tariff sheets to take effect on or before July 4, 2026, or allow the same to take effect by operation of law.

WHEREFORE, Liberty respectfully submits this Reply to OPC’s Response to Staff’s Report and requests such relief as is just and proper under the circumstances.

⁶ Global Stipulation, para. 6.

⁷ *Id.* at Exhibit A.

⁸ OPC Response, p. 1 (“ . . . Liberty has been applying a franchise fee of 2% to its gross sales of electricity in the City of Bolivar since at least sometime in 2022. . .”).

Respectfully submitted,

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d/b/a LIBERTY

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CERTIFICATE OF SERVICE

I hereby certify that the above document was filed in EFIS on this 23rd day of June, 2026, with notification of the same being sent to all counsel of record; and I further certify that the above document was sent by electronic transmission to all counsel of record.

/s/ Diana C. Carter