

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

In the Matter of the True-Up of The Empire District)
Electric Company's Fuel Adjustment Clause (FAC)) **File No. ER-2016-0082**

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission, by and through counsel, and for its recommendation states as follows:

1. On October 1, 2015, The Empire District Electric Company ("Empire" or "Company") filed its twelfth (12th) fuel adjustment clause true-up filing under the provisions of 4 CSR 240-3.161(8) and 4 CSR 240-20.090(5).¹

2. In the attached Staff Memorandum, based on its examination and analysis of information filed and submitted by Empire, Staff recommends the Commission approve Empire's true-up filing for Recovery Period 12 ("RP12") (billing months of December 2014 through May 2015), during which Empire over-recovered \$183,134 from its customers.

3. The true-up amount of (\$183,134)² for RP12 is included in the calculation of the Fuel and Purchased Power Adjustment ("FPA") amount included in Empire's Accumulation Period 14 ("AP14") adjustment filing, also filed on October 1, 2015, in File No. ER-2016-0080.

4. Staff has verified that Empire has filed its 2014 annual report and is not delinquent on any assessment; Empire is current on its submission of its Surveillance Monitoring reports as required in 4 CSR 240-20.090(10) and its monthly reports as required by 4 CSR 240-3.161(5). Other than as noted in the attached

¹ The Company's cover letter accompanying its filing referenced 4 CSR 240-20.090(4).

² A true-up amount in parentheses indicates an over-recovery by the utility.

Staff Memorandum, Staff is not aware of any other matter before the Commission that affects or is affected by Empire's true-up filing.

WHEREFORE, Staff recommends the Commission approve Empire's RP12 true-up filing for the billing months of December 2014 through May 2015, during which period Empire over-recovered \$183,134 from its customers, for inclusion in the calculation of the FPA amount included in the Company's AP14 adjustment filing in File No. ER-2016-0080.

Respectfully submitted,

/s/ Jacob T. Westen

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to all counsel of record this 2nd day of November, 2015.

/s/ Jacob T. Westen

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
File No. ER-2016-0082
The Empire District Electric Company

FROM: Matthew J. Barnes, Utility Regulatory Auditor IV
David C. Roos, Regulatory Economist III

DATE: /s/ John A. Rogers 11/02/2015 /s/ Robert S. Berlin 11/02/2015
Energy Resources Department / Date Staff Counsel Department / Date

SUBJECT: Staff's Analysis of and Recommendation Concerning The Empire District Electric Company's Twelfth Fuel Adjustment Clause True-up Filing Under the Provisions in 4 CSR 240-3.161(8) and 4 CSR 240-20.090(5).

DATE: November 2, 2015

On October 1, 2015, The Empire District Electric Company ("Empire" or "Company") filed with the Missouri Public Service Commission ("Commission") in the form of direct testimony and supporting schedules by Todd W. Tarter, its twelfth true-up filing under the provisions in 4 CSR 240-3.161(8) and 4 CSR 240-20.090(5).

The true-up amount of (\$183,134)¹ identified in this filing is the result of an over-recovery of the Fuel and Purchased Power Adjustment ("FPA") amount for Accumulation Period 12 ("AP12") during Recovery Period 12 ("RP12") that includes the billing months of December 2014 through May 2015. RP12 is the recovery period for and following AP12 that includes the period of March 1, 2014 through August 31, 2014.

The true-up amount of (\$183,134) for RP12 is included in the calculation of the FPA amount included in the Company's Accumulation Period 14 ("AP14") adjustment filing, also filed on October 1, 2015, in File No. ER-2016-0080, in compliance with Empire's FAC.²

The Commission's Staff ("Staff") examined the direct testimony of Todd W. Tarter, the supporting schedules Empire provided with its application in this case, and the monthly

¹ A true-up amount in parentheses indicates an "over-recovery" by the utility.

² The Empire District Electric Company's P.S.C. Mo. No. 5, Section 4, Original Sheet No. 17s tariff sheet: "TRUE-UP OF FPA: In conjunction with an adjustment to its FAR, the Company will make a true-up filing with an adjustment to its FAC on the first Filing Date that occurs after completion of each Recovery Period. The true-up adjustment shall be the difference between the FPA revenues billed and the FPA revenues authorized for collection during the true-up recovery period, i.e. the true-up adjustment. Any true-up adjustments or refunds shall be reflected in item T above and shall include interest calculated as provided for in item I above."

information Empire has submitted to the Commission. Staff also reviewed Empire's monthly interest calculations for RP12; Staff agrees with them.

Based on its examination and analysis of information Empire filed and submitted in this case, Staff recommends the Commission approve Empire's RP12 true-up filing for the billing months December 2014 through May 2015 during which Empire over-recovered \$183,134 from its customers for inclusion in the calculation of the FPA amount included in the Company's AP14 adjustment filing in File No. ER-2016-0080.

Staff has verified that Empire has filed its 2014 annual report and is not delinquent on any assessment. Empire is current on its submission of its Surveillance Monitoring reports as required in 4 CSR 240-20.090(10) and its monthly reports as required by 4 CSR 240-3.161(5). Staff is not aware of any other matter before the Commission that affects or is affected by this filing, except as noted herein.

