



Liberty Utilities (The Empire District Electric Company)

Case No. ER-2021-0312

Office Public Counsel Data Request - 8081.2

Data Request Received: 2021-11-08
Request No. 8081.2

Response Date: 2021-11-19
Witness/Respondent: Shaen Rooney

Submitted by: Lena Mantle, lena.mantle@opc.mo.gov

REQUEST:

What was the discount to the price paid for each project due to the generation of the project prior to the closing of the Purchase and Sales agreement? Please provide the discount amount that was based on the revenues supplied by the SPP and the discount for the production tax credits earned.

RESPONSE:

See file titled "OPC 8081.2" for summary of discount to the purchase price for generation of each project prior to the closing the Purchase and Sale Agreements ("PSAs").

Pursuant to the Purchase and Sale Agreements section 2.3(c), the cost-adjusted price is reduced by an amount equal to 75% of the product of \$24.00 multiplied by the aggregate quantity of electric energy delivered by any Wind Turbine at the Wind Turbine to the First Closing Date; provided, however, that if the CP Satisfaction Date does not occur on or prior to March 1, 2021, the foregoing percentage shall be increased by 90% for all periods following such date.

However, the Tax Benefit Adjustment Amount summarized in "OPC 8081.2" is subject to a true-up following the Contribution Closing as indicated in the PSAs. Therefore, actual production summarized in response to OPC 8081.1 may not agree to production per file "OPC 8081.2".

		Neosho Ridge - May 5 closing	Kings Point - May 5 closing	North Fork - Jan 27 closing	Total
2.3 (d) (i) percentage applicable to MWh pre-March 1, 2021	%	75%	75%	75%	
2.3 (d) (i) (B) Aggregate quantity of electric energy delivered by any Wind Turbine at the Point of Interconnection on or before March 1, 2021	MWh	92,176	12,582	40,117	144,875
2.3 (d) (i) (B) percentage applicable to MWh post-March 1, 2021	%	90%	90%	90%	
2.3 (d) (i) (B) Aggregate quantity of electric energy delivered by any Wind Turbine at the Point of Interconnection after March 1, 2021	MWh	59,546	45,109	-	104,655
2.3 (d) (i) (A)	USD	\$ 24.00	\$ 24.00	\$ 24.00	
Tax Benefit Adjustment Amount	USD	\$ 2,945,362	\$ 1,200,830	\$ 722,108	\$ 4,868,300

Notes:

The Tax Benefit Adjustment Amount shall be subject to true-up following the Contribution Closing to the extent that the quantity of electric energy actually delivered during such period, as reflected in final settlement data from SPP, differs from any estimate thereof used for purposes of determining the Steelhead Price or the Contribution Amount as of the Contribution Closing. The amount of any such true-up shall be treated as an adjustment to the Purchase Price.

OPC ADJUSTMENT TO PTC ALLOCATION

100% of the PTCs retained by Empire	\$	3,641,328.00	\$	1,384,584.00	
Adjustment to purchase price	\$	753,657.00	\$	183,754.00	\$ 937,411.00