

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

In the Matter of The Empire District Electric)
Company’s Filings to Implement Rate) Case No. ER-2021-0097
Adjustments Related to the Company’s Fuel and)
Purchased Power Adjustment (“FAC”))

RESPONSE TO COMMISSION ORDER

COMES NOW The Empire District Electric Company, a Liberty Utilities company (“Liberty-Empire”), and for its Response to Commission Order, respectfully states as follows to the Missouri Public Service Commission (“Commission”):

1. With its *Order Directing an Expedited Response* issued November 6, 2020, the Commission directed as follows: “No later than November 9, 2020, at 10:00 a.m. Liberty-Empire shall answer the Commission’s questions and provide the documentation set forth in the body of this order.”

2. The Commission’s four questions and Liberty-Empire’s responses are set forth below.

Question One: What is the FERC case number that approved the SPP tariff changes?

Response: ER19-261-000.

Question Two: Are the charges for March through July carried through in the combined charges applied by the SPP?

Response: The Charges for Combined Interest Resources did not occur until August 1, 2020. The same charges from March – July still exist.

The dollar amounts contained within the Company’s October FAR filing would be identical under the charge types available for the Liberty-Empire units on July 31, 2020 (pre-consolidation) and under the “new” charge types available for the Liberty-Empire units as of

August 1, 2020. However, due to the mismatching of revenues and costs that would be created, if the Company is allowed to use only the charge codes that were available for the Liberty-Empire units both before and after August 1, 2020, and not the two “new” charge types for the October 2020 FAR filing, there will be a financial impact of approximately \$1.7 million.

Question Three: Tariff sheet 171 gives instructions at 4.B. regarding what is to be filed with the 60-day notice. There is no indication that Liberty-Empire has filed that information. Has that information been filed?

Response: Yes. To the extent applicable/possible, the information was included in the Notice filed herein on October 1, 2020. Provision 4.B. on tariff sheet 171 provides as follows:

The Company will make a filing with the Commission giving the Commission notice of the new charge type no later than 60 days prior to the Company including the new charge type cost or revenue in a FAR filing. Such filing shall identify the proposed accounts affected by such new charge type cost or revenue, provide a description of the new charge type demonstrating that it possesses the characteristics of, and is of the nature of, the costs or revenues listed in factors PP or OSSR as the case may be, and identify the preexisting market settlement charge type(s) which the new charge type replaces or supplements;

The Notice filed on October 1, 2020, explained that the new charge types do not replace or supplement an existing charge type and that they, rather, are just a consolidation of existing charge types for netting purposes. The Notice listed the names of the two new charge types and the names of the 37 charge types consolidated as of August 1, 2020.

Question Four: Has Liberty-Empire complied with the tariff sheet 171 4.C. and 4.D. concerning purchased power?

Response: Provisions 4.C. and 4.D. on tariff sheet 171 direct the Company to “provide notice in its monthly reports required by the Commission's fuel adjustment clause rules that identifies the new charge type costs or revenues by amount, description and location within the

monthly reports” and “account for the new charge type costs or revenues in a manner which allows for the transparent determination of current period and cumulative costs or revenues.”

Liberty-Empire does not see these provisions as applicable in this situation, where there is simply a consolidation of charge types that Liberty-Empire had been receiving for units which are designated as Jointly Owned Units (“JOUs”) and have selected the Combined Interest Resource (“CIR”) modeling option and represent the interest percent share for each asset owner’s registered individual share. As noted previously, prior to the implementation of this new CIR settlement logic on August 1, 2020, the majority and minority interest entities would receive only the *net* revenues by the old charge types. With the new CIR settlement logic effective August 1, 2020, the majority interest entity receives the *gross* revenue and the offsetting entry to get to a net value by means of the consolidated charge code, and the minority interest entity only receives the net value by means of the consolidated charge types.

If the Commission concludes that provisions 4.C. and 4.D. on tariff sheet 17l are applicable to the current facts, the Company will provide the information and accounting as specified with its next monthly report and/or could amend its prior monthly reports.

3. For reference, Liberty-Empire notes the following dockets in which the Commission has granted variances/waivers from filed and approved tariffs. This is a representative list for exemplary purposes and is not meant to be exhaustive. It does not contain any of the tariff variances granted by the Commission with regard to COVID-19.

Case Number	Utility	Title of Order	Issue Date	Subject
GE-2020-0049	Ameren	Order Granting Variance	September 16, 2019	PGA – Data Requests
EE-2020-0107	Ameren	Order Granting Variance	December 30, 2019	LED Lighting Tariff Limits
AO-2020-0237	Empire/Liberty	Order Granting Variance and Approving Tariffs	March 18, 2020	AMI Implementation

Case Number	Utility	Title of Order	Issue Date	Subject
GE-2019-0251	Liberty	Order Granting Temporary Variance	March 1, 2019	Filing Due Date - WNAR
GR-2015-0203	MGE/Laclede	Order Approving Tariff and Granting Variance	November 4, 2015	PGA – Tariff Timing
GR-2013-0100	Ameren	Order Granting Variance from Tariff Provision	October 3, 2012	ACA – Definition
GR-2011-0161	Atmos	Order Approving Revised ACA Factor and Granting Waiver of Tariff Provisions	June 29, 2011	PGA/ACA Filing
GE-2009-0194	MGE	Order Granting Variance	December 30, 2008	Timing of Filing a Report
GR-2008-0364	Atmos	Order Approving Revised ACA Factor and Granting Waiver of Tariff Provisions	February 25, 2009	PGA/ACA Filing
GE-2005-0405	Laclede	Order Approving Agreement and Granting Variance	April 11, 2006	AMI Implementation
GR-2004-0538	Aquila	Order Approving Interim Rates and Granting Waiver	April 29, 2004	PGA Filing Date
GR-2003-0311	Aquila	Order Granting Requested Waivers and Approving Interim Rates	March 13, 2003	PGA Filing and Components

4. With regard to the requirements of Commission Rule 20 CSR 4240-2.060(4) and requests for variances or waivers from rules and tariff provisions, Liberty-Empire notes that its Motion for Variance and Notice of New FAC Charge Types submitted on October 1, 2020, its Amended Motion for Variance submitted October 30, 2020, and its subsequent filings herein contain the (1) rule and tariff from which the variance or waiver is sought, and (2) the reasons for the proposed variance or waiver and a complete justification setting out the good cause for granting the variance or waiver. With regard to subpart (4)(C), Liberty-Empire is not aware of any other utility that could be affected by the grant of the requested variance or waiver.

WHEREFORE, Liberty submits this Response to Commission Order and, to the extent required, requests a temporary variance or waiver from the 60-day advanced notice requirement of Rule 20 CSR 4240-20.090(8)(D)1A and the Company's tariff. Liberty-Empire requests such other and further relief as is just and proper under the circumstances.

Respectfully submitted,

/s/ Diana C. Carter

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CERTIFICATE OF SERVICE

I hereby certify that the above document was filed in EFIS on this 8th day of November, 2020, with notice of the same sent to all counsel of record.

/s/ Diana C. Carter