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Engle Exhibit No.) 6 Eater 34 17 Reporter A File No. For 207-000		STATE OF MISSOURI PUBLIC SERVICE COMMISSION a session of the Public Service Commission held at its office in Jefferson City on the 17 <sup>th</sup> day of November, 2016.

**FILED** 

In the Matter of The Empire District Electric Company for Authority to Implement Rate Adjustments Related to the Company's Fuel and Purchase Power Adjustment Clause (FAC) Required in 4 CSR 240-20.090(4).

, File No. ER-2017-0092 Tracking No. JE-2017-0046

## ORDER APPROVING TARIFF TO CHANGE FUEL ADJUSTMENT CLAUSE RATES

Issue Date: November 17, 2016

Effective Date: December 1, 2016

The Empire District Electric Company ("the company") filed the tariff<sup>1</sup> to adjust the

company's rates pursuant to the company's fuel adjustment clause (FAC).<sup>2</sup> Staff filed a

recommendation<sup>3</sup> regarding the tariff. The Office of the Public Counsel ("OPC") filed a

response to that recommendation.<sup>4</sup> The company filed a response to OPC's filing.<sup>5</sup>

The tariff will adjust the company's rates per kilowatt hour ("kWh") by \$0.00449 for

primary voltage level service and \$0.00457 for secondary voltage level service. For a

<sup>&</sup>lt;sup>1</sup> Electronic Information System ("EFIS") No. 2 (September 30, 2016); substituted at EFIS No. 5 (October 25, 2016).

<sup>&</sup>lt;sup>2</sup> An FAC passes increases or decreases in net fuel cost to customers, without a general rate case, but periodically adjusted for over-recovery and under-recovery.

<sup>&</sup>lt;sup>3</sup> EFIS No. 6 (October 31, 2016); corrected at EFIS No. 7 (November 1, 2016).

<sup>&</sup>lt;sup>4</sup> EFIS No. 8 (November 9, 2016) Recommendation of the Office of the Public Counsel Regarding Empire District Electric Company and Commission Staff.

<sup>&</sup>lt;sup>5</sup> EFIS No. 10 (November 15, 2016) The Empire District Electric Company's Response to the Recommendation of the Office of the Public Counsel.

residential customer using 1,100 kWh per month, the tariff decreases the FAC by approximately \$2.50 per month.

Staff agrees and recommends that the Commission approve the tariff. OPC does not object. Nevertheless, OPC requests an order requiring the company to change the way it reports certain costs and revenues. In support, OPC cites certain administrative orders and alleges that the company is not complying with those orders.<sup>6</sup> The company argues that this action is inappropriate for such a determination. The company is correct. The statutes and the Commission's regulations prescribe the complaint procedure for determining OPC's charges.<sup>7</sup> OPC's filing leaves no time to litigate a complaint within this case, so the Commission will deny OPC's request, without determining the merits of that request.

On the basis of the verified and uncontested filings, the Commission concludes that the tariff conforms to the applicable statutes, regulations, and tariffs, so the Commission will approve the tariff.

## THE COMMISSION ORDERS THAT:

1. The tariff assigned Tracking No. JE-2017-0046 is approved as an interim rate adjustment, subject to true-up and prudence reviews, to become effective on December 1, 2016.

2. The specific tariff sheet approved is:

## P.S.C. MO Schedule No. 6

Section 4 1st Revised Sheet No. 17ac cancelling Section 4 Original Sheet No. 17ac

<sup>&</sup>lt;sup>6</sup> File No. ER-2014-0351 In the Matter of The Empire District Electric Company for Authority to File Tariffs Increasing Rates for Electric Service Provided to Customers in the Company's Missouri Service Area EFIS No. 313 (June 24, 2015) Report and Order page 28; which cites File No. ER-2014-0258 In the Matter of Union Electric Company d/b/a Ameren Missouri's Tariff to Increase Its Revenues for Electric Service, EFIS No. 742 (April 29, 2015) Report and Order page 113, finding of fact 7; which cites Federal Energy Regulatory Commission's Order 668.

<sup>&</sup>lt;sup>7</sup> Section 386.390, RSMo 2000; 4 CSR 240-2.070.

- 3. This order shall be effective on December 1, 2016.
- 4. This file shall close on December 2, 2016



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## BY THE COMMISSION

Morris L Woodruff

Morris L. Woodruff Secretary

Hall, Chm., Stoll, Kenney, Rupp, and Coleman, CC., concur.

Jordan, Senior Regulatory Law Judge

THE EMPIRE DISTRICT ELECTRIC COMPANY           P.S.C. Mo. No.         5         Sec.         4         1st						Revised Sheet No. 17ac		
Canceling P.S.C. Mo. No. <u>5</u> Sec. <u>4</u>						Original Sheet No. 17ac		
or <u>ALL TE</u>	RRITORY							
		FUEL	& PURCHASE		JUSTMENT CLA	USE		
		F	or service on a	RIDER FAC Ind after Sept	tember 14, 2016			
	······································							
	Accumulation	n Period I		Aug 31, 2016				
1	Total Energy	Cost (TE		60,294,283				
2	Net Base Energy Cost (B)					-	71,719,486	
-	2.1 Base Factor (BF)         2.2 Accumulation Period NSI (SAP)						0.02684	
							2,672,112,000	
3	(TEC-B)					(11,425,205		
4	Missouri Energy Ratio (J)				*	82.02%		
5	(TEC - B) * J					(9,371,395		
6	Fuel Cost Re	covery				*	95.00%	
7	<ul> <li>7 (TEC - B) * J * 0.95</li> <li>8 True-Up Amount (T)</li> <li>9 Prudence Adjustment Amount (P)</li> </ul>						(8,902,825	
8						+	(516,561	
9						+		
10	Interest (I)					+	(37,172)	
11	11Fuel and Purchased Power Adjustment (FPA)12Forecasted Missouri NSI (SRP)					=	(9,456,558)	
12						÷	2,205,063,123	
13	Current Perio Beginning De	d Fuel Ac cember 1	djustment Rat I, 2016	e (FAR) to b	be applied	=	(0.00429)	
14	Current Perio	d FAR <sub>PRII</sub>	M = FAR x VA				(0.00449)	
15	Current Perio	d FAR <sub>SEC</sub>	= FAR x VA	F <sub>SEC</sub>			(0.00457)	
16	VAF <sub>PRIM</sub> = 1.0	464					1.0464	
17	VAF <sub>SEC</sub> = 1.0	657		······································			1.0657	
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