

Exhibit No.:
Issue: Economic Development Riders
Witness: Nancy L. Harris
Sponsoring Party: MoPSC Staff
Type of Exhibit: True-Up Direct Testimony
Case No.: ER-2019-0374
Date Testimony Prepared: March 27, 2020

MISSOURI PUBLIC SERVICE COMMISSION

INDUSTRY ANALYSIS DIVISION

TARIFF AND RATE DESIGN DEPARTMENT

TRUE-UP DIRECT TESTIMONY

OF

NANCY L. HARRIS

THE EMPIRE DISTRICT ELECTRIC COMPANY

CASE NO. ER-2019-0374

Jefferson City, Missouri
March 2020

1 Q. Are there any LLCEDR customers served by Empire for the 12 months ending
2 January 31, 2020?

3 A. In response to Staff Data Request No. 0104.4, Staff found that the one LLCEDR
4 customer that was estimated to begin service in September 2019; did receive a bill in September
5 of 2019, but it was for 0 kWh usage and \$0. The first bill the customer received that contained
6 usage was on March 3, 2020 for service from February 2, 2020. However, Staff learned that
7 the customer is not currently receiving a discount under the LLCEDR tariff. The Company
8 asserts that this is due to the customer not reaching full production level loading yet.
9 The Company did not provide an estimated time for when the customer would reach full
10 production level.

11 Q. Does the LLCEDR tariff specify at which time the discount should apply to a
12 customer's bill?

13 A. Paragraph 4 under the Applicability section of the LLCEDR tariff is
14 provided below:

15 4. Service under this Rider shall begin on the date when the meter
16 associated with the qualifying incremental load is permanently set.
17 However, if the permanent meter is set prior to occupancy and operation
18 of the associated facility, the Customer will notify the Company when
19 operation begins and service of this Rider shall begin at such time as
20 operation begins. If the qualifying incremental load is measured rather
21 than metered, service under this Rider shall begin upon notification to
22 the Company by the Customer when operation begins.

23 Staff has submitted a follow-up data request to determine whether the customer's meter
24 currently in place is its permanent meter, a temporary construction meter or was set prior to the
25 customer's occupancy.

26 Q. Did the Company provide an estimated revenue impact of the LLCEDR discount
27 for this customer in its direct filed case?

1 A. Yes. However, Empire calculated the estimated revenue impact based on the
2 customer being served on the LPS rate schedule and the customer is currently being served on
3 the General Power (GP) rate schedule rather than the LPS rate schedule.² Additionally, as
4 already stated above, the customer is not currently being billed a discount under the LLCEDR
5 tariff as of January 31, 2020. Therefore, the Company's estimated revenue impact is not
6 accurate and not reflective of any discounts currently being applied to customers' bills.

7 Q. Does Staff have any other concerns with Empire's estimated revenue impact?

8 A. Yes. It appears that Empire applied the discount percent to the Customer's total
9 bill amount, which is not consistent with Section 393.1640, RSMo. The statute states that the
10 discount shall be a percentage applied to all base-rate components of the bill. The Fuel
11 Adjustment Clause charge and Excess Facility charge are separate riders and are not part of the
12 LPS or GP class base rates.

13 Q. Does this conclude your true-up direct testimony?

14 A. Yes.

² Staff Data Request No. 0104.4

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of The Empire District Electric)
Company's Request for Authority to File) Case No. ER-2019-0374
Tariffs Increasing Rates for Electric Service)
Provided to Customers in its Missouri)
Service Area)

AFFIDAVIT OF NANCY L. HARRIS

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW NANCY L. HARRIS and on their oath declares that they are of sound mind and lawful age; that they contributed to the foregoing True-Up Direct Testimony; and that the same is true and correct according to their best knowledge and belief, under penalty of perjury.

Further the Affiant sayeth not.

/s/ Nancy L. Harris
NANCY L. HARRIS