

FILED<sup>2</sup>

JUL 8 2019

Missouri Public  
Service Commission



Liberty Utilities<sup>®</sup>  
EMPIRE DISTRICT

The Empire District Electric Company

a Liberty Utilities Company

Case No. AO-2018-0179

OPC Data Request – 1078

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Data Request Received: 05/22/19

Request No. 1078

Date of Response: June 10, 2019

Respondent: Mark Timpe

REQUEST:

Have any of the Missouri Applicants used competitive bidding when considering alternatives to availing itself of LUCo financing arrangements since January 1, 2017? If so, please provide a copy of each document related to these competitive bids. If not, explain why competitive bidding is not necessary or appropriate.

RESPONSE:

This response is provided subject to and without waiving the objections served on May 25, 2019.

No. Empire has not borrowed short-term funds from LUCo and LUCo has not charged the non-Empire Missouri Applicants interest for their short-term advances. Midstates refinanced a maturing LUCo term loan in May 2018 and the interest rate for it was set by adding to the competitively bid credit spreads for like tenor from Liberty's most recent investment grade BBB-rated private debt placement the then current US Treasury rate for the matching 15-year tenor. Empire received funding from LUCo for the replacement of its \$90 million bond issue in June 2018. The replacement funding of \$90M was issued for a 15-year term and the rate was based on the then current 15-year US Treasury yield plus the competitively bid like-term credit spread obtained by Liberty from its most recent investment grade BBB-rated private debt placement.

OPC Exhibit No. 10  
Date 6/27/19 Reporter SA  
File No. AO-2018-0179