

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 18th day of
March, 2020.

In the Matter of the Application of The)
Empire District Electric Company and)
Liberty Utilities (Missouri Water), LLC)
d/b/a Liberty Utilities for Variances to)
Enable the Deployment of Advanced)
Metering Infrastructure for Electric and)
Water Customers)

File No. AO-2020-0237

Tariff No. YE-2020-0133

Tariff No. YW-2020-0134

Tariff No. YW-2020-0135

ORDER GRANTING VARIANCE AND APPROVING TARIFFS

Issue Date: March 18, 2020

Effective Date: April 2, 2020

On February 5, 2020, The Empire District Electric Company (Empire) and Liberty Utilities (Missouri Water), LLC (Liberty Water) (collectively “the Companies”) filed an application for a variance of Commission Rule 20 CSR 4240-10.030(28) and accompanying tariffs. The application for variances and the tariffs will permit the Companies to begin deployment of Advanced Metering Infrastructure (AMI) for electric and water customers, and waive the periodic scheduled testing requirement for meters that will be replaced by AMI meters.

Empire intends to begin deployment of AMI electric meters in the second quarter of 2020, continuing through 2021. The Companies state that good cause for granting the variance exists because, granting the variance will avoid unnecessary and redundant testing of meters scheduled for replacement and allow Empire to conserve or reallocate money and resources that would otherwise be expended on meters that will be replaced within the next two years, benefiting both the utility and its customers.

The Commission issued notice and set a deadline for intervention requests, but received none. On March 16, 2020, the Commission's Staff filed its recommendation to approve Empire and Liberty Water's application for variances and tariffs with conditions. The Commission received no other recommendations regarding the Companies' application or tariffs.

Commission rule 20 CSR 4240-2.060(4)(1) states that applications for variances or waivers from Commission rules shall contain: the specific rule from which a waiver is sought, the reason for the proposed waiver, complete justification setting out the good cause for granting the waiver, and the name of the public utility affected.

Commission Rule 20 CSR 4240-10.030(28) requires that, unless ordered by the Commission, each electric service watt-hour meter shall be periodically tested as scheduled. Good cause exists to grant the variance and approve the tariffs because it is inefficient to spend time and resources testing meters that will be replaced. Additionally, during the local public hearings in Empire's pending rate case, ER-2019-0374, a common comment before the Commission concerned customer disapproval of receiving estimated monthly bills as opposed to actual meter readings. The Companies state in their application, that because the AMI meters allow for two-way communication between the meter and the utility, there will be a reduced number of estimated bills. Other benefits include: reduced operating costs, better detection of theft of service, improved outage detection and notification, customer use of analytic tools, and support for future choice of time of use rates.

The tariff sheets submitted by the Companies each bear an effective date of April 2, 2020, and allow for its residential customers (both electric and water) to opt-out

of AMI, and for lower disconnect and reconnect fees related to AMI. The provisions of these tariff sheets are similar to those of other electric utilities in the state.

The Companies also seek a waiver of the Commission's 60-day notice requirement of Commission Rule 20 CSR 4240-4.017(1)(D) so that they could file the variance request quickly. The Companies certify that they have had no communication with the office of the Commission regarding any substantive issue likely to be in this case during the preceding 150 days.

Based on the application, the unopposed recommendation of its Staff, and its own finding of good cause, the Commission will grant the requested waiver and variances. The Commission will also approve the Companies' tariffs to take effect on April 2, 2020. Good cause exists to allow the tariffs to become effective in less than 30 days to allow the deployment of the AMI in the second quarter of 2020, as planned. The Commission makes no ratemaking determination at this time concerning this transaction.

THE COMMISSION ORDERS THAT:

1. The Empire District Electric Company and Liberty Utilities (Missouri Water), LLC d/b/a Liberty Utilities' request for waiver from the 60-day notice requirement of Commission Rule 20 CSR 4240-4.017(1)(D) is granted.

2. The Empire District Electric Company and Liberty Utilities (Missouri Water), LLC d/b/a Liberty Utilities' request for a variance from Commission Rule 20 CSR 4240-10.030(28) is granted subject to the following conditions proposed by the Commission's Staff:

- a. Empire shall, either upon receipt and/or prior to installation, verify the integrity/operation of the new meters.

- b. Empire shall request an extension of its waiver from the requirements of 20 CSR 4240-10.030(28) if it is later determined that AMI deployment will extend past the first quarter of 2022.
- c. Empire shall report to Staff annually the total number of meters in-service and its meter testing results for each electric meter tested over the past 240 months to ensure compliance with the meter testing frequency requirements of 20 CSR 4240-10.030(28).

3. The Empire District Electric Company and Liberty Utilities (Missouri Water), LLC d/b/a Liberty Utilities' tariff filings, assigned Tariff Tracking Nos. YE-2020-0133, YW-2020-0134, and YW-2020-0135 are approved to be effective April 2, 2020. The tariff sheets approved are:

P.S.C. MO. No. 5, Section 5

7th Revised Sheet No. 18, cancelling 6th Revised Sheet No. 18

5th Revised Sheet No. 37, cancelling 4th Revised Sheet No. 37

7th Revised Sheet No. 11, cancelling 6th Revised Sheet No. 11

P.S.C. MO. No. 5, Section 3

6th Revised Sheet No. 5, cancelling 5th Revised Sheet No. 5

4. This order shall become effective on April 2, 2020.



BY THE COMMISSION

A handwritten signature in dark ink, reading "Morris L. Woodruff".

Morris L. Woodruff
Secretary

Silvey, Chm., Kenney, Rupp, Coleman, and
Holsman CC., concur.

Clark, Senior Regulatory Law Judge

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

**WITNESS my hand and seal of the Public Service Commission,
at Jefferson City, Missouri, this 19th day of March 2020.**




Morris L. Woodruff
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

March 19, 2020

File/Case No. AO-2020-0237

**Missouri Public Service
Commission**

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**Missouri Public Service
Commission**

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Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,



**Morris L. Woodruff
Secretary**

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.