

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held by telephone
and internet audio conference
on the 21st day of May, 2020.

In the Matter of The Empire District)	
Electric Company's Filing for Authority to)	
Implement Rate Adjustments Related to)	<u>File No. ER-2020-0311</u>
the Company's Fuel and Purchased Power)	Tariff No. JE-2020-0171
Adjustment Required in 20 CSR 4240-)	
20.090)	

ORDER REJECTING TARIFF TO CHANGE FUEL ADJUSTMENT RATES

Issue Date: May 21, 2020

Effective Date: May 31, 2020

On April 1, 2020, The Empire District Electric Company, a Liberty Utilities company (Liberty-Empire) filed a tariff sheet proposing to increase the company's fuel adjustment rates, as provided by Commission Rule 20 CSR 4240-20.090(8). Liberty-Empire proposes to increase the fuel adjustment rates per kilowatt hour (kWh) to \$.00119 for primary service and \$.00121 for secondary service, effective June 1, 2020.¹

On May 1, 2020, Staff recommended the Commission issue an interim rate adjustment order to approve Liberty-Empire's substitute tariff sheet to be effective on June 1, 2020, subject to true-up and prudence review. On May 11, 2020, the Office of the Public Counsel filed a pleading opposing Staff's recommendation. OPC contends the proposed tariff sheet impermissibly includes coal inventory adjustments related to retirement of the Asbury generating facility. At the direction of the Commission, Staff and

¹Liberty-Empire on April 1, 2020, filed identical tariff sheets in ER-2020-0311 and EO-2020-0312. The tariff sheet is assigned Tariff No. JE-2020-0171. On April 6, 2020, Liberty-Empire filed a substitute tariff to correct an error on line 1 of the tariff sheet.

Liberty-Empire responded to OPC's objection. Liberty-Empire contends the adjustments at issue were properly recorded in compliance with the company's tariff. Staff responded that issues posed by retirement of Asbury are premature and can be better addressed "once a decision is rendered regarding the date that costs and revenues from Asbury should no longer be included in [Liberty-Empire]'s FAC."

OPC's objection raises an issue about whether the proposed fuel adjustment rates comply with Liberty-Empire's fuel adjustment clause tariff. As required by Commission Rule 20 CSR 4240-20.090(8)(H), the Commission will reject the substitute tariff, Tariff No. JE-2020-0171, suspend the timeline for the fuel adjustment rate filing in this case, set a date for a prehearing conference, order the parties to propose a procedural schedule, and order Liberty-Empire to file a tariff sheet to implement interim adjusted fuel adjustment rates to reflect any part of the proposed adjustment not now in question.

Because the proposed substitute tariff indicates an effective date of June 1, 2020, the Commission will make this order effective on May 31, 2020.

THE COMMISSION ORDERS THAT:

1. The proposed substitute tariff sheet, assigned Tariff No. JE-2020-0171, is rejected.
2. The timeline of Liberty-Empire's fuel adjustment rate filing in ER-2020-0311 is suspended.
3. A prehearing conference is scheduled for 1:15 p.m. on June 8, 2020, to be conducted by WebEx conference. The WebEx link and access code will be distributed by email to all counsel of record.

4. The parties shall file a proposed procedural schedule no later than June 18, 2020.

5. Liberty-Empire shall file any revised tariff sheets necessary to implement interim fuel adjustment rates consistent with uncontested components of Liberty-Empire's proposed fuel adjustment rates.

6. This order shall be effective on May 31, 2020.



BY THE COMMISSION

A handwritten signature in black ink that reads "Morris L. Woodruff". The signature is written in a cursive, flowing style.

Morris L. Woodruff
Secretary

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

Jacobs, 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 21st day of May 2020.




Morris L. Woodruff
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

May 21, 2020

File/Case No. ER-2020-0311

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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.