STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 14th day of January, 2026.

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Request of The Empire District Electric Company d/b/a Liberty for Authority to File Tariffs Increasing Rates for Electric Service Provided to Customers in Its Missouri Service Area	)))))	**<u>Case No. ER-2024-0261</u>** Tracking No. JE-2025-0127

REPORT AND ORDER

Issue Date: January 14, 2026

Effective Date: January 24, 2026

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REPORT AND ORDER

Procedural History

On November 6, 2024, an application for a general rate increase, including tariff sheets and prefiled direct testimony, was filed by The Empire District Electric Company d/b/a Liberty (Empire or Company). On February 26, 2025,[1] Empire withdrew the November-submitted tariff sheets and testimony and filed a new set of tariff sheets and testimony. The Commission directed notice and set an intervention deadline subsequent to each filing.

Midwest Energy Consumers Group (MECG), Renew Missouri (Renew), Influent Energy, IBEW Local Union 1474 (Local 1474), Empire District Retired Members and Spouses Association, LLC (EDRA), and Consumers Council of Missouri (CCM) requested and were granted intervention. The Staff of the Public Service Commission (Staff) and the Office of the Public Counsel (Public Counsel) were made parties pursuant to Commission Rules.

The Commission held eight local public hearings – six in person and two virtual, where customers could join via internet or telephone.[2] The local public hearings took testimony from many Empire customers and received several exhibits.[3]

Three partial stipulations and agreements were filed in the record of this proceeding. They involved, respectively: Empire and EDRA; Empire and Local 1474; and Empire and Staff.

A *Non-Unanimous Global Stipulation and Agreement* (Global Stipulation) was filed

[1] All dates refer to 2025 unless otherwise indicated.
[2] Transcript (Tr.) Volumes (Vol.) 2-9.
[3] Local Public Hearing Exhibit Nos. 1-6 (including confidential versions), filed August 4, 5, and 13.

on October 6 by Empire, Local 1474, MECG, Staff, and Renew. Public Counsel and CCM timely objected. Due to the objections filed by other parties, the Global Stipulation is treated as the position of the signing parties. The Commission held an evidentiary hearing from October 14 to October 16.[4]

On November 5, at its weekly Agenda meeting, the Commission discussed this case and encouraged the parties to revisit the Global Stipulation in pursuit of settlement. On December 12, Empire, MECG, Staff, and Renew filed a *Supplemental Stipulation and Agreement* (Supplemental Stipulation).

The Commission shortened the time to respond to the Supplemental Stipulation to coincide with the filing of briefs. Therefore, briefs of the parties and also timely objections to the Supplemental Stipulation were filed by Public Counsel and CCM on the same day, December 16.

The parties filed reply briefs on December 23. On January 7, 2026, the Commission held an on-the-record proceeding regarding the Supplemental Stipulation.[5] The Commission called four witnesses at the on-the-record. Parties were offered an opportunity in the scheduling order to call additional witnesses, but no party requested to call other witnesses.

Pending Objections

On December 31, Public Counsel filed *Public Counsel's Objections to the Commission Admitting Exhibits Nos. 1000 and 1001 and Holding an Evidentiary Hearing on Them* (Response). The Response, in two parts, objected to the admission of Exhibits 1000 and 1001, the Global Stipulation and the Supplemental Stipulation, respectively.

[4] Tr. Vols. 11, 12, and 13.
[5] Tr. Vol. 14.

Public Counsel's Response also objected to holding an on-the-record evidentiary proceeding on January 7, 2026. The objections were taken with the case.

Public Counsel's first objection is to the admission of the exhibits is based on the Commission's rule regarding when a case is submitted for consideration. Rule 20 CSR 4240-2.150(1) states, "The record of a case shall stand submitted for consideration by the [C]ommission after the recording of all evidence or, if applicable, after the filing of briefs or the presentation of oral argument."

The Response argued that the case was deemed submitted for decision on December 23, following the submission of reply briefs. However, the Commission has issued no order in this case recognizing December 23 or the due date of reply briefs as the date the case is deemed submitted. Contrary to the argument of the Response, the rule allows for multiple determinations of when a case is deemed submitted – either *after the recording of all evidence*, or after the filing of briefs or presentation of oral argument (emphasis added).

Parties may not determine how the administrative functions of a case progress. The Commission had not deemed the case to be submitted for determination. Therefore, the Commission overrules the objection of Public Counsel to the admission of Exhibits 1000 and 1001. The Commission orders the two exhibits admitted.

Public Counsel's second objection to the holding of the on-the-record evidentiary proceeding on the same grounds – that, in its view, the case had already been deemed submitted.[6] For the reasons cited above, the Commission overrules Public Counsel's objection to the holding of the on-the-record evidentiary proceeding.

[6] The Response noted that the title of the order, *Order Scheduling On-The-Record Proceeding Under 20 CSR 4240-2.110(3)*, cited the incorrect rule. The Commission finds its mention of no consequence as to the issue of whether the case was "deemed submitted".

EDRA Agreement

On October 3, EDRA and Empire filed an *Amended Stipulation and Agreement as to The Empire District Retired Members & Spouses Association, LLC* (EDRA Agreement). It is noted that Commission Rule 20 CSR 4240-2.115(2)(B) and (C) states that failure to file a timely objection to an agreement constitutes a waiver of the right to a hearing and that the agreement may then be treated as unanimous. The time for objections has passed, and no objections or requests for hearing were filed. Therefore, the Commission will treat the EDRA Agreement as unanimous.

The EDRA Agreement stated that Empire re-affirmed its prior commitments to funding the pension plan as set forth in the *Orders Approving Stipulations and Agreements* in Case No. EM-2016-0213. Empire further agreed to not engage in a pension risk transfer arrangement.

As the parties seek a Commission determination based on the submitted EDRA Agreement, the Commission will not make any findings of fact or conclusions of law and will instead base its decision on the EDRA Agreement.[7] After reviewing the pleadings and the EDRA Agreement, the Commission determines that its terms are a reasonable resolution of the issues addressed by the EDRA Agreement. The Commission will approve the EDRA Agreement and will order its signatories to comply with its terms.

Local 1474 Agreement

On October 13, Local 1474 and Empire filed a *Partial Stipulation and Agreement* (Local 1474 Agreement). There were no objections or requests for hearing; therefore, the Commission will treat the Local 1474 Agreement as unanimous.

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[7] Section 536.060, RSMo (2016) allows for disposition of contested cases through stipulation; Section 536.090, RSMo (2016) states that cases disposed of by stipulation do not require findings of fact and conclusions of law.

The Local 1474 Agreement stated that Empire agrees to treat all members of Local 1474 the same as similarly situated non-bargaining unit employees with respect to the retiree health benefit obligations, as set forth in Case No. ER-2021-0312.

As the parties seek a Commission determination based on the submitted Local 1474 Agreement, the Commission will not make any findings of fact or conclusions of law and will instead base its decision on the Local 1474 Agreement. After reviewing the pleadings and the Local 1474 Agreement, the Commission determines that its terms are a reasonable resolution of the issues addressed by the Local 1474 Agreement. The Commission will approve the Local 1474 Agreement and will order its signatories to comply with its terms.

FAC Agreement

On October 21, Staff and Empire filed a *Partial Stipulation and Agreement* (FAC Agreement). No objections or requests for hearing were filed; therefore, the Commission will treat the FAC Agreement as unanimous.

The FAC Agreement stated that it was being entered into due to a question raised in the objections to the Global Stipulation and to clarify certain matters with respect to paragraph 9 in the Global Stipulation. The FAC Agreement stated that Staff and Empire agree that certain subaccounts shall be included or excluded in Empire's Fuel Adjustment Clause (FAC) pursuant to the listing set forth on the attached Exhibit A of the FAC Agreement.

As the parties seek a Commission determination based on the submitted FAC Agreement, the Commission will not make any findings of fact or conclusions of law and will instead base its decision on the FAC Agreement. After reviewing the pleadings and the FAC Agreement, the Commission determines that its terms are a reasonable resolution of the issues addressed by the FAC Agreement. The Commission will approve the FAC Agreement and will order its signatories to comply with its terms.

Global and Supplemental Stipulations

The Global Stipulation was signed by Empire, Local 1474, MECG, Staff, and Renew. The Global Stipulation includes, among other things, an increase in Empire's annual revenue requirement of approximately $97 million annually. The Supplemental Stipulation, requiring customer service and billing improvements before the rate increase goes into effect, was signed by Empire, MECG, Staff, and Renew. Both Stipulations were objected to by Public Counsel and CCM, so by Commission Rule, both are treated as the positions of the respective signatories.

FINDINGS OF FACT

Any finding of fact for which it appears that the Commission has made a determination between conflicting evidence is indicative that the Commission attributed greater weight to that evidence and found the source of that evidence more credible and more persuasive than that of the conflicting evidence.

1. Empire is a certificated Missouri "electrical corporation" and "public utility" as those terms are defined at Section 386.020, RSMo (Supp. 2024).

2. Public Counsel is a party to this case pursuant to Section 386.710(2), RSMo (2016),[8] and by Commission Rule 20 CSR 4240-2.010(10).

3. Staff is a party to this case pursuant to 20 CSR 4240-2.010(10).

4. EDRA, Influent Energy, Local 1474, Renew, MECG, and CCM requested and were granted intervention.[9]

[8] All RSMo citations are to the 2016 publication unless otherwise indicated.
[9] *Order Granting Applications to Intervene*, issued December 10, 2024; *Order Granting Application to Intervene*, issued December 11, 2024; and *Order Granting Application to Intervene*, issued April 2.

5. During the eight local public hearings held in this case, the Commission heard testimony from 219 total witnesses.[10]

6. The parties initially filed a list of 170 separate issues to be determined by the Commission in this case.[11]

7. The Global Stipulation was filed on October 6, and signed by Empire, Local 1474, MECG, Staff, and Renew.[12]

8. Public Counsel and CCM timely filed objections to the Global Stipulation.[13]

9. After the filing of the Global Stipulation and related objections, the parties filed an amended hearing schedule that set forth 117 issues.[14]

10. The Global Stipulation, with 40 paragraphs addressing substantive issues, stated that it resolves all issues in this case.[15]

11. Paragraph 3 of the Global Stipulation requested that the Market Price Protection Mechanism issue be decided later as it has no impact on the revenue requirement being determined, the signatories did not agree on its resolution, and it could be determined at a later time.[16] The Commission, on its own motion, opened Case No. EO-2026-0101, to address the Market Price Protection Mechanism.[17]

12. There were no objections to the following 27 paragraphs of the Global Stipulation:

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[10] Tr. Vol. 2-9.
[11] *Amended List of Issues and Hearing Schedule*, filed September 30.
[12] Ex. 1000, *Non-Unanimous Global Stipulation and Agreement,* filed October 6.
[13] *The Office of the Public Counsel's Objection to the Non-Unanimous Stipulation and Agreement filed October 6, 2025*, filed October 8 (Public Counsel's Objection to Global); and *The Consumers Council of Missouri's Objections to the October 6, 2025 Non-Unanimous Stipulation and Agreement*, filed October 10 (CCM's Objection to Global).
[14] *Amended Hearing Schedule*, filed October 10.
[15] Ex. 1000, Global Stipulation, introductory paragraph.
[16] Ex. 1000, Global Stipulation, para. 3.
[17] Case No. EO-2026-0101, *Order Opening Case, Directing Notice, Establishing Time to Intervene, and Scheduling a Procedural Conference*, issued October 14.

Paragraph 13 – Creation of Regulatory Asset/Liability Tracker[18]
Paragraph 14 – SB-EDR Regulatory Asset[19]
Paragraph 15 – Continuation of the PAYGO Tracker[20]
Paragraph 16 – Tax Equity Distribution[21]
Paragraph 17 – Utilization of Reverse South Georgia Method for Excess ADIT[22]
Paragraph 18 – Rate Design and Billing Determinants[23]
Paragraph 19 – External Audits[24]
Paragraph 20 – Internal Audits[25]
Paragraph 21 – Withdraw AAO for New Natural Gas Generation[26]
Paragraph 22 – Withdraw Wind Environmental Cost Recovery Tracker[27]
Paragraph 23 – Discontinue Excess ADIT Tracker[28]
Paragraph 25 – FAC Reporting[29]
Paragraph 26 – Tariff Changes[30]
Paragraph 27 – Normalized Weather Time Period[31]
Paragraph 28 – Arrearage Forgiveness[32]
Paragraph 29 – Low-Income Weatherization Assistance Program[33]
Paragraph 30 – Low-Income Pilot Program[34]

[18] Public Counsel's Objection to Global, para. 17; CCM's Objection to Global.
[19] Public Counsel's Objection to Global, para. 18; CCM's Objection to Global.
[20] Public Counsel's Objection to Global, para. 18; CCM's Objection to Global.
[21] Public Counsel's Objection to Global, para. 18; CCM's Objection to Global.
[22] Public Counsel's Objection to Global, para. 18; CCM's Objection to Global.
[23] Public Counsel's Objection to Global, para. 18; CCM's Objection to Global.
[24] Public Counsel's Objection to Global, para. 18; CCM's Objection to Global.
[25] Public Counsel's Objection to Global, para. 18; CCM's Objection to Global.
[26] Public Counsel's Objection to Global, para. 18; CCM's Objection to Global.
[27] Public Counsel's Objection to Global, para. 18; CCM's Objection to Global.
[28] Public Counsel's Objection to Global, para. 18; CCM's Objection to Global.
[29] Public Counsel's Objection to Global, para. 20; CCM's Objection to Global.
[30] Public Counsel's Objection to Global, para. 20; CCM's Objection to Global.
[31] Public Counsel's Objection to Global, para. 20; CCM's Objection to Global.
[32] Public Counsel's Objection to Global, para. 20; CCM's Objection to Global.
[33] Public Counsel's Objection to Global, para. 20; CCM's Objection to Global.
[34] Public Counsel's Objection to Global, para. 20; CCM's Objection to Global.

Paragraph 31 – Critical Medical Needs Program[35]
Paragraph 32 – Quarterly Low-Income Stakeholder Meetings[36]
Paragraph 33 – Pension Plan Funding[37]
Paragraph 34 – Health Benefit Equal Treatment[38]
Paragraph 35 – Green Button Connect[39]
Paragraph 36 – Reliability[40]
Paragraph 37 – Variance Requests[41]
Paragraph 39 – Customer First Name Change[42]
Paragraph 40 – Emergency Curtailment Docket[43]
Paragraph 43 – Effective Date of Rates[44]

13. Objections to the following provisions were made solely on the grounds that the provision would increase Empire's annual revenue requirement:

Paragraph 11 – Pension/OPEB[45]
Paragraph 12 – SERP[46]
Paragraph 24 – Property Tax Tracker Base[47]

14. Public Counsel and CCM conditionally objected to Paragraph 38 of the Global Stipulation, titled "Estimated Bills." Only if Public Counsel does not receive certain

[35] Public Counsel's Objection to Global, para. 20; CCM's Objection to Global.
[36] Public Counsel's Objection to Global, para. 20; CCM's Objection to Global.
[37] Public Counsel's Objection to Global, para. 20; CCM's Objection to Global.
[38] Public Counsel's Objection to Global, para. 20; CCM's Objection to Global.
[39] Public Counsel's Objection to Global, para. 20; CCM's Objection to Global.
[40] Public Counsel's Objection to Global, para. 20; CCM's Objection to Global.
[41] Public Counsel's Objection to Global, para. 20; CCM's Objection to Global.
[42] Public Counsel's Objection to Global, para. 20; CCM's Objection to Global.
[43] Public Counsel's Objection to Global, para. 20; CCM's Objection to Global.
[44] Public Counsel's Objection to Global, para. 23; CCM's Objection to Global.
[45] Public Counsel's Objection to Global, para. 15; CCM's Objection to Global.
[46] Public Counsel's Objection to Global, para. 16; CCM's Objection to Global.
[47] Public Counsel's Objection to Global, para. 19; CCM's Objection to Global.

monthly reports (Paragraph 38, b), and if Public Counsel is not allowed to participate in discussions to agree on how to provide transparency on the estimation of interval reads across time-of-use periods (Paragraph 38, c and d), then Public Counsel and CCM object.[48]

15. Paragraph 38 of the Global Stipulation stated that Empire agreed to the following:

> a. To immediately minimize any instance of interval billing estimation;
>
> b. Within three months after the effective date of rates in this proceeding, Empire shall begin providing a monthly report to Staff that contains the number of meters rendering interval data and the number of those meters that contain interval estimates;
>
> c. Within thirty days of the filing of this Stipulation, Staff and Empire will come to an agreement on how to provide transparency on the estimation of interval reads across TOU periods;
>
> d. Empire will work with Staff to implement appropriate tariff revisions and process improvements related to this issue no later than six months after the effective date of rates in this proceeding, unless otherwise ordered by the Commission in the investigation docket; and
>
> e. Empire will issue customer notifications after three consecutive estimated bills.[49]

16. The nine remaining provisions of the Global Stipulation with objections are as follows:

Paragraph 4 – Total Revenue Requirement[50]
Paragraph 5 – Rate of Return to be Used for Applicable Mechanisms[51]

[48] Public Counsel's Objection to Global, para. 20; CCM's Objection to Global.
[49] Ex. 1000, Global Stipulation, para. 38.
[50] Public Counsel's Objection to Global, para. 17; CCM's Objection to Global.
[51] Public Counsel's Objection to Global, para. 18; CCM's Objection to Global.

Paragraph 6 – Customer First Performance Metrics[52]
Paragraph 7 – Customer First Regulatory Asset[53]
Paragraph 8 – Deferred Revenue Regulatory Asset[54]
Paragraph 9 – FAC Mechanism[55]
Paragraph 10 – Depreciation Rates[56]
Paragraph 41 – Customer Notification[57]
Paragraph 42 – Heat Rate Testing Results and Procedures[58]

17. The Global Stipulation stated that it has resulted from extensive negotiations among the signatories, and that its terms are interdependent.[59]

18. The Supplemental Stipulation was filed On December 12, and signed by Empire, Staff, MECG, and Renew.[60]

19. Public Counsel and CCM timely filed objections to the Supplemental Stipulation.[61]

20. The Supplemental Stipulation would modify the timing of the rate increases agreed to under the provisions of the Global Stipulation.[62]

21. The Global Stipulation proposed a three-year phase-in of rates to begin on February 1, 2026.[63] The Supplemental Stipulation changes the phase-in to begin only

[52] Public Counsel's Objection to Global, para. 18; CCM's Objection to Global.
[53] Public Counsel's Objection to Global, para. 18; CCM's Objection to Global.
[54] Public Counsel's Objection to Global, para. 18; CCM's Objection to Global.
[55] Public Counsel's Objection to Global, para. 18; CCM's Objection to Global.
[56] Public Counsel's Objection to Global, para. 18; CCM's Objection to Global.
[57] Public Counsel's Objection to Global, para. 18; CCM's Objection to Global.
[58] Public Counsel's Objection to Global, para. 18; CCM's Objection to Global.
[59] Ex. 1000, Global Stipulation, para. 45.
[60] Ex. 1001, *Supplemental Stipulation and Agreement*, filed December 12.
[61] *Objection to the Supplemental Stipulation and Agreement filed December 12, 2025*, filed December 16 (Public Counsel's Objection to Supplemental); and *Objections to the December 12 Supplemental Stipulation*, filed October 10 (CCM's Objection to Supplemental).
[62] Ex. 1001, Supplemental Stipulation, introductory paragraph.
[63] Ex. 1000, Global Stipulation, paras. 4 and 43.

after Empire meets specific billing and customer service metrics for three consecutive months.[64] Tracking of those metrics began January 1, 2026.[65]

22. The Supplemental Stipulation sets forth the billing and customer service metrics as follows:

a. Eliminate initial and final estimated bills for service. To the extent that Empire was unable to obtain a read for reasons beyond its control, Empire shall provide the reason that the inability was beyond the Company's control.

b. For all accounts associated with a metered service, Empire shall confirm that each meter associated with that account is attached to the account in Customer First for billing purposes. In conjunction, customers on rate schedules that proscribe usage-based billing shall not receive bills without usage or beginning or end meter reads.

c. If a customer's initial or final bill covers a "normal" billing period (26-35 days), Empire shall not prorate the customer charge. Instead, the customer should be charged the full monthly customer charge, just like any other regular bill.

d. Empire shall not issue a customer bill with fewer than 21 days between the bill rendition date and the bill due date, except where (1) tariff provisions explicitly allow a shorter interval, (2) the customer has selected a Preferred Payment Date Plan, or (3) the customer is subject to collective or joint account billing.

e. Empire shall eliminate instances where bills are issued with a usage period of less than 26 or more than 35 days, with the exception of initial bills, final bills, or corrected bills. This will exclude only joint and collective accounts that were actively being realigned during the month in question (as per the meter read alignment process detailed in Case No. EE-2026-0065).

f. Except for those instances covered by the variance granted in Case No. EE-2026-0065 in the month of realignment, or prior to realignment, Empire shall demonstrate progress in reducing delayed billing by invoicing a bill nine or fewer days after the customer's cyclical bill date for no less than 99.7% of billing contracts in a given billing cycle.[66]

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[64] Ex. 1001, Supplemental Stipulation, paras. 1 and 3.
[65] Ex. 1001, Supplemental Stipulation, para. 1; Tr. Vol. 14., p. 28.
[66] Ex. 1001, Supplemental Stipulation, para. 3.

23. Customer First is the name of Empire's new software to manage data and work processes. It is built on Systems, Applications, and Products in Data Processing (SAP),[67] which is a leading enterprise resource planning solution used by regulated utilities around the world to manage core business operations and customer interactions.[68]

24. CCM objected that the customer service and billing metrics in the Supplemental Stipulation are mere restatements of the Commission's rules which do not measure accurate billing.[69]

25. Public Counsel objected to the Supplemental Stipulation because the customer service and billing metrics, in Public Counsel's view, are inadequate because of the following suppositions and complaints as gleaned generally from Public Counsel's Objections to Supplemental paragraph 7 and its subparagraphs:

> Empire is already required to comply with Commission rules; it [The Office of the Public Counsel] complains that there is no third-party confirmation of metric compliance; it complains it is unclear who decides when metrics are met; and then generally states there is a lack of metrics to address billing issues complained about including: multiple bills in one billing period; failure to bill for multiple months; applying incorrect tax to bills; sending bills past the due date; billed information not matching online usage information; and overbilling; lack of metrics to address issues complained about including: inability to tell customers what they owe; and not issuing bills when so stated; that there is a lack of in-person bill payment and

[67] Witnesses have referenced Customer First and SAP somewhat interchangeably, but this order will hereafter only refer to Customer First.
[68] Ex. 53, Walt Rebuttal, p. 6; Ex. 43, Penny Direct, pp. 7-8.
[69] CCM's Objection to Supplemental, para. 3.

customer service options; that there is a disconnect of matching solar installer usage information for net metering customers; and for crediting or refunding customer overpayments.[70]

26. Empire witness Amy Walt testified to her understanding that under the Supplemental Stipulation's provisions, Empire will not receive any rate recovery until all six metrics are met for three consecutive months.[71]

27. In explaining what triggers the phased-in rate increase, Empire witness Charlotte Emery indicated that all metrics must be met each month.[72]

28. Staff witness Tyron Thomason stated his agreement with the procedures set forth by witnesses Walt and Emery.[73]

29. CCM objected that the Supplemental Stipulation does not address the many problems with billing errors currently being investigated by the Staff in Case No. OO-2025-0233.[74]

30. Public Counsel objected to the Supplemental Stipulation because the report of Staff's investigation in Case No. OO-2025-0233 had not yet been released, and because the 2025 J.D. Power *U.S. Electric Utility Residential Customer Satisfaction Study* had not been published.[75]

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[70] Public Counsel's Objection to Supplemental, para. 7. The Commission also notes that these objections merely repeat the sequence of events in the case from paragraphs 1-6 and do restate vaguely the above concerns in paragraph 7 and its subparagraphs, but do not develop these thoughts further.
[71] Tr. Vol. 14, p. 17. See also pp. 27-28.
[72] Tr. Vol. 14, p. 47 and 48.
[73] Tr. Vol. 14, p. 66.
[74] CCM's Objection to Supplemental, para. 5.
[75] Public Counsel's Objection to Supplemental, para. 8. Public Counsel's objection did not develop this argument further than the above.

31. Case No. OO-2025-0233 is an open investigation case of all three public utility services that Liberty Utilities provides – those being electric, gas, and water – and the customer service and billing practices thereof.[76]

32. Staff testified that the Global Stipulation and the Supplemental Stipulation provide the best possible positions for the Commission to adopt.[77]

Total Revenue Requirement (Global Stipulation Paragraph 4)

33. Since its last electric rate case, Empire has invested just over $84.1 million of gross plant expenditures in its existing generation facilities.[78]

34. Specific generation projects completed since Empire's last general rate case that had costs of $5 million or more are as follows:

- PO0012 – This project extended the overhead crane and upgraded the headgates at the Ozark Beach hydro facility.
- PCC006 – This project upgraded one of the combustion turbines and related auxiliaries of the State Line Combined Cycle unit at its second major inspection. The upgrades allow the combustion turbine to produce additional mega-watts of electricity and improved the heat rate of the unit.
- PR0007 – The major components of this project were the purchase of a spare transformer that is capable of being used at multiple locations within the Liberty Central generation fleet. There were also lube oil coolers and other instrumentation purchased on this project.
- PS0006 – This project began as a Hot Gas Path (HGP) inspection of the State Line 1 (simple cycle) combustion turbine. However, the HGP inspection revealed cracks in one of the combustion turbine rotor discs and the Original Equipment Manufacturer refused to certify the machine to be able to return to service. The unit, with a certified new turbine rotor, was able to be placed back into service in July of 2023.

[76] Case No. OO-2025-0233, *Order Opening an Investigation*, issued February 27, 2025.
[77] Tr. Vol. 14, pp. 75-76.
[78] Ex. 1, Berkstresser Direct, p. 2.

This reduced the risk of potential de-rating of the unit under SPP's performance-based accreditation construct.[79]

35. Empire has invested in transmission and distribution system projects since its last general rate case.[80] Some examples of these projects[81] include:

- Installation of physical security at substations ($20 million in sum);
- Installation of breakers to improve reliability and minimize outages ($34 million in sum);
- Replace autotransformers ($17.5 million);
- Rebuild and recondition transmission line that was built in 1928 ($13.6 million);
- Rebuild several transmission lines ($107 million in sum).[82]

36. For the true-up period ending March 31, 2025, in the current rate case, the pro-forma balance for Empire's total amount of capital expenditures related to the Iatan coal-fired electric plant and PCB Transformer/Sub Transformer environmental activities that have been settled and paid is $7,348,995.[83]

37. Prior to the filing of the Global Stipulation, Empire had requested an increase in revenues of $168.9 million.[84]

38. Prior to the filing of the Global Stipulation, Staff had recommended a revenue increase of $128.8 million. Staff's $128.8 million included the effect of Staff's proposed 100 basis points reduction to Empire's return on equity.[85]

39. Staff conducted an audit to determine the appropriate amounts of the cost of service components for the regulated entity within its tariffed service territory. All

[79] Ex. 1, Berkstresser Direct, pp. 3-4.
[80] Ex. 57, Westfall Direct, p. 3.
[81] The Commission notes that the aggregated cost of these few examples is over $190 million.
[82] Ex. 57, Schedule JW-1.
[83] Ex. 19, Emery Surrebuttal and True-Up Direct, p. 22.
[84] Ex. 20, Emery True-Up Rebuttal, p. 27.
[85] Tr. Vol. 11, p. 147.

relevant factors were examined so that a proper relationship of revenues, expenses, and rate base is maintained.[86]

40. Staff reduced the Customer First plant-in-service by $60 million and accumulated depreciation reserve by $1 million to reflect the current state of Empire's billing capabilities. Staff additionally adjusted ongoing amortization expense and Accumulated Deferred Income Taxes (ADIT) to reflect Staff's position on the Customer First software.[87]

41. Empire's response to Staff Data Request No. 0248 indicated that the Customer Information System (CIS) portion of the initial software investment (also known as Customer First Foundations) was the system responsible for customer billing. Staff used the Customer First capital expenditure details to identify the percentage of Empire's investment in Customer First Foundations that is related to the CIS. Staff then applied the CIS percentage to the September 30, 2024, plant-in-service and accumulated depreciation reserve book balances for Customer First Foundations to remove the net amount of CIS from rate base.[88]

42. In addition, under Staff's proposal, the 100 basis points reduction would not be a one-time cost to Empire but rather would be in place until rates go into effect from Empire's next rate case.[89]

43. The 100 basis points penalty would result in an annual $18 million reduction in Empire's revenue requirement and impact Empire's credit metrics, likely raising significant concerns from ratings agencies.[90]

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[86] Ex. 122, Young Direct, p. 3.
[87] Ex. 122, Young Direct, p. 18.
[88] Ex. 122, Young Direct, p. 18.
[89] Ex. 5, Dane Rebuttal, p. 32
[90] Ex. 5, Dane Rebuttal, p. 32.

44. Public Counsel repeatedly recommended that no increase in revenue be authorized, meaning Empire would receive no additional reimbursement for any of its expenditures beyond what is included in the current rates.[91]

45. The Global Stipulation proposed to authorize a total revenue increase of $97 million, which reflects a $20,181,324 million revenue reduction associated with Customer First.[92] The $20,181,324 million revenue reduction will reduce the Customer First rate base amount to $149,287,965 and earn a 0% rate of return on that amount. The $20,181,324 revenue reduction consists of $13,750,356 associated with the Customer First asset and $6,430,968 associated with Customer First expenses. The Customer First expenses at issue consist of the following items:

- O&M Expenses of $1,308,017
- Incentive Compensation of $2,113,492
- Amortization Expense of $3,009,459.[93]

Empire's shareholders will absorb $6,430,968 of the $20,181,324 Customer First revenue reduction and record to a regulatory asset the remaining $13,750,356 on an annual basis as described in Paragraph 7 of the Global Stipulation.[94]

46. A regulatory asset (or liability) account records the bookings of any over-recovery or under-recovery of an item in rates when the particular item's cost differs from actual expenditures.[95]

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[91] Ex. 202, Marke Direct, p. 58 stating full support for no rate increase; Ex. 205, Marke Surrebuttal, p. 18 stating previous positions are unamended based on rebuttal testimony of others; Public Counsel's Objection to Global, para. 5 advocating that a rate increase request should only be entertained after customer service quality is addressed; Tr. Vol. 11, pp. 168-169; Public Counsel's Objection to Supplemental, paras. 5 and 6; The Office of the Public Counsel's Initial Brief, pp. 1-2 and 100 advocating no rate increase until after customer service quality is addressed; and, The Office of the Public Counsel's Reply Brief, Conclusion.
[92] Ex. 1000, Global Stipulation, para. 4.
[93] Ex. 1000, Global Stipulation, para. 4.
[94] Tr. Vol. 14, pp. 40-41.
[95] Ex. 143, Lyons Rebuttal, p 2.

47. The Commission has authority over jurisdictional utilities' accounting practices through its adoption of the Federal Energy Regulatory Commission's Uniform System of Accounts (USOA) for each utility industry. The USOA prescribes detailed instructions as to how the utilities are to account for their revenues, expenses and capital investment. The long-standing practice in this jurisdiction is that a utility generally first seeks authorization from the Commission before deferring to its balance sheet as regulatory assets certain costs normally charged as current expenses on the utility's income statement. Deferral treatment is an exception to normal utility accounting for costs under the prescribed USOA.[96]

48. The Global Stipulation further proposed that the $97 million increase should be phased-in over a three-year period.[97]

49. Public Counsel and CCM are opposed generally to the Global Stipulation because the settlement agreement would raise Empire's rates and adversely impact local economies in Empire's service area, both directly and by the ripple effect of businesses passing their costs to their customers.[98]

50. Public Counsel, based on its positions on the individual issues, further proposes that if any increase in Empire's revenue requirement is authorized, that increase should be no more than $53.6 million. The $53.6 million revenue increase was based on deducting Public Counsel's proposed adjustments from Staff's $128.8 million revenue requirement increase.[99]

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[96] Ex. 143, Lyons Rebuttal, pp. 9-10.
[97] Ex. 1000, Global Stipulation, para. 8.
[98] Public Counsel's Objection to Global, para. 7; CCM's Objection to Global.
[99] Public Counsel's Initial Brief, p. 15 and 22, Public Counsel's Initial brief attached Issues Values Table.

51. Some of the adjustments Public Counsel proposes to reach the $53.6 million revenue requirement include:

a. Administrative & General (A&G) Account adjustment, issue 74($17,159,938)[100, 101]

b. Isolated Adjustments Depreciation Accrual, issue 2.f-($7,498,883)[102, 103]

c. Customer First, issue 142-($23,729,203)[104]

52. Public Counsel compared the A&G costs reported on Empire's 2024 FERC Form 1 annual report with that of other Missouri electric investor-owned utilities (IOUs). Empire's A&G costs per customer in 2024 was $402, according to FERC Form 1 information. Empire's Missouri electric IOU peers' average A&G cost per customer in 2024 was $149.[105]

53. Empire's A&G pre-merger expense per customer between 2013 and 2016 averaged $274.50, a difference of $127.50 from $402 in 2024. That difference multiplied by 164,320 customers equates to a $20,950,800 revenue requirement reduction.[106]

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[100] Issues Values Table attached to Public Counsel's Initial Brief, p. 8.

[101] The value for A&G expense presented by Public Counsel's witness in Ex.220, Schaben Surrebuttal, p. 17, was $41,572,960 and $20,950,800; while the number presented in Public Counsel's initial brief was $17,159,938. Public Counsel's position in its initial brief (Page 61) indicates that the "appropriate level of A&G expense to include in Liberty's cost of service is $24,483,862 ($149 per customer × 164,320 Missouri customers)." This is Staff's value of $41,643,800 for Liberty's A&G expense ($253.43 per customer) reduced by $17,159,938 ($104.43 per customer).

[102] Issues Values Table attached to Public Counsel's Initial Brief, p. 8.

[103] The value for isolated adjustments presented by Public Counsel's witness in testimony in Ex. 217, Robinett Surrebuttal, p.11-13 indicated a monthly depreciation accrual of $10,673,110. In Public Counsel's initial brief, page 37, Public Counsel stated, "Public Counsel witness John Robinett in surrebuttal testimony recommends accrual of $10,673,109.72 on a monthly basis or a total adjustment of $96,759,780.99 which would decrease the revenue requirement by approximately $7.5 million in recognition of reserve accruals through January 2, 2026—the then end of the tariff suspension period was $7,498,883." Public Counsel used $7,498,883 in its calculation for the $53.6 million revenue increase included in the Issues Values Table attached to its Initial Brief.

[104] Issues Values Table attached to Public Counsel's Initial Brief, p. 8; and Ex. 203, Marke Direct, p. 54.

[105] Ex. 218, Schaben Direct, p. 10.

[106] Ex. 218, Schaben Direct, p. 11.

54. Public Counsel's surrebuttal testimony recommends adjustments to reduce A&G by either $41.6 million or $21 million.[107]

55. Empire experienced an annual 3.14% Compound Growth Rate (CAGR) of its proposed A&G costs from June 30, 2015, through September 30, 2024. The 3.14% CAGR is reasonable and appropriate given the following:

a. First, much has changed in the last ten years as the world's economy endured many inflationary events including pandemics, rising interest rates and changing trade dynamics.

b. Second, while the 3.14% CAGR is slightly above the typical industry benchmark range of 2% to 3%, it reflects Empire's unique service territory that includes both rural and urban areas, requiring a flexible and responsive operational model that can result in higher per-customer administrative costs.

c. Finally, the growth in A&G expenses also reflects changes in staffing levels and wage pressures in a competitive labor market.[108]

56. Although the other Missouri electric IOUs, Evergy Missouri West, Evergy Missouri Metro, and Ameren Missouri, are referred to as Empire's peers, Empire serves a more rural and geographically dispersed customer base, which inherently results in higher per-customer costs. Comparing Empire's cost of service to that of other Missouri electric IOUs is fundamentally flawed due to significant differences in operational scale, customer density, geographic service territory, and legacy infrastructure. These differences materially affect cost structures and invalidate simplistic per-customer or per-kWh comparisons.[109]

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[107] Ex. 220, Schaben Surrebuttal, p. 17.
[108] Ex. 15, Eichler Rebuttal, p. 3.
[109] Ex. 15, Eichler Rebuttal, p. 4.

57. Over the last decade, Empire has had to navigate hiring employees in roles that command higher compensation due to market conditions and specialized skill requirements.[110]

58. Staff Accounting Schedule 9, Income Statement Detail quantifies total Missouri jurisdictional A&G expenses to be $41.8 million on September 30, 2024, the end of the update period and $41.2 million on March 31, 2025, the end of the true-up period. These amounts include all of Staff's adjustments. Total company A&G costs at the end of the update period and true-up period are approximately $65.3 million.[111]

59. Public Counsel's isolated depreciation accrual adjustment is based on the accumulated depreciation reserve for Empire as of January 2, 2026, the then operation of law date.[112]

60. Public Counsel calculated an accumulated depreciation reserve balance of $1,423,602,659 for Empire on a total company basis. This represents an additional $185,775,070 in depreciation reserves for Empire if adjusted to extend to January 2, 2026.

61. On a Missouri-jurisdictional level, the accumulated depreciation reserve balance would be $1,238,971,966, which is an increase in depreciation reserve of $131,370,067 when adjusted from September 30, 2024, to January 2, 2026.[113]

62. The increase in depreciation reserve on the Missouri-jurisdictional basis would reflect a revenue requirement reduction of $11,017,705.[114]

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[110] Ex. 15, Eichler Rebuttal, p. 4.
[111] Ex. 150, Young Rebuttal, Staff Accounting Schedule 9, Income Statement Detail and Ex. 175, Staff Accounting Schedules.
[112] Ex. 215, Robinett Direct, p. 20. The operation of law date, January 2, 2026, was extended to January 26, 2026, by *Order Granting Request for Further Extension of Time and Further Suspending Tariffs*, issued November 14.
[113] Ex. 215, Robinett Direct, p. 20, and Schedule JAR D-9.
[114] Ex. 215, Robinett Direct, p. 20.

63. Public Counsel's direct testimony adjustment is based on plant balances as of the update period of September 30, 2024, with depreciation accrual carried forward to January 2, 2026. That adjustment has been updated to include accumulated depreciation based on plant and reserve balances as of the end of the true-up period, March 31, 2025.[115]

64. Public Counsel's isolated adjustment selectively modifies accumulated depreciation without making corresponding updates to plant balances or expenses. This creates an incomplete and unbalanced view of Empire's cost of service.[116]

65. Public Counsel's isolated adjustments do not apply the ratemaking matching principle, which states that adjustments should be applied consistently across interrelated components to ensure the revenue requirement reflects the true cost of providing service.[117]

66. The Commission has been granting parties the opportunity to propose isolated adjustments in many of the recent large IOU rate cases. Accumulated depreciation reserve is one of the few isolated adjustments that would be beneficial to ratepayers as it reduces the rate base of the utility.[118]

67. For ratemaking purposes, a discrete or isolated adjustment is the recognition of an out-of-period event in a utility's revenue requirement. In this docket, the true-up date ordered by the Commission is March 31, 2025, so adjustments for investments, costs, or revenues related to events beyond that date are considered

[115] Ex. 217, Robinett Surrebuttal, p. 12.
[116] Ex. 18, Emery Rebuttal, p. 6.
[117] Ex. 18, Emery Rebuttal, p. 6.
[118] Ex. 215, Robinett Direct, p. 19.

discrete adjustments. Adjustments of this nature have also been referred to as "out-of-period" or "isolated" adjustments in other cases before the Commission.[119]

68. The Commission stated on pages 112 and 113 in its Amended Report and Order for Empire's Case No. ER-2019-0374: The criteria for determining whether an event outside the test year should be included is whether the proposed adjustment: 1) is known and measurable; 2) promotes the proper relationship of investment, revenues, and expenses; and; 3) is representative of the conditions anticipated during the time the rates will be in effect.[120]

69. The direct testimony of Public Counsel's witness John A. Robinett supports a discrete adjustment to capture the additional depreciation reserve that Empire will accrue through January 2, 2026. While capturing the depreciation past the true-up date is known and measurable, it does not promote the proper relationship of investment, revenues, and expenses.[121]

70. No party has proposed including plant balances beyond the approved true-up period, making Public Counsel's isolated adjustment to accumulated depreciation unsupported and inconsistent with sound regulatory practice.[122]

71. Staff witnesses made 40 adjustments to A&G accounts as identified in Schedule 10, Adjustments to Income Statement Detail. These adjustments are reflected in Staff's revenue requirement position prior to the Global Stipulation and in its true-up adjustments at different amounts. These adjustments include labor and non-labor expenses.[123]

[119] Ex. 150, Young Rebuttal, p. 5.
[120] Ex. 150, Young Rebuttal, p. 5.
[121] Ex. 150, Young Rebuttal, p. 6.
[122] Ex. Emery Rebuttal, p. 6.
[123] Ex. 175, Staff True-up Accounting Schedules, Accounting Schedule 9 and 10.

72. Staff's recommended treatment of injuries and damages is to annualize Empire's costs by using the update period's balance of actual cash payments made by Empire to entities that had an injury and/or claim against Empire, as there was a downward trend in these costs.[124]

73. Staff's recommended treatment of insurance expense is to include an annualized level of insurance expense based on current insurance premiums being paid and allocating an appropriate portion of the expense to Empire's cost of service.[125]

74. Staff adjusted Empire's test year payroll expense to reflect annualized levels of payroll costs based on actual employee levels as of the end of the update period, September 30, 2024.[126]

75. Staff adjusted both plant-in-service and accumulated reserve balances to March 31, 2025, the true-up date in this case.[127]

76. Customer First is a corporate-wide transformation initiative designed to replace and consolidate multiple legacy information technology systems and business processes used across the subsidiaries of Algonquin Power & Utilities Corp. (Algonquin).[128]

77. Algonquin is the ultimate parent company of Empire.[129]

78. In utility operations, a system is considered "in-service" when it is actively used to support core business functions and deliver value to customers. Customer First serves as Empire's enterprise-wide backbone system. Supporting critical functions such as financial management, procurement, employee data, geographic information systems

[124] Ex. 112, Marek Direct, p. 3.
[125] Ex. 112, Marek Direct, p. 4.
[126] Ex. 118, Smith Direct, p. 12.
[127] Ex. 152, Boronda Surrebuttal, True-Up, pp. 7-8.
[128] Ex. 61, Wilson Rebuttal, p. 2.
[129] Ex. 209, Schedule DM-D-2.

(GIS) outage management, metering, and customer information and billing. Empire employees across the organization rely on Customer First daily to perform their roles and deliver essential services to their customers.[130]

79. The Customer First information technology systems are operational and integral to Empire's ability to manage its utility responsibilities effectively.[131]

80. Customer First is fully integrated into nearly every aspect of Empire's daily business functions and is essential to delivering service to its customers.[132]

81. Empire recognized Customer First billing issues in August 2024. A task force began to review the billing issues with additional employees and extended work hours to address the billing issues. Improvements were recognized in October 2024.[133]

82. For the reasons detailed in Staff witness Thomason's direct testimony, Staff recommended disallowance of Customer First capital expenditures related to the billing function in the amounts of $60 million and $1 million of related accumulated depreciation. Corresponding amortization and accumulated deferred income tax and excessive operations and maintenance expenses that resulted from the Customer First billing issues were also recommended to be disallowed.[134]

83. Public Counsel argues that the entire Customer First platform is not used and useful but is broken and hurtful and that the entire capital investment of $145.6 million with a 20-year life, and all costs associated with the Customer First platform should be removed from the revenue requirement. The impact of disallowing the entire Customer First platform from the revenue requirement would be a $23.7 million reduction.[135]

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[130] Ex. 61, Wilson Rebuttal, p. 4.
[131] Ex. 61, Wilson Rebuttal, p. 4.
[132] Ex. 61, Wilson Rebuttal, p. 5.
[133] Tr. Vol. 11, pp. 110-112.
[134] Ex. 122, Young Direct, p. 18, and Ex. 123, Thomason Direct, p. 2.
[135] Ex. 203, Marke Direct, p. 54.

Rate of Return for Applicable Mechanisms (Global Stipulation Paragraph 5)

84. The Global Stipulation proposed that any mechanism and/or process that requires specific components of rate of return will utilize a pre-tax rate of return of 7.01%. The Global Stipulation does not include an agreed upon capital structure, cost of debt, or return on equity.[136]

85. Prior to the filing of the Global Stipulation, Empire proposed an equity/debt ratio of 53%/47%, a cost of debt of 4.53%, a cost of equity of 10.00%, and an overall pre-tax rate of return of 7.43%.[137]

86. Prior to the filing of the Global Stipulation, Staff, using Empire's provided capital structure and cost of debt, proposed a cost of equity of 9.5% and an overall pre-tax rate of return of 7.16%.[138]

87. Public Counsel and CCM objected to the Rate of Return to be Used for Applicable Mechanisms resolution in the Global Stipulation as it would raise Empire's revenues.[139]

88. Public Counsel and CCM additionally argued that the appropriate pre-tax rate of return is 6.53%.[140] Public Counsel calculated the pre-tax rate of return using a 9.25% cost of equity, a 45%/55% equity/debt ratio and a 4.3% cost of debt. They also objected because the settled pre-tax rate of return of 7.01% is a component of the Customer First Regulatory Asset.[141]

[136] Ex. 1000, Global Stipulation, para. 5.
[137] Ex. 6, Dane True-Up Direct, p. 31.
[138] Ex. 178, Walters True-Up Rebuttal, p. 2.
[139] Public Counsel's Objection to Global, para. 9; CCM's Objection to Global.
[140] Public Counsel's Objection to Global stated 6.523%; however, the calculation in the objection equals 6.53% and Public Counsel witness David Murray testified to 6.53%. Ex. 209, Murray Direct, Schedule DM-D-11.
[141] Public Counsel's Objection to Global, para. 10; CCM's Objection to Global.

89. Public Counsel witness Dave Murray based his recommended capital structure of 45% equity based on the low end of Algonquin's 2019 communication regarding targeted common equity ratios.[142]

90. Public Counsel witness Murray also testified that Algonquin is separated from Empire by at least five holding companies.[143]

Customer First Performance Metrics (Global Stipulation Paragraph 6 and Supplemental Stipulation Paragraph 3)

91. Empire originally planned to transition to Customer First in October of 2022.[144]

92. The transition was delayed a full year to October 2023.[145]

93. The Customer First transition was further delayed six months to April 2024.[146]

94. Having addressed all the problems it could have, absent a parallel operation, Empire transitioned to Customer First in April 2024.[147]

95. Prior to the transition, Empire conducted shadow billing and was aware of problems.[148]

96. Empire filed a Customer First Report with the Commission on August 6, 2024, that noted a high number of delayed bills, bills falling outside of a 26- to 35-day billing period, and other issues.[149]

[142] Ex. 209, Murray Direct, p. 8, and Ex. 209C, Murray Direct, p. 12.
[143] Ex. 209, Murray Direct, p. 10.
[144] Tr. Vol. 11, p.114.
[145] Tr. Vol. 11, p.115.
[146] Tr. Vol. 11, pp.115-116.
[147] Tr. Vol. 11, p. 116.
[148] Tr. Vol. 11, p. 117.
[149] Ex. 123. Thomason Direct, p. 4.

97. Empire delayed the filing of this rate case until November 2024 to provide additional time for its employees to learn how to navigate Customer First and work through any challenges resulting from the transition.[150]

98. The expert hired by Empire to resolve the Customer First issues, witness Amy Walt, testified that Empire's implementation timeline was overly ambitious.[151]

99. Public Counsel reported billing problems it heard from customers, including as follows:[152]

Wrong customer charge	Bill is different from online account
No customer charge	Online account incorrectly indicates a credit
No taxes are included	Bill is for another person's account
No bill issued in a particular month	Estimated bills during periods when power was out
Six separate bills in one month with differing amounts	Estimated bills when no one lives at the service address
Lack of solar credit	Billed amount inconsistent with usage
Added decimal to usage	Same surcharges billed twice with different amounts on one bill

100. Residential customers of Empire incurred costs due to their time and energy spent addressing the various billing issues.[153]

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[150] Ex. 206, Mantle Direct, pp. 3-4.
[151] Ex. 53, Walt Rebuttal, p. 10.
[152] Ex 202, Marke Direct, pp. 39-40.
[153] Ex 202, Marke Direct, p. 41.

101. Business owners testified during the local public hearings as to the negative impacts of the billing issues on their bottom line.[154]

102. In an example of billing issues, one residential customer received untimely bills from April, May, and June 2024 on August 15, 2024. The customer then did not receive the July and August bills until October 2024. The customer then did not receive any further bills until February 6, 2025, when Empire sent the September bill. The October 2024 bill was sent on February 25, 2025. The November bill was sent on March 4, 2025. The December, January, and February bills were sent on March 10, 2025. The March bill appears to have been sent timely, on March 27, 2025. By that point the customer had accrued over $3,000 in charges.[155]

103. In another example of billing issues, a residential customer who had not received a bill since October 2024 received three different sets of bills over a two-week period when Empire caught up with the bills in March 2025. One bill was sent March 3 for September-October usage, four bills were sent on March 10 for October through February usage, and the regular monthly bill for the prior month's usage was sent on March 18.[156]

104. On October 22, 2024, Empire sent a letter, separate from its billing, informing affected customers that their bills were delayed.[157]

105. The October 22, 2024, letter stated that Empire would provide extra time for customers to pay delayed bills. However, the letter did not include the specifics of Commission Rule 20 CSR 4240-13.025(1)(C)'s requirement to offer at least twice the period of the undercharge to pay the bill. Customers would have had to call Empire to

[154] Ex 202, Marke Direct, p. 41.
[155] Ex. 123, Thomason Direct, pp. 22-23.
[156] Ex. 123, Thomason Direct, p. 22.
[157] Ex. 123, Thomason Direct, p. 18.

know the correct period of time to pay their bill. On February 22, 2025, Empire modified its "bill up" letters to convey the rebill requirements.[158]

106. Because of the issues during the transition to Customer First, when customers receive a bill, experiences such as unexpected large bills, unexplained changes in balances owed, and unusual circumstances surrounding bill credits have customers questioning current billing validity.[159]

107. Empire had 88 informal complaints filed against it at the Commission that were categorized as "high bill" from April 8, 2024, to June 13, 2025 (14 months). For the 36 months prior to the Customer First implementation (April 7, 2021, to April 7, 2024), Empire had 33 "high bill" informal complaints filed at the Commission. Although many investigations were resolved in Empire's favor, the increase in the number of complaints can serve as a barometer for customer skepticism.[160]

108. According to Empire, a bug in the printing of collective bills[161] resulted in the lack of a print date. Work involved in fixing a separate issue caused the missing print date issue. Since the bills lacked the print date, the Customer First system assumed the bills had not been printed and printed them again during the next bill cycle. This process occurred repeatedly between March 31, 2025, and April 9, 2025. Approximately 10,000 collective billing customers received approximately 82,000 bills between these dates, with most customers receiving between eight and eleven bills. Empire stated that it has since

[158] Ex. 123, Thomason Direct, p. 19.
[159] Ex. 123, Thomason Direct, p. 25.
[160] Ex. 123, Thomason Direct, p. 25.
[161] A collective bill is a single bill for customers with multiple accounts at different locations or multiple commodity meters from Empire who prefer a consolidated bill for convenience. See Ex. 30, Kelly Rebuttal, p. 5.

fixed the bug and put in place additional protocols and monitoring to verify what has been invoiced and printed.[162]

109. According to Empire, the affected collective billing customers referenced above received bills on an almost daily basis for the same billing period but with different billing dates and due dates. The amount due was the same on all the bills unless a payment had been made between mailings. Customer confusion and frustration is evidenced by the increase in call volume during the month of April, which affected Empire's call center metrics. Furthermore, according to Empire, each bill costs approximately $1.00 to print and send to customers.[163]

110. The Supplemental Stipulation provides that Empire shall complete the realignment of joint and collective accounts as addressed in Case No. EE-2026-0065 by March 31, 2026, to be demonstrated in data for April 2026 billing, with the Company to file a report in this case demonstrating compliance no later than May 15, 2026.[164]

111. Prior to the Customer First implementation, certain customer accounts could choose the due date associated with their account. Upon the implementation of Customer First, those chosen due dates reverted to the original due date. In the Customer First system, the meter read date drives the billing and invoicing of customer accounts. Therefore, it is not possible for Customer First to schedule the invoicing of a bill separately from the meter read date so that the due date of the bill aligns with the customer's preferred due date. As a result, Empire no longer offers the Preferred Payment Date Plan

[162] Ex. 123, Thomason Direct, pp. 27-28.
[163] Ex. 123, Thomason Direct, p. 28.
[164] Ex. 1001, Supplemental Stipulation, para. 7.

to customers not already enrolled and has removed references to the program from the New Customer Handbook.[165]

112. Customers enrolled in Autopay were affected by Customer First by having money withdrawn from their linked bank accounts a month late.[166]

113. A billing window is a term of art meaning a 26-35 day billing period, and it is required by Commission Rule 20 CSR 4240-13.020(1) as well as Empire's tariff. Empire issued a total of 76,247 bills outside of the billing window during the 12-month period from April 2024 through April 2025. The combined number of bills Empire has issued outside of the billing window for the 84-month period of 2017 through 2023 was 1,286.[167]

114. In April 2024, Empire had 22,572 untimely bills (defined as bills that were not billed within a certain number of days after the target bill date, meaning the date the bill is planned to be generated). In April 2025, it had 6,608. The number has increased, decreased, and remained constant during the intervening 12 months, reaching a high of 37,695 in February 2025 and a pre-April 2025 but post Customer First low of 11,457 in December 2024. These data trends make it impossible to reliably predict when the Customer First issues will be resolved.[168]

115. Customers who have one issue with Customer First have been susceptible to being impacted by a different issue. They could also be impacted again by the same issue (e.g., delayed billing). Some customers have experienced several issues.[169]

116. J.D. Power customer satisfaction surveys ranked Empire 144 out of 151 utilities in 2024.[170]

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[165] Ex. 123, Thomason Direct, p. 30.
[166] Ex. 123, Thomason Direct, p. 31.
[167] Ex. 123, Thomason Direct, pp. 36-37.
[168] Ex. 123, Thomason Direct, pp. 7-8.
[169] Ex. 123, Thomason Direct, p. 43.
[170] Ex 202, Marke Direct, p. 43.

117. Staff's view is that the implementation of Customer First has compromised Empire's ability to provide safe and reliable service at just and reasonable rates.[171]

118. Public Counsel and CCM advocated that prior to the Commission entertaining Empire's request for an increase in rates, Empire should be required to demonstrate the quality of customer service to which its customers are entitled.[172]

119. The Global Stipulation set forth that the parties will reach agreement on the monthly normalized Customer First Performance Metrics no later than May 31, 2026. The performance metrics are to be related to billing accuracy, billing timeliness, number of estimated bills, call center responsiveness, and customer experience index.[173]

Customer First Regulatory Asset (Global Stipulation Paragraph 7)

120. The Global Stipulation provided that only after meeting the monthly normalized Customer First Performance Metrics, and only in those months where the Company has met the metrics, shall the Company begin recording a monthly amount in a regulatory asset account equal to the rate of return that would have been earned on the Customer First asset balance had it been included in rate base. The amounts would be subject to review and potential recovery in a future rate case.[174]

121. Public Counsel and CCM objected to the Customer First Regulatory Asset resolution in the Stipulation as it would raise Empire's revenues.[175]

122. Public Counsel and CCM additionally objected to the Customer First Regulatory Asset resolution because the Customer First Performance Metrics are not yet defined.[176]

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[171] Ex. 123, Thomason Direct, p. 2.
[172] Public Counsel's Objection to Global, para. 5; CCM's Objection to Global.
[173] Global Stipulation, para. 6.
[174] Ex. 1000, Global Stipulation, para. 7.
[175] Public Counsel's Objection to Global, para. 9; CCM's Objection to Global.
[176] Public Counsel's Objection to Global, para. 11; CCM's Objection to Global.

Deferred Revenue Regulatory Asset (Global Stipulation Paragraph 8)

123. The Global Stipulation contains a three-year phase-in of the recommended $97 million revenue increase. This will result in a regulatory asset. The Global Stipulation provided that in Empire's next rate case (and each subsequent rate case), the then-current balance in the deferred revenue regulatory asset will be placed in rate base. Carrying costs of this deferred regulatory asset will be 0%. The proposed phase-in over three years are projected to operate as follows:

- Year 1 - recovering approximately $32.3 million increase over agreed upon revenues in this proceeding;
- Year 2 - recovering approximately $64.6 million increase over agreed upon revenues in this proceeding; and
- Year 3 - recovering $97 million increase over agreed upon revenues in this proceeding.[177]

124. Public Counsel and CCM did not oppose phasing-in any rate increase.[178]

125. Public Counsel and CCM objected to the Deferred Revenue Regulatory Asset resolution in the Stipulation as it would raise Empire's revenues.[179]

126. Public Counsel and CCM did not oppose the zero carrying costs for deferred revenue regulatory asset amounts; however, Public Counsel and CCM opposed including any deferred revenue regulatory asset amounts in Empire's rate base.[180]

FAC Mechanism (Global Stipulation Paragraph 9)

127. A Fuel Adjustment Clause Mechanism (FAC) authorizes utilities to make periodic rate adjustments to reflect increases and decreases in prudently incurred fuel and purchased-power costs without a full rate case.[181]

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[177] Ex. 1000, Global Stipulation, para. 8.
[178] Public Counsel's Objection to Global, para. 12; CCM's Objection to Global.
[179] Public Counsel's Objection to Global, para. 9; CCM's Objection to Global.
[180] Public Counsel's Objection to Global, para. 12; CCM's Objection to Global.
[181] Ex. 206, Schedule LMM-D-2; Section 386.266, RSMo.

128. Empire's FAC was initially approved by the Commission in 2008 and was authorized to continue, with modifications, in all of Empire's subsequent general rate cases.[182]

129. The Commission can incentivize the FAC regarding efficiency and cost-effectiveness.[183]

130. Historically, the Commission has found that allowing a utility to have one hundred percent recovery of its FAC costs through an FAC acts as a disincentive for the utility to control FAC costs.[184]

131. The Commission has consistently set the sharing ratio for each investor-owned electric utility to be 95/5. This sharing ratio means that 95% of any increase in FAC costs above the Net Base Energy Cost (NBEC) would be billed to the customers and the electric utility absorbs 5%, while 95% of a decrease in FAC costs below the NBEC would be credited to customers and the electric utility retains 5% of the decrease.[185]

132. The current sharing ratio in Empire's tariff sheets is 95/5.[186]

133. The Supplemental Stipulation requested an extension of Empire's currently established FAC at its currently established rates as set out in Empire's current tariff until that tariff is superseded by the tariff sheets reflecting the phased-in rates agreed to in the Global Stipulation.[187]

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[182] Ex. 206, Schedule LMM-D-2.
[183] Ex. 206, Schedule LMM-D-2; Section 386.266, RSMo.
[184] Ex. 206, Schedule LMM-D-2.
[185] Ex. 206, Schedule LMM-D-2.
[186] Ex. 206, Mantle Direct, p. 2 and 26.
[187] Ex. 1001, Supplemental Stipulation, para. 5.

134. Public Counsel and CCM did not oppose the continuation of Empire's FAC; however, Public Counsel and CCM opposed the agreed upon 95/5 sharing mechanism in the Global Stipulation.[188]

135. Public Counsel witness Lena Mantle argued that Empire's sharing mechanism needs to be changed to 50/50 (or any ratio that increases Empire's share of the risk) because customers have no say in the decisions that impact fuel and purchased power costs and the current ratio requires minimal monetary risk by Empire.[189]

136. Public Counsel witness Mantle argues that Empire's choices regarding generation resources to build or not build have influenced Empire's FAC costs more than the commodity price of the fuel used by that generation – specifically arguing that perhaps the biggest decision regarding the generation of energy was Empire's deciding to allow the Southwest Power Pool (SPP) control over its transmission lines and over when to dispatch its generation resources.[190]

137. Public Counsel witness Mantle also speculated that Empire being sold to Algonquin, its decision to retire the Asbury Power Plant, the unavailability of several generators during Winter Storm Uri, and the building of wind generation rather than thermal dispatchable generation impact Empire's fuel and purchased power costs.[191]

138. The Global Stipulation provided that the sharing ratio of Empire's FAC will be 95/5 and set the base factor at $13.97 per MWh ($0.01397 per kWh).[192]

139. The current FAC base factor is $0.00870 per kWh.[193]

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[188] Public Counsel's Objection to Global, para. 13; CCM's Objection to Global.
[189] Ex. 206, Mantle Direct, pp. 25-26.
[190] Ex. 206, Mantle Direct, p. 27.
[191] Ex. 206, Mantle Direct, pp. 27-30.
[192] Ex. 1000, Global Stipulation, para. 9.
[193] Ex. 49, Tarter Corrected Direct, p. 5.

140. Empire initially requested that the FAC base factor be set to $0.01659 per kWh, which would have been an over-90% increase.[194]

141. Staff recommended an FAC base factor of $0.01111 per kWh.[195]

142. Public Counsel supports Staff's recommended FAC base factor.[196]

143. Public Counsel and CCM objected to the agreed upon FAC base factor of $0.01397 per kWh ($13.97 per MWh) as it implies a balance of net fuel and purchased power expense in Empire's revenue requirement. Public Counsel and CCM's position is that Staff's true-up variable fuel and purchased power expense is the appropriate expense to include in Empire's revenue requirement.[197]

144. Public Counsel and CCM also argued that the Global Stipulation is vague in that it does not specify the subaccounts that are to be included in Empire's FAC.[198]

145. The FAC Agreement addresses the inclusion and exclusion of subaccounts.[199]

146. Data provided by Empire in its FAC quarterly surveillance reports submitted to the Commission shows that despite having a sharing mechanism in its FAC, Empire has been able to achieve a fair return on equity.[200]

Depreciation Rates (Global Stipulation Paragraph 10)

147. The Global Stipulation proposed to set depreciation rates as stated in Exhibit A attached to the Global Stipulation.[201]

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[194] Ex. 49, Tarter Corrected Direct, p. 5.
[195] Ex. 165, Mastrogiannis Surrebuttal/True-Up Direct, p. 5.
[196] Public Counsel's Initial Brief, p. 71.
[197] Public Counsel's Objection to Global, para. 13; CCM's Objection to Global.
[198] Public Counsel's Objection to Global, para. 13; CCM's Objection to Global.
[199] FAC Agreement.
[200] Ex. 207, Mantle Rebuttal, p. 5, Table 1.
[201] Ex. 1000, Global Stipulation, para. 10.

148. Public Counsel and CCM objected to the Steam, Hydro, Wind, Solar, and Other production depreciation rates. Public Counsel and CCM did not object to the Transmission, Distribution and General plant depreciation rates in Exhibit A.[202]

149. Public Counsel witness John A. Robinett recommended that for steam, nuclear, and hydro generation the annual depreciation expense should be $11,966,272.19 versus $17,039,320.71.[203]

150. Based on September 30, 2024, plant-in-service balances, Public Counsel's recommended generation depreciation rates would decrease depreciation expense by $5,073,049 for steam and hydro generation facilities and would decrease depreciation expense for other generation (solar, wind combustion turbines and combined cycle units) by $3,694,579.[204]

151. Public Counsel witness Robinett used plant-in-service and accumulated reserves balances through September 30, 2024, to develop his recommended depreciation rates for generating assets compared to the 2019 depreciation study that was used by Empire and Staff.[205]

152. Public Counsel witness Robinett based his updated depreciation calculations on a discovery answer from Empire as to updated retirement dates of certain generation facilities, and his own estimation of the related projected retirement dates.[206]

153. Staff and Empire used depreciation rates from Empire's 2021 general rate case and the depreciation study supplied in that rate case was based on data through 2019.[207]

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[202] Public Counsel's Objection to Global, para. 14; CCM's Objection to Global.
[203] Ex. 217, Robinett Surrebuttal, p. 20.
[204] Ex. 217, Robinett Surrebuttal, pp. 20-21.
[205] Ex. 217, Robinett Surrebuttal, pp. 15-16.
[206] Ex. 217, Robinett Surrebuttal, pp. 18-19, and Schedule JAR-S-7.
[207] Ex. 217, Robinett Surrebuttal, p. 15.

154. Empire's next depreciation study is anticipated to be completed in the fall of 2025 to be utilized in Empire's next rate case.[208]

Customer Notification (Global Stipulation Paragraph 41)

155. In the Global Stipulation, Empire agreed to work with the parties to develop targeted customer messaging regarding a disconnection moratorium, with specific emphasis that customers experiencing billing issues will not be subject to disconnection or late fees. Empire also agreed to collaborate with the parties and the Commission to establish a communication plan and approach for when disconnections for nonpayment resume.[209]

156. Public Counsel and CCM objected to paragraph 41 of the Global Stipulation because it does not include any time frames for when the targeted customer messaging regarding the disconnection moratorium is to be completed or when a communication plan and approach for when disconnections for nonpayment resume.[210]

Heat Rate Testing Results and Procedures (Global Stipulation Paragraph 42)

157. In the Global Stipulation, Empire agreed to file any new Heat Rate Testing results that have occurred since its prior response, which included the procedural schedule timeline set forth in this case. Additionally, Empire agreed to submit documentation outlining its heat rate testing procedures in this case no later than March 31, 2026.[211]

158. Public Counsel and CCM objected to paragraph 42, arguing that Empire has not provided all the information required under Commission Rule 20 CSR 4240-

[208] Ex. 56, Watson Rebuttal, p. 3.
[209] Ex. 1000, Global Stipulation, para. 41.
[210] Public Counsel's Objection to Global, para. 21; CCM's Objection to Global.
[211] Ex. 1000, Global Stipulation, para. 42.

20.090(2)(A)15.B. Public Counsel recommended that Empire produce the missing information no later than December 31, 2025.[212]

Arrearage Forgiveness (Global Stipulation Paragraph 28)

159. Under the terms of Paragraph 28 of the Global Stipulation, which was not opposed by any party, Empire is required to forgive $8.5 million in customer arrears through a targeted relief initiative, with an intent to support those most in need.[213]

160. Paragraph 28 further requires Empire to work with stakeholders to design a creative and impactful program that facilitates the funds being used in the most meaningful and effective way.[214]

161. The Global Stipulation as amended by the Supplemental Stipulation is silent as to when and how the $8.5 million in arrearage forgiveness Empire committed to as a condition of the Stipulations would be applied.[215]

CONCLUSIONS OF LAW

A. Empire is a public utility and electrical corporation as those terms are defined in Section 386.020, RSMo (Supp. 2024). By the terms of the statute, Empire is subject to regulation by the Commission pursuant to Chapters 386 and 393, RSMo.

B. In determining the rates the Company may charge its customers, the Commission is required to determine whether the proposed rates are just and reasonable.[216]

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[212] Public Counsel's Objection to Global, para. 22; CCM's Objection to Global. Because Public Counsel's chosen due date passed prior to this Report and Order being issued, the Commission will interpret Public Counsel's objection to advocate for submission of the data anytime earlier than March 31, 2026.
[213] Ex. 1000, Global Stipulation, para. 28.
[214] Ex. 1000, Global Stipulation, para. 28.
[215] Ex. 1000, Global Stipulation, and Ex. 1001, Supplemental Stipulation.
[216] Section 393.130.1, RSMo.

C. The burden of proof is on Empire to demonstrate that it has met the requirements to show an increase in revenues is just and reasonable.[217]

D. In order to carry its burden of proof, Empire must meet the preponderance of the evidence standard.[218] In order to meet this standard, the Company must convince the Commission it is "more likely than not" that the proposed rate increases are just and reasonable.[219]

E. Utilities are required to provide safe and adequate service.[220]

F. Witness credibility is solely a matter for the fact-finder, "which is free to believe none, part, or all of the testimony."[221]

G. The Commission is not authorized to issue advisory opinions.[222]

H. In determining whether the rates proposed are just and reasonable, the Commission must balance the interests of the investor and the consumer.[223] In discussing the need for a regulatory body to institute just and reasonable rates, the United States Supreme Court has held as follows:

> Rates which are not sufficient to yield a reasonable return on the value of the property used at the time it is being used to render the services are unjust, unreasonable and confiscatory, and their enforcement deprives the

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[217] "The burden of proof, meaning the obligation to establish the truth of the claim by preponderance of the evidence, rests throughout upon the party asserting the affirmative of the issue". *Clapper v. Lakin*, 343 Mo. 710, 723, 123 S.W.2d 27, 33 (1938).

[218] *Bonney v. Environmental Engineering, Inc.*, 224 S.W.3d 109, 120 (Mo. App. 2007); *State ex rel. Amrine v. Roper*, 102 S.W.3d 541, 548 (Mo. banc 2003); *Rodriguez v. Suzuki Motor Corp.*, 936 S.W.2d 104, 110 (Mo. banc 1996), citing to, *Addington v. Texas*, 441 U.S. 418, 423, 99 S.Ct. 1804, 1808, 60 L.Ed.2d 323, 329 (1979).

[219] *Holt v. Director of Revenue, State of Mo.*, 3 S.W.3d 427, 430 (Mo. App. 1999); *McNear v. Rhoades*, 992 S.W.2d 877, 885 (Mo. App. 1999); *Rodriguez v. Suzuki Motor Corp.*, 936 S.W.2d 104, 109-111 (Mo. banc 1996); *Wollen v. DePaul Health Center*, 828 S.W.2d 681, 685 (Mo. banc 1992).

[220] Sections 393.130 and 393.140, RSMo (2016).

[221] *State ex rel. Public Counsel v. Missouri Public Service Comm'n*, 289 S.W.3d 240, 247 (Mo. App. 2009).

[222] *State ex rel. Laclede Gas Co. v. Public Service Com'n*, 392 S.W.3d 24, 38 (Mo.App. W.D. 2012) (internal citations omitted).

[223] *Federal Power Commission v. Hope Natural Gas Co.*, 320 U.S. 591, 603, (1944).

> public utility company of its property in violation of the Fourteenth Amendment.[224]

In the same case, the Supreme Court provided the following guidance on what is a just and reasonable rate:

> What annual rate will constitute just compensation depends upon many circumstances and must be determined by the exercise of a fair and enlightened judgment, having regard to all relevant facts. A public utility is entitled to such rates as will permit it to earn a return on the value of the property which it employs for the convenience of the public equal to that generally being made at the same time and in the same general part of the country on investments in other business undertakings which are attended by corresponding risks and uncertainties; but it has no constitutional right to profits such as are realized or anticipated in highly profitable enterprises or speculative ventures. The return should be reasonably sufficient to assure confidence in the financial soundness of the utility and should be adequate, under efficient and economical management, to maintain and support its credit and enable it to raise the money necessary for the proper discharge of its public duties. A rate of return may be reasonable at one time and become too high or too low by changes affecting opportunities for investment, the money market and business conditions generally.[225]

The Supreme Court has further indicated:

> '[R]egulation does not insure that the business shall produce net revenues.' But such considerations aside, the investor interest has a legitimate concern with the financial integrity of the company whose rates are being regulated. From the investor or company point of view it is important that there be enough revenue not only for operating expenses but also for the capital costs of the business. These include service on the debt and dividends on the stock. By that standard the return to the equity owner should be commensurate with returns on investments in other enterprises having corresponding risks. That return, moreover, should be sufficient to assure confidence in the financial integrity of the enterprise, so as to maintain its credit and to attract capital.[226]

I. In undertaking the balancing required by the "just and reasonable" standard, the Commission is not bound to apply any particular formula or combination of formulas. Instead, the Supreme Court has said:

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[224] *Bluefield Water Works & Improvement Co. v. Public Service Commission of the State of West Virginia*, 262 U.S. 679, 690 (1923).
[225] *Bluefield,* at 692-93.
[226] *Federal Power Commission v. Hope Natural Gas Co.,* 320 U.S. 591, 603 (1944) (citations omitted).

> Agencies to whom this legislative power has been delegated are free, within the ambit of their statutory authority, to make the pragmatic adjustments which may be called for by particular circumstances.[227]

J. Furthermore, in quoting the United States Supreme Court in *Hope Natural Gas*, the Missouri Court of Appeals said:

> [T]he Commission [is] not bound to the use of any single formula or combination of formulae in determining rates. Its rate-making function, moreover, involves the making of 'pragmatic adjustments.' … Under the statutory standard of 'just and reasonable' it is the result reached, not the method employed which is controlling. It is not theory but the impact of the rate order which counts.[228]

K. The Commission may approve rate schedules authorizing periodic rate adjustments outside of general rate proceedings to reflect increases and decreases in its prudently incurred fuel and purchased power costs, including transportation costs.[229]

L. The Commission may include a cost sharing incentive in Empire's FAC.[230]

M. A nonunanimous stipulation and agreement to which a timely objection has been filed shall be considered to be the position of the signatory parties to the stipulated position, except that no party shall be bound by it. All issues shall remain for determination after hearing.[231]

N. The Commission must make findings of fact sufficient to resolve the necessary questions of fact before adopting proposals contained in a non-unanimous stipulation.[232]

O. When an objected-to stipulation is at issue, the Commission must decide

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[227] *Federal Power Commission v. Natural Gas Pipeline Co*. 315 U.S. 575, 586 (1942).
[228] *State ex rel. Associated Natural Gas Co. v. Pub. Serv. Comm'n*, 706 S.W. 2d 870, 873 (Mo. App. W.D. 1985).
[229] Section 386.266, RSMo.
[230] Section 386.266.1, RSMo.
[231] 20 CSR 4240-2.115(2)(D).
[232] *State ex rel. Fischer v. Public Service Comm'n*, 645 S.W.2d 39, 42-43 (Mo. App. 1982); *State ex rel. Monsanto Co. v. Public Service Comm'n*, 716 S.W.2d 791, 795-796 (Mo. en banc 1986).

the disputed issues before it which continue to be raised by the non-signatories.[233]

P. The Commission has flexibility in its proceedings, as long as its proceedings satisfy all other statutory requirements.[234]

Q. The record of a case shall stand submitted for consideration by the Commission after the recording of all evidence or, if applicable, after the filing of briefs or the presentation of oral argument.[235]

R. It is not within the province of the Commission in the exercise of its judicial functions to decide arguments that are not asserted or that are merely asserted but not developed.[236]

DISCUSSION

The majority of the parties are signatories to the Global Stipulation, which contained 40 substantive paragraphs and claimed to address all issues in this case. The timing of the rate increases agreed to in the Global Stipulation were later modified by the Supplemental Stipulation. Because the Global Stipulation states that it resolves all issues, and because there were no objections that the Global Stipulation did not contain all issues required to be decided, the Commission finds that all issues that need to be addressed were included in the Global Stipulation, as later modified by the Supplemental Stipulation. Therefore, the Commission's order will address only those provisions of the Global Stipulation and Supplemental Stipulation to which there are objections.

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[233] *State ex rel. Office of the Public Counsel v. Public Service Comm'n*, Case No. CV194-461CC, Order and Judgment, slip op. at 4-5 (Cole County Cir. Ct. May 4, 1995) citing *Fischer*.
[234] *State ex rel. Fischer v. Public Service Commission*, 645 S.W.2d 39, 42 (Mo. App. 1982).
[235] 20 CSR 4240-2.150.
[236] *Boshears v. Saint-Gobain Calmar, Inc.*, 272 S.W.3d 215, 225 (Mo. Ct. App. 2008) citing *Kimble v. Muth,* 221 S.W.3d 419, 423 (Mo. App. 2006) (internal citation omitted).

Revenue Increase

In determining the rates that Empire may charge its customers, the Commission is required to determine whether the proposed rates are just and reasonable. In determining whether the rates proposed are just and reasonable, the Commission must balance the interests of the investor and the customer. The Commission is not bound to apply any particular formula or combination of formulas and can make pragmatic adjustments which may be called for by particular circumstances. It is the result, not the method employed, which is controlling. It is not the theory, but the ultimate impact, which counts.

The Commission has before it five proposed revenue requirement increases: Empire's requested amount of $190 million; Staff's recommended $128.8 million; the Global Stipulation's $97 million; and Public Counsel's recommendation of no increase or, if an increase has to be granted, $53.6 million.

The Commission finds that Public Counsel has not demonstrated that a zero increase would result in just and reasonable rates. Public Counsel's position, if granted, would not yield any return on the value of the investments Empire has made subsequent to its last rate case which no party has alleged to be imprudent and which investments are now being used by Empire to serve its customers. For this reason, the Commission will not order a zero rate increase in this case.

Public Counsel's alternative recommendation of a $53.6 million revenue requirement increase is also flawed. As set out in more detail below, the Commission does not find the evidence presented to be supportive of at least three of the disallowances used in Public Counsel's calculations.

The Commission finds that Public Counsel's suggested disallowances are internally inconsistent. Public Counsel's brief sets forth that those three adjustments taken together add up to at least $48.6 million.[237] However, according to Public Counsel's pre-filed testimony, those three adjustments add up to over $55 million. The Commission, in reviewing Public Counsel's suppositions here duly notes that adding the value of either of those suggested rejected disallowances from either Public Counsel's Issues Values Table or testimony to the Public Counsel's $53.6 revenue increase recommendation <u>would result in a revenue increase greater than $97 million</u>.

Those three adjustments are related to issue 74-What is the appropriate level of A&G expense?; issue 2.f-Should the Commission include depreciation reserve accumulated beyond the March 31, 2025, true-up date?; and issue 142-How should Empire's investment in Customer First be treated for ratemaking purposes in this rate case? The Commission rejects these three specific adjustments for the following reasons:

1. Public Counsel's analysis of Empire's A&G average costs in 2013-2016 prior to Liberty's merger with Empire is flawed because it does not consider inflationary cost increases that have occurred through 2024; therefore, it is not a valid comparison to Empire's 2024 A&G costs.
2. The analysis of Empire's A&G costs is flawed because the amounts that Public Counsel represents to be Empire's Missouri jurisdictional A&G costs for 2024, $66.1 million,[238] far exceed the $41.8 million total Missouri jurisdictional A&G expense amount in Staff's update period Accounting Schedule 9 and $41.2 million at the end of the true-up period. When these total amounts are divided by the number of Empire customers (164,320) which was used by Public

[237] This number was calculated from the numbers used in Public Counsel's initial brief, which is the lowest number. The number used in Public Counsel's pre-filed testimony would have resulted in at least a $55.5 million increase.
[238] The $66.1 million was calculated by multiplying Public Counsel's A&G expense per customer in 2024 of $402 by 164,320 customers.

Counsel in its analysis, the average cost per customer is $255 and $251, respectively.

3. Empire's service territory is more rural and dispersed than the service territory of Ameren Missouri, Evergy Missouri Metro, or Evergy Missouri West. Hence Empire's service territory leads to increased costs per customer when compared to these other Missouri electric utilities. The challenges identified by Empire in support of its increased A&G expenses appear reasonable.
4. The Commission has authorized isolated adjustments on a limited basis in recent rate cases. One of the concerns with the isolated adjustments proposed by Public Counsel is that it does not give consideration to the matching principle. To adjust depreciation reserve by depreciation expense out to the operation of law date in this rate case and not consider retirement and plant additions to that same date does not comply with the matching principle requirement. In addition, having an isolated adjustment to any component of the revenue requirement requires review to verify known and measurable amounts that cannot reasonably be completed up to the effective date of new rates.
5. Public Counsel and CCM both support further Customer First adjustments of over $23.7 million in addition to those already included as part of Staff's $128.8 million revenue increase.[239] Removing all costs associated with Customer First disregards the fact that absent Customer First, the prior customer billing

[239] Staff's $128.8 million revenue requirement position included a 100 basis point reduction of $17,845,863 to compensate for the Customer First poor customer service issues identified by Empire customers and documented by Staff, removal of Staff's estimation of the value of the Customer First billing software from rate base, and removal of excess operations and maintenance costs associated with Customer First billing issues.

software, call center support, and related operations and maintenance expenses would need to be included back into Empire's revenue requirement. There is no testimony to support what these costs would be if the Customer First costs were removed. Public Counsel's Customer First adjustment in the amount of $23.7 million is duplicative in some instances to Staff's adjustments. Empire provided testimony that Customer First is utilized by its company in many business functions on a daily basis and is used and useful.

The Commission rejects Public Counsel's $53.6 million revenue requirement increase proposal because multiple adjustments relied on to calculate that amount, in excess of $48 million, are not supported by persuasive evidence.

What remains then are two proposals and one negotiated settlement representing revenue increases of $190 million, $129 million, and $97 million, respectively. The $97 million negotiated settlement is the lowest cost increase to customers. The parties to the Global Stipulation accepted the $97 million revenue increase as their own positions. Therefore, Empire and Staff's prior positions are no longer supported once that settlement was reached. The negotiated settlement also provides for zero carrying costs on Customer First plant for the period that these new rates will be in effect, which operates to decrease the ultimate rate increase for customers.

The negotiated settlement is also proposed to be phased-in over three years, meaning that customers will only see an approximately $34 million increase the first year, and a $68 million increase (from present day) in the second year. The full increase of $97 million will not begin until the third year. The negotiated settlement reflects a $20,181,324 revenue reduction associated with Customer First. The negotiated settlement requires provable improvements in customer service and billing before the first year's rate increase is even authorized, which will help motivate Empire to quickly address those issues. The negotiated settlement also saves customers from paying for approximately $6 million in additional costs incurred by Empire during the transition to Customer First.

For all these reasons, the Commission finds that authorizing the rate increase of $97 million as proposed by the Global and Supplemental Stipulations will result in just and reasonable rates.

Customer First

Two of the largest issues in this case have been customer service and billing, a fact of keen interest to the Commission and which is shown to be an issue in the record. The Commission has heard from many customers in relation to this rate increase request, both in the over 700 comments filed online and from the 219 customers providing testimony during the local public hearings, which were generally overflowing with attendees. The testimonials of customer service and billing failures tied to the implementation of Customer First has been overwhelming.

Addressing the customer service and billing issues is a priority for the Commission. Staff's opinion was that the implementation of Customer First compromised Empire's ability to provide safe and reliable service at just and reasonable rates. The Commission agrees and finds that authorizing an increase in rates prior to the customer service and billing issues being addressed would result in unjust and unreasonable rates.

The Commission is presented with two distinct choices – to require improvements to Customer First via customer service and billing metrics to be met before a rate increase is authorized as provided in the Supplemental Stipulation or deny Empire any rate increase as its customer service falls below what its customers deserve, as advocated by

Public Counsel and CCM. For the reasons discussed, the only reasonable path forward for the Commission is to require improvements to Customer First before authorizing a delayed and phased-in rate increase which also withholds financial recovery of the return on the asset related to Customer First until a second set of metrics are met – the Commission finds this to be a pragmatic solution in these particular circumstances.

Public Counsel argued against the customer service and billing metrics in the Supplemental Stipulation in that they exclude joint and collective accounts from the metrics. However, the Commission finds that collective and joint billing has already been separated from other billing issues with Empire pursuing waivers of certain billing rules for those types of accounts via Case No. EE-2026-0065. Public Counsel also argued that the Supplemental Stipulation does not include consequences should Empire fail to file a monthly customer service and billing metrics report. The Commission is not persuaded by these objections. Arguments about the lack of a desired provision or metric (no collective billing metric, or no consequences for non-filing), does not mean the underlying provisions are unreasonable. Public Counsel, Staff, or any person, is free to bring a complaint against Empire should the problems with collective billing accounts continue, or should Empire fail to file a monthly customer service and billing metrics report.

Public Counsel and CCM also argued that any decision in this case must take into consideration the ongoing customer service and billing investigation case of Liberty, which includes Empire and its water and gas affiliates. The Commission does not find this objection persuasive as the two cases have widely divergent purposes and involve separate, though affiliated, corporate entities. The Commission further notes that it has sufficient evidence before it in the current rate case to reach a decision.

Public Counsel further argued that the Supplemental Stipulation is unclear whether each customer service and billing metric related to the $97 million rate increase[240] must be met for three consecutive months or whether all metrics must be met for three consecutive months. Empire witnesses testified to their understanding of their agreement – that all of the metrics related to the $97 million rate increase must be met for three consecutive months. Staff witness Thomason agreed with their testimony. The Commission will defer to two of the signatories as to their understanding and will find Public Counsel's objection to be without merit.

Additionally, Public Counsel argued that it is unclear who authorizes the referenced limited deviations from meeting the customer service and billing metrics. The Commission has reviewed the Supplemental Stipulation and it is silent on this point. The Commission interprets this objection as a request for an advisory opinion as to how the Commission will interpret these provisions in the future. The Commission declines.

After transitioning to Customer First, Empire has been unable to consistently meet the billing and customer service requirements of the Commission. That has created the situation that Empire finds itself in - having made valid investments in plant, such as rebuilding transmission lines, but struggling to meet acceptable standards of customer service and billing due to ongoing issues with Customer First.

Therefore, the Commission determines that Empire's ongoing billing and customer service problems require improvement before a rate increase can be authorized. The fact that the Supplemental Stipulation's metrics represent existing requirements that Empire should have already been meeting supports the need to make the pragmatic adjustment that the metrics should be met prior to the rate increase taking effect. The Commission

[240] This is as opposed to the Customer First Performance Metrics, a separate item, which are related to the financial recovery procedures for Empire to follow via a "regulatory asset" treatment related to the Customer First computer system.

finds that the metrics set forth in the Supplemental Stipulation are reasonable resolutions to the immediate issues of customer service and billing and, if met, will result in Empire providing safe and adequate service at just and reasonable rates.

FAC

Empire's FAC has been in existence since 2008. Public Counsel argues that increasing Empire's level of risk by changing the sharing mechanism to 50/50, or another amount, will increase the incentive for Empire to act prudently regarding its purchases. However, most of the support offered by Public Counsel relates to the historical decision-making of Empire. Those past decisions of Empire have already been litigated. Changing those outcomes is not before the Commission, and thus the argument that the results of these decisions support an increase in risk assignment via the FAC sharing mechanism must fail. The Commission finds that retention of the 95/5 sharing mechanism provides consistency, is reasonable, and will produce just and reasonable rates.

Public Counsel also objected to setting the FAC base rate to $0.01397 per kWh. The objections are that Empire's testimony and attached workpapers calculate its requested FAC base factor using projected costs that extend beyond the true-up and adjustment cut-off dates. The objection that projected costs were used does not apply to the proposed extension of the current FAC base rate of $0.00870, which the Supplemental Stipulation would continue. The objection that projected costs were used also does not apply to the FAC base rate set in the Global Stipulation at $0.01397 per kWh, as it was a negotiated number. The Commission finds that extending the current FAC base factor is reasonable and will result in just and reasonable rates. The Commission also finds that the future setting of the FAC base factor as stated in the

Global Stipulation as modified in the Supplemental Stipulation is reasonable and will result in just and reasonable rates.

Depreciation

In calculating depreciation rates, Staff and Empire used depreciation rates from Empire's 2021 general rate case. However, Public Counsel based its recommendation for the depreciation rate – which would only be applied to steam, hydro, wind, solar, and other generation – on calculations only it performed. Public Counsel's calculations are based on a discovery answer from Empire regarding updated retirement dates and Public Counsel's own witness's estimation of the related projected retirement dates. Public Counsel also used different plant-in-service and accumulated reserve balances in its calculations. Thus, it was the changing of inputs by Public Counsel which led to the difference in depreciation rates.

Public Counsel argues its numbers are more up-to-date; however, the use of those changed numbers would lead to a difference in depreciation rates only for steam, hydro, wind, and solar generation as compared to the depreciation rates for other types of generation. This would leave almost all the remaining depreciation rates to be based on the depreciation rates set in 2021 (based on a 2019 depreciation study), which would lead to inconsistency with setting some depreciation rates on a different period of time.

The 2019 depreciation study was approved by the Commission and has not been superseded. Empire will have a new depreciation study to be utilized in its next rate case. The Commission finds, based upon the evidence presented in this case, that keeping the depreciation rates consistent with all being based on the same period of time is more likely to result in just and reasonable rates than bifurcating the setting of depreciation rates for only one category of generation.

Remaining Provisions

The Commission has reviewed the pleadings and the 27 provisions of the Global Stipulation that were affirmatively stated by Public Counsel and CCM as having no objections. The Commission finds that since no party objected to any of these provisions, all are approved as reasonable resolutions of the issues that each addresses and will produce just and reasonable rates.

The Commission has also reviewed Paragraphs 11, 12, and 24 of the Global Stipulation which were objected to solely on the grounds that they would increase Empire's annual revenue requirement. Public Counsel included similar objections to Paragraphs 4 through 8. The Commission does not find the objection persuasive in any of its applications. It is a blanket objection to costs being raised without specificity in answering why the particular costs of that provision are objectionable.

Paragraph 38

The purpose of Paragraph 38 of the Global Stipulation appears aimed to reduce or eliminate instances of customer bills being estimated. Public Counsel and CCM objected to Public Counsel not being included in carrying out the functions of Paragraph 38. However, the objection was conditional.

Public Counsel stated that it does not object on the condition that it: also receives the subsection (b) monthly reports; participates in reaching the agreement directed in subsection (c); and works on tariff revisions and process improvements of subsection (d). Public Counsel and CCM's objection did not offer any supporting discussion or rationale, merely the terms of its non-objection. Therefore, the Commission finds that the objection is not to the underlying provision, rather it is regarding the participation of a specific party. The Commission overrules the objections of Public Counsel and CCM to Paragraph 38, and finds that Paragraph 38 is a reasonable resolution to addressing estimated bills, even without the participation of Public Counsel.

Paragraph 41

Public Counsel and CCM's objections to Paragraph 41, Customer Notification, are that no timeline was included. While a seemingly valid concern, it is clearly outweighed by the terms of the paragraph which revise customer messaging regarding the disconnection moratorium. Should timing become an issue in carrying out Paragraph 41, a complaint or other action before the Commission would be appropriate. The Commission finds Paragraph 41 to be a reasonable resolution of the Customer Notification issue, even in the absence of an agreed upon timeline.

Paragraph 42

In this provision, Empire agreed to file any new Heat Rate Testing and to submit its heat rate testing procedures in this case no later than March 31, 2026. Public Counsel and CCM's objections were that Public Counsel did not receive some data to which, it argued, Public Counsel was entitled. Regardless of whether Public Counsel was in fact entitled to certain data, the objection is not specific to the provisions of Paragraph 42. Public Counsel's objection may possibly be a sufficient basis for a complaint, but it is inadequate in the context of whether Paragraph 42 is a reasonable resolution of the issue it addresses.

Additionally, the key difference between the Stipulation and Public Counsel's position are the due dates when the information will be provided. Paragraph 42 of the Global Stipulation proposes submitting Empire's heat rate testing procedure documentation no later than March 31, 2026. Public Counsel advocated for December 31, 2025 (which the Commission is interpreting as any date earlier than

March 31, 2026). Public Counsel did not address why its date is preferable, but neither does the Global Stipulation. Therefore, the Commission will decide the choice of dates consistent with the Global Stipulation because its terms are interdependent, and the outcome is the same but for the date of delivery. For those reasons, the Commission finds that the March 31, 2026, date is more appropriate and will require the submission to occur on that date.

Rate of Return for Applicable Mechanisms

The Global Stipulation is a black box settlement, which means that the final number, the $97 million revenue increase in this case, is a negotiated amount and not supported by specific findings of capital structure, cost of debt, or return on equity. Thus, the Global Stipulation provided that any necessary calculations needing a rate of return input will use an agreed upon pre-tax rate of return of 7.01%. Public Counsel and CCM object and argue the appropriate pre-tax rate of return is 6.53%.

Public Counsel computed its recommendation using a capital structure with 45% equity – quite different from the 53% equity relied on by the Company and Staff in their pre-settlement testimony. Public Counsel based their equity on the low end of Algonquin's 2019 communication which targeted common equity ratios. Public Counsel also testified that Algonquin is separated from Empire by at least five holding companies. The Commission is not persuaded by Public Counsel and CCM's argument. The Commission finds the negotiated rate of return to be a reasonable resolution and finds that it will result in just and reasonable rates.

Global and Supplemental Stipulations

Lastly, Public Counsel and CCM objected that the Supplemental Stipulation does not include information from, or otherwise account for, the ongoing investigation into customer service and billing of Liberty Utilities electric, gas and water systems (including Empire) in Case No. OO-2025-0233. While the companies and issues have some overlap, the investigatory case has not yet concluded. Furthermore, the investigatory case will produce its own results and keeping it separated does not impair the pending rate case.

Having made such findings to support the establishment of just and reasonable rates, the Commission determines that the provisions contained in the Global Stipulation and the Supplemental Stipulation, taken together, are just and reasonable resolutions of the issues presented in this case and will result in just and reasonable rates sufficient to provide safe and adequate service. The Commission will approve the Stipulations.

Public Counsel and CCM have included several restatements of fact and law in their objections and briefs; however, those restatements did not discuss how the facts or the law is applicable to the present case and/or otherwise do not develop their arguments. The Commission's province, in its judicial functions, does not include deciding arguments that are not asserted or that are merely asserted but not developed.

Conclusion

The Supreme Court has stated its view that the Commission can, within its statutory authority, make pragmatic adjustments which may be called for by particular circumstances. The Missouri Court of Appeals has echoed this sentiment, stating that the 'just and reasonable' standard concerns the result reached, not the method employed – in other words, it is the impact of the rate order which counts. The Commission finds that a rate increase, delayed until certain customer service and billing metrics are met, is a just and reasonable outcome necessary to support Empire's safe and adequate service while taking into account both the billing and customer service failings that customers have endured since April 2024, and the interests of Empire's investors.

The Commission concludes, based upon its review of the whole record, that the rates approved as a result of this order are just and reasonable and support the provision of safe and adequate service. The revenue requirement authorized by the Commission in this case is no more than that sufficient to keep Empire's utility plant in proper repair for effective public service and provide to the Company's investors an opportunity to earn a reasonable return upon funds invested. To ensure the $8.5 million in customer arrears forgiveness is disseminated as effectively and expeditiously as possible, the Commission will order Empire to file monthly status reports on the progress toward designing the program and disseminating the funds.

By statute, orders of the Commission become effective in thirty days, unless the Commission establishes a different effective date.[241] To allow Empire the opportunity to implement (or continue) the approved Stipulations as soon as practicable, the Commission finds it reasonable to make this order effective in less than 30 days.

THE COMMISSION ORDERS THAT:

1. The EDRA Agreement filed on October 3, 2025, is approved, and its signatories are ordered to comply with its terms. A copy of the EDRA Agreement is attached to this order.

2. The Local 1474 Agreement filed on October 13, 2025, is approved, and its signatories are ordered to comply with its terms. A copy of the Local 1474 Agreement is attached to this order.

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[241] Section 386.490.2, RSMo.

3. The FAC Agreement filed on October 21, 2025, is approved, and its signatories are ordered to comply with its terms. A copy of the FAC Agreement is attached to this order.

4. Except as modified by the Supplemental Stipulation, the Global Stipulation filed on October 6, 2025, is approved in its entirety. The signatories of the Global Stipulation shall comply with its terms. A copy of the Global Stipulation is attached to this order.

5. The Supplemental Stipulation filed on December 12, 2025, is approved in its entirety. The signatories of the Supplemental Stipulation shall comply with its terms. A copy of the Supplemental Stipulation is attached to this order.

6. The tariff sheets submitted on February 26, 2025, and assigned Tracking No. JE-2025-0127 are rejected.

7. Empire shall file monthly status reports on the progress toward designing the Arrearage Forgiveness program and awarding the $8.5 million in associated credits with the first report due 30 days from the effective date of this order.

8. Empire is authorized to file as applicable tariff sheets sufficient to recover the revenues approved in, and in compliance with, the findings of this order.

9. Any pending motions that were not addressed in this Report and Order are denied.

10. This Report and Order shall become effective on January 24, 2026.

BY THE COMMISSION

Nancy Dippell

Nancy Dippell
Secretary

Hahn, Ch., Coleman, Kolkmeyer,
and Mitchell CC., concur and certify compliance
with the provisions of Section 536.080, RSMo (2016).

Hatcher, Senior Regulatory Law Judge

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Request of The Empire District Electric Company d/b/a Liberty for Authority to File Tariffs Increasing Rates For Electric Service Provided to Customers In its Missouri Service Area	)))))	Case No. ER-2024-0261

PARTIAL STIPULATION AND AGREEMENT

COME NOW the Staff of the Commission ("Staff") and The Empire District Electric Company d/b/a Liberty ("Liberty") and agree to a Partial Stipulation and Agreement (this "FAC Agreement") as follows:

1. This Agreement does not replace, in whole or in part, the Non-Unanimous Global Stipulation and Agreement filed herein on October 6, 2025, and executed by Liberty, Staff, and certain other parties (the "Global Settlement"). This FAC Agreement is being entered into and filed due to a question raised in the objections filed with regard to the Global Settlement and to clarify certain matters with respect to paragraph 9 of the Global Settlement.

2. Staff and Liberty agree that subaccounts shall be included and excluded in Liberty's Fuel Adjustment Clause ("FAC") pursuant to the listing set forth on the attached Exhibit A.[1] While the Global Settlement resolves all issues in this proceeding, paragraph two of this FAC Agreement directly addresses Issue No. 90.

General Provisions

3. Unless otherwise explicitly provided herein, none of the Signatories to this Agreement shall be deemed to have approved or acquiesced in any ratemaking or procedural principle, including, without limitation, any cost-of-service methodology or determination,

[1] Exhibit A is modeled after Staff Schedule BM-d2, attached to Exhibit 113, the Direct Testimony of Brooke Mastrogiannis.

depreciation principle or method, method of cost determination or cost allocation or revenue-related methodology.

4. This Agreement may be modified by the Signatories only by a written amendment executed by all of the Signatories.

5. If approved and adopted by the Commission, this Agreement shall constitute a binding agreement among the Signatories. The Signatories shall cooperate in defending the validity and enforceability of this Agreement and the operation of this Agreement according to its terms.

6. If the Commission accepts the specific terms of this Agreement without condition or modification, then only as to the issues in this case that are settled by this Agreement explicitly set forth above, the Signatories each waive their respective rights to present oral argument and written briefs pursuant to §536.080.1, their respective rights to the reading of the transcript by the Commission pursuant to §536.080.2, their respective rights to seek rehearing pursuant to §536.500, and their respective rights to judicial review pursuant to §386.510. This waiver applies only to a Commission order approving this Agreement without condition or modification issued in this proceeding and only to the issues that are resolved hereby. It does not apply to any matters raised in any prior or subsequent Commission proceeding nor any matters not explicitly addressed by this Agreement.

WHEREFORE, the undersigned respectfully request that the Commission issue an order approving this FAC Agreement.

Respectfully submitted,

ATTORNEYS FOR THE EMPIRE DISTRICT ELECTRIC COMPANY
d/b/a LIBERTY

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CERTIFICATE OF SERVICE

I hereby certify that the above document was filed in EFIS on this 21st day of October, 2025, with notification of the same being sent to all counsel of record, and I further certify that the above document was sent by electronic transmission to all counsel of record.

/s/ Diana C. Carter

EXHIBIT A

List of Sub-Accounts Included and Excluded for FAC

GL	Descriptions
501	**Included:**
501042	Fuel -Coal
501045	Fuel -Oil
501054	Fuel -Natural Gas
501183	Sales Of Ash
501211	Ineffect (Gain)Loss Deri Steam
501212	Effective (Gn)Lss Deriv Steam
501216	NonFAS133Deriv(Gain)/LossSteam
501300	Fuel -Tires
501401	Ops Mtls-Fuel Handling
501607	Fuel Adm E Trader Commission
501	**Excluded:**
501011	Conv & Seminar-Fuel
501400	Ops Labor-Fuel Handling
501601	Fuel Administration -Asbury
501604	Fuel Administration -Riverton
501605	Fuel Administration Plum Point
547	**Included:**
547205	Natural Gas SLCC Tolling
547206	Nat Gas-Tollng SLCC Ineffectiv
547207	Nat Gas-Tolling SLCC Effective
547208	Comb Turb Fuel Sales -Nat Gas
547210	Combust Turb Fuel Natural Gas
547211	Ineffect (Gain)Loss Deriv Gas
547212	Effective (Gain)Loss Deriv Gas
547213	Fuel -No 2 Oil Fuel
547301	NonFAS133 Deriv (Gain)/Loss
547607	Fuel Adm E Traders Commission
547	**Excluded:**
547605	Fuel Adm State Line
547606	Fuel Adm Energy Center
547210	Natural Gas Fixed Transportation and Fixed Storage Only
411	**Included:**
411800	Gains-Disposition Emmiss Allow
509	**Included:**
509052	Emission Allowance Exp

GL	Descriptions
506	**Included:**
506127	Limestone Expense -Iatan
506128	Powdered Activated Carbon
506129	Ammonia Expense
506201	Limestone Expense
506202	Ammonia Expense
506203	Powdered Activated Carbon
506204	Lime Expense
548	**Included:**
548202	Ammonia Expense
447	**Included:**
447113	Gen Ark Off-Sys Sale-Resale
447124	Gen Ks Off-System Sale-Resale
447133	Gen Mo Off-Sys Sale-Resale
447143	Gen Ok Off-Sys Sales-Resale
447810	SPP IM Revenue -AR
447820	SPP IM Revenue -KS
447830	SPP IM Revenue -MO
447840	SPP IM Revenue -OK
447849	SPP IM Revenue - Wind
447850	SPP IM Revenue
447860	Bilateral/Off Line Aux Revenue
447851	MJMEUC Revenue
447861	MJMEUC FAC Revenue Excluding Long-Term Capacity
447	**Excluded:**
447430	Aec -Off-Sys-Missouri
447540	Oklahoma G R D A Off-System
447610	Energy Imbalance -Arkansas
447620	Energy Imbalance -Kansas
447861	MJMEUC FAC Revenue Long-Term Capacity Only
447630	Energy Imbalance -Missouri
447640	Energy Imbalance -Oklahoma
457	**Excluded:**
457131	Oth El Rev-Sched Sys Ctrl&Disp
457137	Ot El RvOffSys LTFSTF PTP Trns
457138	Ot El RvOffSys NnFrm PTP Trns
457139	Ot El RvOffSys NITS Rev
457140	Oth El Rev-Off-Sys Losses
457141	Sch 11 NITS
457142	Sch 11 PTP
457160	Sch 1 PTP

GL	Descriptions
555	**Included:**
555430	Direct Purchases
555431	Purchase Power Tolling Fees
555432	Energy Imbalance
555437	Interrupt Svc Compensation
555800	DA Asset Energy
555810	DA Non-Asset Energy
555820	DA Virtual Energy
555840	DA Reg-Up
555850	DA Reg-Down
555860	DA Spinning
555870	DA Supplemental
555880	DA Other PP Expense
555900	RT Asset Energy
555910	RT Non-Asset Energy
555920	RT Virtual Energy
555940	RT Reg-Up
555950	RT Reg-Down
555960	RT Spinning
555970	RT Supplemental
555980	RT Other PP Expense
555990	TCR Activity
555995	ARR Activity
555999	Purchased Power - Net Metering
565	**Included:**
565413	Trans Of Electricity By Others
565414	SPP Fixed Chg - Native Load Excludes S1-A
565415	SPP Var Chg Exclude Schedule 12 Only
565416	Non SPP Fixed Chg -Native Load
565417	PP Non SPP Var -Native Load
565418	Gen Non SPP Var -Native Load
565419	Off Sys Sales Trans Costs
565	**Excluded:**
565414	SPP Schedule 1-A Only
565415	SPP Schedule 12 Only
575	**Excluded:**
575700	IM Market Facilitation, Monitor
456	**Included:**
456071	Misc Elec Rev-Green Credits-AR
456072	Misc Elec Rev-Green Credits-KS
456073	Misc Elec Rev-Green Credits-MO
456074	Misc Elec Rev-Green Credits-OK
456075	REC Revenue
456210	REC Revenue - Wind
456215	REC Revenue - Wind Post-Stub Period
409	**Excluded:**
409115	Prov-Fed Inc PTC

Footnotes:

All GL accounts have a leading 19 for Regulatory account structure.

BEFORE THE PUBLIC SERVICE
COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Request of The Empire District Electric Company, d/b/a Liberty for Authority to File Tariffs Increasing Rates for Electric Service Provided to Customers in its Missouri Service Area	))))	**Case No. ER-2024-0261**

AMENDED STIPULATION AND AGREEMENT AS TO THE EMPIRE DISTRICT RETIRED MEMBERS & SPOUSES ASSOCIATION, LLC

COME NOW The Empire District Electric Company, d/b/a Liberty ("Company") and the Empire District Retired Members & Spouses Association, LLC ("EDRA"), by and through their undersigned counsel and, pursuant to Missouri Public Service Commission ("Commission") rule 4 CSR 4240-2.115, request that the Commission approve this agreement as a settlement of the Empire District Retired Members & Spouses Association, LLC's issues related to Application to Intervene in this matter. This Amended Stipulation and Agreement resolves the issues numbered 166 and 167 on the Amended List of Issues and Hearing Schedule filed by the Company on September 30, 2025. This Amended Stipulation and Agreement replaces and supersedes the Stipulation and Agreement filed by the Company and EDRA on October 1, 2025. In support thereof, the signatories hereto state the following:

Empire Defined Benefit Pension Plan

The Company re-affirms prior commitments to funding the pension plan as set forth in the Orders Approving Stipulations and Agreements in Case No. EM-2016-0213, as set forth therein with no changes implied by this re-affirmation. The Company agrees to not engage in a pension risk transfer arrangement.

I. General Provisions

A. This Stipulation has resulted from negotiations among the Signatories and the terms hereof are interdependent. In the event the Commission does not adopt this Stipulation in total, then this Stipulation shall be void and no Signatory shall be bound by any of the agreements or provisions hereof. The stipulations herein are specific to the resolution of this proceeding, and all stipulations are made without prejudice to the rights of the Signatories to take other positions in other proceedings except as otherwise provided herein. The Signatories agree that any and all discussions related hereto shall be privileged and shall not be subject to discovery, admissible in evidence, or in any way used, described or discussed.

B. This Stipulation is being entered into for the purpose of disposing of the Empire District Retired Members & Spouses Association LLC's issues in this case. The Signatories represent that the terms of this Stipulation constitute a fair and reasonable resolution of the issues addressed herein, in a manner which is not detrimental to the public interest. Except as otherwise addressed herein, none of the Signatories to this Stipulation shall be deemed to have approved, accepted, agreed, consented, or acquiesced to any accounting principle, ratemaking principle or cost of service determination underlying, or supposed to underlie any of the issues provided for herein.

C. The Signatories further understand and agree that the provisions of this Stipulation relate only to the specific matters referred to in the Stipulation, and no Signatory or person waives any claim or right which it otherwise may have with respect to any matter not expressly provided for in this Stipulation. The Signatories further reserve the right to withdraw their support for the settlement in the event that the Commission modifies the Stipulation in a manner which is adverse to the Signatory, and further, the Signatories reserve the right to contest any such Commission order modifying the settlement in a manner which is adverse to the Signatory contesting such Commission order. The Signatories agree that the details of this Stipulation have no precedential value in any future proceeding not related to enforcement of this agreement.

D. In the event the Commission accepts the specific terms of this Stipulation without modification, the Signatories waive, with respect to the issues resolved herein: their respective rights pursuant to Section 536.070(2), RSMo 2000 to call, examine and cross-examine witnesses; their respective rights to present oral argument or written briefs pursuant to Section 536.080.1, RSMo 2000; their respective rights to the reading of the transcript by the Commission pursuant to Section 536.080.2, RSMo 2000; their respective rights to seek rehearing pursuant to Section 386.500, RSMo 2000; and their respective rights to judicial review pursuant to Section 386.510, RSMo 2000. Furthermore, in the event the Commission accepts the specific terms of this Stipulation without modification, the Signatories agree that the pre-filed testimony of all witnesses who have pre-filed testimony in this case shall be included in the record of this proceeding without the necessity of such witnesses taking the stand.

E. Except as otherwise addressed in this Stipulation, Commission approval of Liberty's tariffs designed to increase the electric rates to customers served in its Missouri service area in this matter, does not in any way, limit, form a basis for determination, or constitute a defense against any Signatory proposing, or the Commission ordering, the disallowance and/or imputation of account balances, expenses, revenues and/or other ratemaking findings, regarding Empire's operations in a future rate proceeding.

F. To assist the Commission in its review of this Stipulation, the Signatories also request that the Commission advise them of any additional information that the

Commission may desire from the Signatories relating to the matters addressed in this Stipulation, including any procedures for furnishing such information to the Commission.

WHEREFORE, the Signatories request that the Commission approve this Stipulation and Agreement subject to the conditions contained herein.

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Attorney for Empire District Retired Members & Spouses Association LLC

CERTIFICATE OF SERVICE

I hereby certify that the above document was filed in EFIS on this 3rd day of October, 2025, with notification of the same being sent to all counsel of record, and I further certify that the above document was sent by electronic transmission to all counsel of record.

/s/ Diana C. Carter
Diana C. Carter

/s/ Douglas Healy
Douglas Healy

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Request of The Empire District Electric Company d/b/a Liberty for Authority to File Tariffs Increasing Rates For Electric Service Provided to Customers In its Missouri Service Area	)))))	Case No. ER-2024-0261

PARTIAL STIPULATION AND AGREEMENT

COME NOW the International Brotherhood of Electrical Workers Local Union No. 1474 and The Empire District Electric Company d/b/a Liberty ("Liberty," "Empire," or the "Company") and agree to a Partial Stipulation and Agreement (this "Agreement").

1. The resolution of the issue addressed herein is identical to how the issue is addressed in the Non-Unanimous Global Stipulation and Agreement filed herein on October 6, 2025 (paragraph 34). This Partial Stipulation and Agreement is also being entered into and filed due to the objections filed with regard to the Non-Unanimous Global Stipulation and Agreement and counsel for the union's excusal from the hearing.

2. **Health Benefit Equal Treatment.** Liberty agrees to treat all members of Local Union #1474 of the International Brotherhood of Electrical Workers, who qualified for health benefit design and cost sharing mechanisms as of January 1, 2017, the same as similarly-situated non-bargaining unit employees of the Company with respect to the retiree health benefit obligations of the Stipulation and Agreement filed February 4, 2022, in Case No. ER-2021-0312 between the Empire District Retired Members & Spouses Association, LLC ("EDRA") and the Company.

General Provisions

3. This Agreement is being entered into solely for the purpose of settling the above-described issue. Unless otherwise explicitly provided herein, none of the Signatories to this

Agreement shall be deemed to have approved or acquiesced in any ratemaking or procedural principle, including, without limitation, any cost-of-service methodology or determination, depreciation principle or method, method of cost determination or cost allocation or revenue-related methodology.

4. This Agreement embodies the entirety of the agreements between the Signatories in this case on the issues addressed herein and may be modified by the Signatories only by a written amendment executed by all of the Signatories.

5. If approved and adopted by the Commission, this Agreement shall constitute a binding agreement among the Signatories. The Signatories shall cooperate in defending the validity and enforceability of this Agreement and the operation of this Agreement according to its terms.

6. If the Commission accepts the specific terms of this Agreement without condition or modification, then only as to the issues in this case that are settled by this Agreement explicitly set forth above, the Signatories each waive their respective rights to present oral argument and written briefs pursuant to §536.080.1, their respective rights to the reading of the transcript by the Commission pursuant to §536.080.2, their respective rights to seek rehearing pursuant to §536.500, and their respective rights to judicial review pursuant to §386.510. This waiver applies only to a Commission order approving this Agreement without condition or modification issued in this proceeding and only to the issues that are resolved hereby. It does not apply to any matters raised in any prior or subsequent Commission proceeding nor any matters not explicitly addressed by this Agreement.

WHEREFORE, the undersigned Signatories respectfully request that the Commission issue an order approving the Agreement subject to the specific terms and conditions contained herein.

Respectfully submitted,

ATTORNEYS FOR THE EMPIRE DISTRICT ELECTRIC COMPANY d/b/a LIBERTY

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CERTIFICATE OF SERVICE

I hereby certify that the above document was filed in EFIS on this 13th day of October, 2025, with notification of the same being sent to all counsel of record, and I further certify that the above document was sent by electronic transmission to all counsel of record.

/s/ Diana C. Carter

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Request of The Empire District Electric Company d/b/a Liberty for Authority to File Tariffs Increasing Rates For Electric Service Provided to Customers In its Missouri Service Area	)))))	Case No. ER-2024-0261

SUPPLEMENTAL STIPULATION AND AGREEMENT

COME NOW the Staff of the Commission, Midwest Energy Consumers Group, Renew Missouri Advocates d/b/a Renew Missouri, and The Empire District Electric Company d/b/a Liberty ("Liberty," "Empire," or the "Company") (individually "Signatory" and collectively "Signatories")[1] and agree to this Supplemental Stipulation and Agreement ("Supplemental Agreement") that is intended to modify the timing of the rate increases agreed to under the provisions of the October 6, 2025, Non-Unanimous Global Stipulation and Agreement.

1. The October 6, 2025, Non-Unanimous Global Stipulation and Agreement at paragraph 4, provided that the initial rates agreed-to by the parties to that agreement would take effect on February 1, 2026. At the Commission's agenda meeting on November 5, 2025, the Commission Chair and other Commissioners encouraged the signatories to the October 6, 2025, Non-Unanimous Global Stipulation and Agreement to revisit terms related to the timing of effectuating increases in rates. This Supplemental Agreement establishes specific billing and customer service metrics that Liberty is required to meet for three consecutive months, starting on January 1, 2026, prior to implementing any changes to customer rates, and maintains the

[1] The Missouri Office of the Public Counsel ("OPC") and Consumers Council are not signatories to this Agreement and previously objected to the Non-Unanimous Global Stipulation and Agreement filed on October 6, 2025. The International Brotherhood of Electrical Workers Local Union No. 1474 was a signatory to the Non-Unanimous Global Stipulation and Agreement filed on October 6, 2025, and has stated its non-objection to this Agreement. The Empire District Retired Members & Spouses Association, LLC and Influent Energy stated their non-objection to the Non-Unanimous Global Stipulation and Agreement filed on October 6, 2025, but have not stated a position as to this Agreement.

previously agreed to terms that the initial rates and a set of intermediate rates each be effective for one year prior to the full agreed-to rate increase becomes effective. Limited deviations may be permitted with documented justification for Staff review. Any deviations must be thoroughly documented and such documentation provided to Staff for its review.

2. The October 6, 2025, Non-Unanimous Global Stipulation and Agreement at paragraph 26, provided specific tariff changes to be implemented in compliance tariffs.[2] The Signatories intend that these changes would not be delayed until satisfaction of the rate change conditions, but would take effect soon after the issuance of an order in this case. The Company shall cooperate with Staff to prepare appropriate tariff sheets, and upon issuance of the order including terms consistent with this Supplemental Agreement, the Company shall file the tariff sheets set out below, modified as indicated ("Paragraph 2 Sheets):

a. Service Territorial Agreement Items (as proposed by Staff witness Coty King in direct testimony)
b. Optional Time of Use Adjustment Rider OTOU eliminated (as proposed by Staff witness Sarah Lange)
c. Removal of Solar Rebate Rider, Rider SR (as proposed by Staff witness Amanda Arandia)
d. Suspend all new enrollments in the Electrification Tariffs with the compliance tariff sheets in this case, and Empire to make a separate tariff filing no later than 30 days after an Order approving this settlement.[3]
    i. Residential Smart Charge Pilot Program, Schedule RG-SCPP
    ii. Ready Charge Pilot Program, Schedule RCPP
    iii. Commercial Electrification Pilot Program, Schedule CEPP
    iv. Electric School Bus Pilot Program, Schedule ESBPP
    v. Non-Road Electrification Pilot Program, Schedule NREPP
e. Demand Response and Vehicle to Grid Pilot Rates – Schedule EVDR
f. Revise tariff to reflect new calculation method for budget billing.
g. Revise tariff sheets to comply with Chapter 13 per Thomason rebuttal testimony.
h. Section 3, Sheet 1b-1c: LED Street Lighting Pilot*
i. Section 4, Sheet 4 & 4b: Interruptible Service*
j. Section 4, Sheet 7a: Renewable Energy Purchase Program*

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[2] Additionally, Empire proposed three minor tariff changes in its direct filing which were not opposed by any party and which the Signatories request be implemented. These sheets are indicated with an asterisk.
[3] For purposes of the Paragraph 2 Sheets, the Electrification Tariffs will reflect the current published rates.

3. **Metrics:**

No later than the 15th of a month, the Company shall file a status report for the prior month in this docket indicating the number of instances of noncompliance with the provisions provided below, and at least a summary explanation of the causes or reasons for those instances of noncompliance. The Company shall maintain adequate documentation of those instances to facilitate Staff or Commission review. The Company shall cooperate with Staff's review of each status report.

a. Eliminate initial and final estimated bills for service in compliance with Commission Rule. To the extent that the Company was unable to obtain a read for reasons beyond the control of the Company, the Company shall provide the reason that the inability was beyond the Company's control.[4]
b. For all accounts associated with a metered service, the Company shall confirm that each meter associated with that account is attached to the account in SAP for billing purposes. In conjunction, customers on rate schedules that proscribe usage-based billing shall not receive bills without usage or beginning or end meter reads.[5]
c. If a customer's initial or final bill covers a "normal" billing period (26-35 days), the Company shall not prorate the customer charge. Instead, the customer should be charged the full monthly customer charge, just like any other regular bill.[6]
d. The Company shall not issue a customer bill with fewer than 21 days between the bill rendition date and the bill due date, except where (1) tariff provisions explicitly allow a shorter interval, (2) the customer has selected a Preferred Payment Date Plan, or (3) the customer is subject to collective or joint account billing[7]

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[4] 20 CSR 4240-13.020(2)(C)3: A utility shall not estimate a customer's initial or final bill for service, unless conditions beyond the control of the utility prevent an actual meter reading. In such cases, if and when actual meter readings become available, the utility shall adjust the initial or final bill by issuing a bill for additional charge, or refund, as appropriate.

[5] 20 CSR 4240-13.020(2): Each billing statement rendered by a utility shall be computed on the actual usage during the billing period except as follows….
20 CSR 4240-13.020(9): Every bill for residential utility service shall clearly state— (A) The beginning and ending meter readings of the billing period and the dates of these readings.

[6] Tariff violation- Customer Charge.

[7] 20 CSR 4240-13.020(7): A monthly-billed customer shall have at least twenty-one (21) days and a quarterly-billed customer shall have at least sixteen (16) days from the rendition of the bill to pay the utility charges, unless a customer has selected a preferred payment date in accordance with a utility's preferred payment date plan.

e. The Company shall eliminate instances where bills are issued with a usage period of less than 26 or more than 35 days, with the exception of initial bills, final bills, or corrected bills. This metric will exclude only joint and collective accounts that were actively being realigned during the month in question (as per the meter read alignment process detailed in Case No. EE-2026-0065).[8]
f. The Signatories acknowledge the variance granted in Case No. EE-2026-0065 concerning joint and collective account realignment. Except for those instances covered by the variance granted in Case No. EE-2026-0065 in the month of realignment, or prior to realignment, the Company shall demonstrate progress in reducing delayed billing by invoicing a bill nine or less days after the customer's cyclical bill date for no less than 99.7% of billing contracts in a given billing cycle.[9]

4. The Company shall cooperate with Staff to complete preparation of tariff sheets to contain the three sets of rates previously agreed-to by the signatories to the October 6, 2025, agreement ("Paragraph 4 Sheets"). The rate portions of these sheets applicable to Residential, General Service, Large General Service, Small Primary, Large Power, and Transmission Service are attached as Exhibit 1.[10] The Paragraph 4 Sheets will also include tariff sheets related to a modified Fuel Adjustment Clause that is consistent with the prior agreements of the Signatories,[11] and other sheets pertaining to rates.[12] Soon after the Paragraph 2 Sheets become effective, Empire shall file the Paragraph 4 Sheets, with effective dates 30 days from the issuance date. The Signatories request that upon the filing of those tariff sheets, the Commission issue an order

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20 CSR 4240-13.015(1)(J): Delinquent date means the date stated on a bill, which shall be at least twenty-one (21) days for a monthly billed customer, and at least sixteen (16) days for a quarterly billed customer from the rendition date of the bill or the preferred payment date selected by the customer, after which the utility may assess a commission approved late payment charge in accordance with the utility's tariff on file with the commission.

[8] 20 CSR 4240-13.015(1)(C): Billing period means a normal usage period of not less than twenty-six (26) nor more than thirty-five (35) days for a monthly billed customer nor more than one hundred (100) days for a quarterly billed customer, except for initial, corrected, or final bills.

[9] 20 CSR 4240-13.020(6): A utility may bill its customers on a cyclical basis if the individual customer receives each billing on or about the same day of each billing period.

[10] Including a change in the Transmission Service interruptible credit, the Demand-Side Investment Mechanism Rider.

[11] Provisions related to the Fuel Adjustment Clause were included in the October 6, 2025, Non-Unanimous Global Stipulation and Agreement, and the October 21, 2025 Partial Stipulation and Agreement submitted by Empire and Staff.

[12] This will include revised tariffs to effectuate changes in the rates published in the Electrification Tariffs, as well as removal of the DSIM and MEEIA provisions.

suspending those tariff sheets. When Staff has concluded its review of a third consecutive month of satisfactory performance of the metrics, Staff shall file a report describing its conclusions concerning the metrics and recommending that the Commission issue an order that the suspended rate and FAC tariff sheets take effect as soon as is practicable.

5. The Signatories request that the Commission include in its order that the Commission is extending the current FAC and the current FAC tariff sheets until those tariff sheets are superseded by the FAC tariff sheets included in Paragraph 4 Sheets to this agreement becoming effective.

6. The Company shall cooperate with Staff in the development of a reasonable request for a variance from the requirement of 20 CSR 4240-13.020(7), which states that a monthly billed customer must have at least twenty-one (21) days from the rendition of the bill to pay the utility charges, for joint and collective accounts to enable the customer convenience of providing a single bill to customers with multiple accounts and/or multiple utility type services.

7. The Company shall complete the realignment of joint and collective accounts as addressed in Case No. EE-2026-0065 by March 31, 2026, to be demonstrated in data for April 2026 billing, with the Company to file a Report in this docket demonstrating compliance no later than May 15, 2026.

8. Nothing in this Supplemental Agreement shall supersede or override the provisions of Paragraph 6 of the October 6, 2025, agreement which established terms for the development of performance metrics for recording of a regulatory asset related to Customer First, nor the ongoing docket, OO-2025-0233, nor the potential filing of a complaint related to any violation of any Commission tariff, rule, or statute.

WHEREFORE, the undersigned Signatories respectfully request that the Commission issue an order approving the Supplemental Agreement subject to the specific terms and conditions contained herein or otherwise issue an order consistent with the terms presented in this Supplemental Agreement.

Respectfully submitted,

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d/b/a LIBERTY

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CERTIFICATE OF SERVICE

I hereby certify that the above document was filed in EFIS on this 12th day of December 2025, with notification of the same being sent to all counsel of record, and I further certify that the above document was sent by electronic transmission to all counsel of record.

/s/ Dean L. Cooper

EXHIBIT 1

Non-Standard Residential

Customer Access Charge Per Month $ 13.00

The Summer Season will be the first four monthly billing periods billed on and after June 16, and the Winter Season will be the remaining eight monthly billing periods of the calendar year.

MONTHLY RATE FOR SERVICE ON AND AFTER THE EFFECTIVE DATE OF THIS SHEET UNTIL ONE YEAR AFTER THE EFFECTIVE DATE OF THIS SHEET:

		Summer Season		Winter Season
The first 600-kWh, per kWh	$	0.14486	$	0.14486
Additional kWh, per kWh	$	0.14486	$	0.11666

MONTHLY RATE FOR SERVICE ON AND AFTER ONE YEAR AFTER THE EFFECTIVE DATE OF THIS SHEET UNTIL TWO YEARS AFTER THE EFFECTIVE DATE OF THIS SHEET:

		Summer Season		Winter Season
The first 600-kWh, per kWh	$	0.15389	$	0.15389
Additional kWh, per kWh	$	0.15389	$	0.12394

MONTHLY RATE FOR SERVICE ON AND AFTER TWO YEARS AFTER THE EFFECTIVE DATE OF THIS SHEET AND THEREAFTER:

Summer Season Winter Season

The first 600-kWh, per kWh	$	0.16296	$	0.16296
Additional kWh, per kWh	$	0.16296	$	0.13124

Residential Time Choice

Customer Access Charge Per Month	$	13.00
Off-Peak kWh credit, per kWh Per Month	$	-0.02000

Off-Peak kWh includes all kWh consumed between 10 PM and 6 AM daily

The Summer Season will be the first four monthly billing periods billed on and after June 16, and the Winter Season will be the remaining eight monthly billing periods of the calendar year.

MONTHLY RATE FOR SERVICE ON AND AFTER THE EFFECTIVE DATE OF THIS SHEET UNTIL ONE YEAR AFTER THE EFFECTIVE DATE OF THIS SHEET:

		Summer Season		Winter Season
The first 600-kWh, per kWh	$	0.14965	$	0.14965
Additional kWh, per kWh	$	0.14965	$	0.12425

MONTHLY RATE FOR SERVICE ON AND AFTER ONE YEAR AFTER THE EFFECTIVE DATE OF THIS SHEET UNTIL TWO YEARS AFTER THE EFFECTIVE DATE OF THIS SHEET: Summer Season Winter Season

The first 600-kWh, per kWh	$	0.15898	$	0.15898
Additional kWh, per kWh	$	0.15898	$	0.13201

MONTHLY RATE FOR SERVICE ON AND AFTER TWO YEARS AFTER THE EFFECTIVE DATE OF THIS SHEET AND THEREAFTER

		Summer Season		Winter Season
The first 600-kWh, per kWh	$	0.16835	$	0.16835
Additional kWh, per kWh	$	0.16835	$	0.13978

Time Choice Plus Residential

Customer Access Charge Per Month $ 13.00

MONTHLY RATE FOR SERVICE ON AND AFTER THE EFFECTIVE DATE OF THIS SHEET UNTIL ONE YEAR AFTER THE EFFECTIVE DATE OF THIS SHEET:

	Summer	Winter
On-Peak, per kWh	$0.30709	$0.30709
Off-Peak, per kWh	$0.09139	$0.09139

MONTHLY RATE FOR SERVICE ON AND AFTER ONE YEAR AFTER THE EFFECTIVE DATE OF THIS SHEET UNTIL TWO YEARS AFTER THE EFFECTIVE DATE OF THIS SHEET:

	Summer	Winter
On-Peak, per kWh	$0.32625	$0.32625
Off-Peak, per kWh	$0.09709	$0.09709

MONTHLY RATE FOR SERVICE ON AND AFTER TWO YEARS AFTER THE EFFECTIVE DATE OF THIS SHEET AND THEREAFTER:

Summer	Winter	
On-Peak, per kWh	$0.34546	$0.34546
Off-Peak, per kWh	$0.10281	$0.10281

Non-Standard General Service

Rate Set 1 is for service on and after the effective date of this sheet until one year after the effective date of this sheet. Rate Set 2 is for service on and after one year after the effective date of this sheet until two years after the effective date of this sheet. Rate Set 3 is for service on and after two years after the effective date of this sheet and thereafter:

MONTHLY RATE:		RATE SET 1	RATE SET 2	RATE SET 3
Customer Access Charge	$	25.43 $	26.89	$ 28.36
Summer Season				
The first 700-kWh, per kWh	$	0.14248$	0.15067$	0.15889
Additional kWh, per kWh	$	0.14248$	0.15067$	0.15889
Winter Season				
The first 700-kWh, per kWh	$	0.14248$	0.15067$	0.15889
Additional kWh, per kWh	$	0.12753$	0.13486$	0.14222

General Service Time Choice

Rate Set 1 is for service on and after the effective date of this sheet until one year after the effective date of this sheet. Rate Set 2 is for service on and after one year after the effective date of this sheet until two years after the effective date of this sheet. Rate Set 3 is for service on and after two years after the effective date of this sheet and thereafter:

MONTHLY RATE:	RATE SET 1	RATE SET 2	RATE SET 3
Customer Access Charge	$ 25.43	$ 26.89	$ 28.36
Off-Peak kWh credit, per kWh	$ -0.02000	$ -0.02000	$ -0.02000
Off-Peak kWh includes all kWh consumed between 10 PM and 6 AM daily.			
Summer Season			
The first 700-kWh, per kWh	$ 0.14739	$ 0.15587	$ 0.16436
Additional kWh, per kWh	$ 0.14739	$ 0.15587	$ 0.16436
Winter Season			
The first 700-kWh, per kWh	$ 0.14739	$ 0.15587	$ 0.16436
Additional kWh, per kWh	$ 0.13394	$ 0.14164	$ 0.14936

General Service Time Choice Plus

Rate Set 1 is for service on and after the effective date of this sheet until one year after the effective date of this sheet. Rate Set 2 is for service on and after one year after the effective date of this sheet until two years after the effective date of this sheet. Rate Set 3 is for service on and after two years after the effective date of this sheet and thereafter:

MONTHLY RATE:	RATE SET 1	RATE SET 2	RATE SET 3
Customer Access Charge	$25.43	$26.89	$28.36
Summer Season:			
On-Peak, per kWh	$0.34160	$0.36123	$0.38093
Off-Peak, per kWh	$0.08873	$0.09383	$0.09895
Winter Season:			
On-Peak, per kWh	$0.34160	$0.36123	$0.38093
Off-Peak, per kWh	$0.08873	$0.09383	$0.09895

Non-Standard Large General Service

Rate Set 1 is for service on and after the effective date of this sheet until one year after the effective date of this sheet. Rate Set 2 is for service on and after one year after the effective date of this sheet until two years after the effective date of this sheet. Rate Set 3 is for service on and after two years after the effective date of this sheet and thereafter:

MONTHLY RATE:	RATE SET 1	RATE SET 2	RATE SET 3
CUSTOMER ACCESS CHARGE	$73.24	$77.07	$80.91
Summer Season:			
DEMAND CHARGE:			
Per kW of Billing Demand	$9.64	$10.34	$11.05
FACILITIES CHARGE			
per kW of Facilities Demand	$ 2.30	$ 2.47	$ 2.64
ENERGY CHARGE:			
First 150 hours use of Metered Demand, per kWh	$0.09429	$0.09919	$0.10410
Next 200 hours use of Metered Demand, per kWh	$0.07318	$0.07698	$ 0.08079
All additional kWh, per kWh	$0.06571	$0.06913	$0.07255
Winter Season:			
DEMAND CHARGE:			
Per kW of Billing Demand	$7.51	$8.06	$8.61
FACILITIES CHARGE			
per kW of Facilities Demand	$2.30	$ 2.47	$ 2.64
ENERGY CHARGE:			
First 150 hours use of Metered Demand, per kWh	$0.08095	$0.08516	$0.08937
Next 200 hours use of Metered Demand, per kWh	$0.06595	$0.06937	$0.07280
All additional kWh, per kWh	$0.06537	$0.06876	$0.07216

Large General Service – Time Choice

Rate Set 1 is for service on and after the effective date of this sheet until one year after the effective date of this sheet. Rate Set 2 is for service on and after one year after the effective date of this sheet until two years after the effective date of this sheet. Rate Set 3 is for service on and after two years after the effective date of this sheet and thereafter:

MONTHLY RATE:	RATE SET 1	RATE SET 2	RATE SET 3
Customer Access Charge	$ 73.24	$77.07	$80.91
Off-Peak kWh credit, per kWh	$ -0.00500	$ -0.00500	-0.00500
Off-Peak kWh includes all kWh consumed between 10 PM and 6 AM daily.			
Summer Season			
DEMAND CHARGE:			
Per kW of Billing Demand	$9.64	$10.34	$ 11.05
FACILITIES CHARGE			
Per kW of Facilities Demand	$2.30	$2.47	$2.64
ENERGY CHARGE:			
First 150 hours use of Metered Demand, per kWh			

	$0.09489	$0.09982	$ 0.10476
Next 200 hours use of Metered Demand, per kWh	$0.07478	$0.07867	$0.08256
All additional kWh, per kWh	$0.06768	$0.07119	$0.07471
Winter Season			
DEMAND CHARGE:			
Per kW of Billing Demand	$7.51	$8.06	$8.61
FACILITIES CHARGE			
Per kW of Facilities Demand	$2.30	$ 2.47	$2.64
ENERGY CHARGE:			
First 150 hours use of Metered Demand, per kWh	$0.08219	$0.08646	$0.09073
Next 200 hours use of Metered Demand, per kWh	$0.06788	$0.07140	$ 0.07493
All additional kWh, per kWh	$0.06734	$0.07083	$0.07434

Non-Standard Small Primary

Rate Set 1 is for service on and after the effective date of this sheet until one year after the effective date of this sheet. Rate Set 2 is for service on and after one year after the effective date of this sheet until two years after the effective date of this sheet. Rate Set 3 is for service on and after two years after the effective date of this sheet and thereafter:

MONTHLY RATE:	RATE SET 1	RATE SET 2	RATE SET 3
CUSTOMER ACCESS CHARGE........	$ 73.24	$ 77.07	$ 80.91
FACILITIES CHARGE			
per kW of Facilities Demand........	$ 2.24	$ 2.41	$ 2.57
Summer Season			
DEMAND CHARGE:			
per kW of Billing Demand........	$ 9.44	$ 10.13	$ 10.82
ENERGY CHARGE:			
First 150 hours use of Metered Demand, per kWh........	$ 0.09258	$ 0.09743	$ 0.10236
Next 200 hours use of Metered Demand, per kWh........	$ 0.07185	$ 0.07561	$ 0.07944
All additional kWh, per kWh........	$ 0.06452	$ 0.06790	$ 0.07134
Winter Season			
DEMAND CHARGE:			
per kW of Billing Demand........	$ 7.36	$ 7.90	$ 8.44
ENERGY CHARGE:			
First 150 hours use of Metered Demand, per kWh........	$ 0.07948	$ 0.08365	$ 0.08788
Next 200 hours use of Metered Demand, per kWh........	$ 0.06474	$ 0.06813	$ 0.07158
All additional kWh, per kWh........	$ 0.06417	$ 0.06753	$ 0.07095

Small Primary – Time Choice

Rate Set 1 is for service on and after the effective date of this sheet until one year after the effective date of this sheet. Rate Set 2 is for service on and after one year after the effective date of this sheet until two years after the effective date of this sheet. Rate Set 3 is for service on and after two years after the effective date of this sheet and thereafter:

MONTHLY RATES	RATE SET 1	RATE SET 2	RATE SET 3
CUSTOMER ACCESS CHARGE........	$ 73.24	$ 77.07	$ 80.91
Off-Peak kWh credit, per kWh........	$ -0.00490	$ -0.00490	$ -0.00490

Off-Peak kWh includes all kWh consumed between 10 PM and 6 AM daily.

Summer Season			
DEMAND CHARGE Per kW of Billing Demand........	$ 9.44	$ 10.13	$ 10.82
FACILITIES CHARGE Per kW of Facilities Demand........	$ 2.24	$ 2.41	$ 2.57
ENERGY CHARGE:			
First 150 hours use of Metered Demand, per kWh........	$ 0.09317	$ 0.09805	$ 0.10301
Next 200 hours use of Metered Demand, per kWh........	$ 0.07332	$ 0.07727	$ 0.08118
All additional kWh, per kWh........	$ 0.06644	$ 0.06992	$ 0.07346
Winter Season			
DEMAND CHARGE Per kW of Billing Demand........	$ 7.36	$ 7.90	$ 8.44
FACILITIES CHARGE Per kW of Facilities Demand........	$ 2.24	$ 2.41	$ 2.57
ENERGY CHARGE:			
First 150 hours use of Metered Demand, per kWh........	$ 0.08069	$ 0.08491	$ 0.08921
Next 200 hours use of Metered Demand, per kWh........	$ 0.06664	$ 0.07013	$ 0.07368
All additional kWh, per kWh........	$ 0.06611	$ 0.06958	$ 0.07310

Large Power Service

Rate Set 1 is for service on and after the effective date of this sheet until one year after the effective date of this sheet. Rate Set 2 is for service on and after one year after the effective date of this sheet until two years after the effective date of this sheet. Rate Set 3 is for service on and after two years after the effective date of this sheet and thereafter:

MONTHLY RATES:	RATE SET 1	RATE SET 2	RATE SET 3
CUSTOMER ACCESS CHARGE	$ 296.82	$ 312.48	$ 329.58
Summer Season			
DEMAND CHARGE Per kW of Billing Demand	$ 20.08	$ 21.55	$ 23.02
FACILITIES CHARGE Per kW of Facilities Demand	$ 2.03	$ 2.18	$ 2.33
ENERGY CHARGE:			
First 350 hours use of Metered Demand, per kWh	$ 0.07157	$ 0.07523	$ 0.07892
All additional kWh, per kWh	$ 0.03719	$ 0.03909	$ 0.04101
Winter Season			
DEMAND CHARGE Per kW of Billing Demand	$ 11.08	$ 11.89	$ 12.70
FACILITIES CHARGE Per kW of Facilities Demand	$ 2.03	$ 2.18	$ 2.33
ENERGY CHARGE:			
First 350 hours use of Metered Demand, per kWh	$ 0.06319	$ 0.06643	$ 0.06968
All additional kWh, per kWh	$ 0.03577	$ 0.03761	$ 0.03945

Transmission Service

Rate Set 1 is for service on and after the effective date of this sheet until one year after the effective date of this sheet. Rate Set 2 is for service on and after one year after the effective date of this sheet until two years after the effective date of this sheet. Rate Set 3 is for service on and after two years after the effective date of this sheet and thereafter:

MONTHLY RATES	RATE SET 1	RATE SET 2	RATE SET 3
CUSTOMER ACCESS CHARGE	$ 292.37	$ 309.74	$ 327.16
Summer Season			
ON-PEAK DEMAND CHARGE Per kW of Billing Demand	$ 28.77	$ 30.47	$ 32.19
SUBSTATION FACILITIES Per kW of Facilities Demand	$ 0.56	$ 0.59	$ 0.63
ENERGY CHARGE, per kWh:			
On-Peak Period	$ 0.05947	$ 0.06301	$ 0.06655
Shoulder Period	$ 0.04749	$ 0.05031	$ 0.05314
Off-Peak Period	$ 0.03601	$ 0.03815	$ 0.04029
Winter Season			
ON-PEAK DEMAND CHARGE Per kW of Billing Demand	$ 19.55	$ 20.71	$ 21.88
SUBSTATION FACILITIES Per kW of Facilities Demand	$ 0.56	$ 0.59	$ 0.63
ENERGY CHARGE, per kWh:			
On-Peak Period	$ 0.04136	$ 0.04381	$ 0.04628
Off-Peak Period	$ 0.03382	$ 0.03583	$ 0.03784

MONTHLY CREDIT: Unless otherwise provided for in the Customer’s curtailment or service contract, a monthly credit of $6.00 on demand reduction per kW of contracted interruptible demand for substation metered Customers will be applied.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Request of The Empire District Electric Company d/b/a Liberty for Authority to File Tariffs Increasing Rates For Electric Service Provided to Customers In its Missouri Service Area	)))))	Case No. ER-2024-0261

NON-UNANIMOUS GLOBAL STIPULATION AND AGREEMENT

COME NOW the Staff of the Commission, Midwest Energy Consumers Group ("MECG"), the International Brotherhood of Electrical Workers Local Union No. 1474, Renew Missouri Advocates d/b/a Renew Missouri, and The Empire District Electric Company d/b/a Liberty ("Liberty," "Empire," or the "Company") (individually "Signatory" and collectively "Signatories") and agree to a Non-Unanimous[1] Stipulation and Agreement (this "Agreement") that resolves all pending issues in this docket, as stated below.

1. If this Agreement is objected to by any party and thus cannot be treated as unanimous and approved as such under the Commission's rules, the Signatories will use this Agreement as their joint position for the evidentiary hearing, with all Signatories presenting and supporting this Agreement as the proper resolution of every issue.

2. If this Agreement is objected to by any party and this matter proceeds to evidentiary hearing, the Signatories waive cross-examination of each others' witnesses, except for recross-examination for Commissioner/Judge questions.

3. For the MPPM issue, the Signatories submit that it has no impact on revenue requirement at this time and the issues could be decided at a later time. If the Commission decides

[1] The Missouri Office of the Public Counsel ("OPC") and Consumers Council are not signatories to this Agreement. The Empire District Retired Members & Spouses Association, LLC, ("EDRA") is also not a signatory, but EDRA will not be filing an objection to this Agreement and will ask to be excused from the hearing. Influent Energy has also stated its non-objection to this Agreement and has agreed to be bound by paragraph two hereof.

that a decision on the MPPM is needed in this matter,[2] the Signatories are not in agreement as to how those issues should be resolved, and the provisions of paragraphs one and two above will not apply to hearing of the MPPM issues. The Signatories request direction from the Commission on this by Friday, October 10, 2025.

4. **Total Revenue Requirement**. The Signatories agree that Empire should be authorized to file tariffs designed to increase the Company's revenues by $97M (to be phased in as parties agree below), exclusive of any applicable license, occupation, franchise, gross receipts taxes, or similar fees or taxes, to become effective on February 1, 2026. This amount reflects a $(20,181,324) revenue reduction associated with Customer First. The Customer First assets shall be considered to be included in Empire's rate base as of the effective date of rates for this case and will be amortizing between rate cases. Furthermore, the Customer First reduction is comprised of a rate base amount of $149,287,965 earning a 0% rate of return $(13,750,356) and the reduction of expenses in the amount of $(6,430,968) consisting of the following:

- O&M Expenses: $(1,308,017)
- Incentive Compensation: $(2,113,492)
- Amortization Expense: $(3,009,459)

5. **Rate of Return to be Used for Applicable Mechanisms.** For any mechanisms and/or process that requires specific components of rate of return they will utilize an ROR of 7.01%. Note this ROR does not necessarily mean that this ROR was used to derive the black box annual revenue requirement increase.

6. **Customer First Performance Metrics.** The Parties will confer on the appropriate and reasonably achievable monthly normalized performance metrics and targets in the separate investigation and reach agreement by May 31, 2026**.** The performance metrics should be related

[2] *See Order Directing the Signatories to Address PPA Replacement Values in Liberty's Rate Case*, Commission Case No. ER-2021-0312, issued April 25, 2024.

to billing accuracy, billing timeliness, number of estimated bills, call center responsiveness, and customer experience index. The term "normalized" shall mean the exclusion of certain extraordinary events that occur from time to time, which (1) are beyond the control of the utility such as an act of nature, and (2) may affect the utility's ability to meet the performance metrics. Upon the occurrence of an extraordinary event, Empire shall document the event and its impact on the performance metrics. The normalized performance metrics will be filed with the Commission until the Company achieves agreed upon performance metrics, compliance with Commission rules, and the Commission approved Empire tariff for at least 12 consecutive months, or as otherwise agreed to by the parties.

7. **Customer First Regulatory Asset.** Only after meeting the monthly normalized Customer First Performance Metrics, and only in those months where the Company has met the monthly normalized Customer First Performance Metrics, shall the Company begin recording a monthly amount in a regulatory asset account equal to the rate of return that would have been earned on the asset balance had it been included in rate base in the amount of $1,145,863 ($13,750,356/12). Empire shall file in the ER-2024-0261 docket a notice of compliance and notice of deferral for each month it has met the monthly normalized Customer First Performance Metrics. The amounts are subject to review and recovery in a future rate case.

8. **Deferred Revenue Regulatory Asset.** There will be a phase-in of rates as agreed to by the parties. This will result in a regulatory asset. In the Company's next rate case (and each subsequent rate case), the then-current balance in the deferred revenue regulatory asset will be placed in rate base. Carrying costs of this deferred regulatory asset will be 0%. The revenue phase-in recovers previously incurred costs including operations, maintenance expense, depreciation and amortization expense and interest, beginning with the effective date of rates in

this proceeding. Company will not file a rate case until 24 months after the effective date of rates in this case.

Phase in over three years as follows:

- Year 1 - recovering approximately $32.3 million increase over agreed upon revenues in this proceeding;
- Year 2 - recovering approximately $64.6 million increase over agreed upon revenues in this proceeding; and
- Year 3 - recovering $97 million increase over agreed upon revenues in this proceeding.

9. **FAC Mechanism.** Sharing at 95/5; transmission costs/revenues included at currently authorized percentages; FAC Base is $13.97 MWh. Transmission expenses included at 21.39% SPP and non-SPP 50%. SPP schedules 1A and 12 are not to be included in the FAC. The following FAC voltage adjustment factors shall be utilized:

- VAF Transmission 1.0376
- VAF Primary 1.0534
- VAF Secondary 1.0748

10. **Depreciation Rates**. As set forth in Exhibit A attached hereto. In lieu of a request for a variance from the Commission approved FERC UsoA, this constitutes good cause to adopt these rates and accounts in lieu of current Commission approved FERC USoA.

11. **Pension/OPEB**. The Parties request that the Commission authorize the continuation of a tracker mechanism for Pension and OPEB O&M expenses. The annual level of ongoing Missouri jurisdictional pensions and OPEB expense included in rates is ($1,411,647) and ($1,851,248), respectively. This includes the actuarially determined expenses of $(281,095) for FAS 87 pensions, FAS 88 pension settlement expense of $1,840,114, and amortization of the pension liability of ($2,970,666). Ongoing OPEB expense is set to $0 in compliance with prior stipulations and is reduced by an amortization of the OPEB liability of ($1,851,248). The Missouri

jurisdictional regulatory liability as of March 31, 2025, is $14,853,330 for pensions and $14,420,384 for OPEBs. The prepaid pension asset balance at March 31, 2025, is $33,299,061, Missouri jurisdictional. The Accounting Standards 715-30 and 715-60 (FAS 87/106) tracker language shall continue in effect.

12. **SERP.** The amount allowed in rates for the SERP continues to be based on the payments made to retirees pursuant to the plan.

13. **Creation of Regulatory Asset/Liability Tracker as proposed by Staff**: The Company will be authorized to establish a regulatory asset/liability as proposed by Staff. The regulatory assets/liabilities to be tracked are in Exhibit B.

14. **SB-EDR Regulatory Asset:** The Company will not establish any new regulatory asset balances related to discounts provided under Schedule SBEDR ("Limited Large Customer Economic Development Rider"), unless required by future changes in applicable rules, statutes, or legislation. No rate base treatment or expense recovery for any current amounts in future rate cases.

15. **Continuation of the PAYGO Tracker:** The total PAYGO revenue will be $7,705,078, and this amount will be reflected in the existing PAYGO tracker. The tracker will continue.

16. **Tax Equity Distribution:** Empire will file in the ER-2024-0261 docket their plan for sweeping year 1-5 distributable cash prior to the date that tax equity partner distributions begin in 2026. Empire will file in the ER-2024-0261 docket their proposal for ratemaking treatment of distributable cash prior to the date that tax equity partner distributions begin in 2026.

17. **Utilization of Reverse South Georgia Method for Excess ADIT**: Total Annual Amortization of $2,798,224. To be returned over the remaining average life of 29.34 years.

18. **Rate Design & Billing Determinants**: Utilization of Staff's billing determinants, attached hereto as Exhibit C,[3] with an amount of current rate revenue subject to adjustment in this case of $511,391,047 after application of current EDR discounts.

(1) equal percentage increases to classes,
   a. class revenues for purpose of calculating percentage increases will not include revenue from charges such as net metering credits and solar facilities charge,
   b. EDR gross up applied consistent with statute,

(2) For LGS, SP, LP classes – increase demand charges by 1.25 times the overall class increase with the remaining revenue not recovered in the demand charges recovered through a uniform percent increase to the customer and kWh charges,

(3) increases to the transmission interruptible credit to $6/kW,

(4) Residential summer charges stay flat (existing winter decline stays),

(5) Residential customer charge will remain at current amount,

(6) All changes are equal percent within residential, except that the Time Choice differential stays the same size,

(7) Time Choice differentials stay the same in all classes.

19. **External Audits**. Liberty will engage an independent third-party auditor to conduct external audits to include, but not be limited to: customer billing accuracy and timeliness and customer service and satisfaction levels across all channels. The primary goal of these audits is to evaluate Liberty's current policies and performance against industry standards and peer utility benchmarks, with the intent of identifying opportunities for improvement and establishing measurable criteria for future success. The audits will be completed within one year from the effective date of new rates established in this proceeding. A committee composed of equal representation from Staff, OPC, and the Company will develop a Request for Proposal ("RFP") outlining the scope of work, with input from all members. The RFP will be circulated internally within 120 days. Selection of the auditor, if any, will be made by majority vote of the committee. If consensus cannot be reached on the scope or auditor, the matter will be submitted to the

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[3] Exhibit C includes the Staff billing determinants and a calculation of rates. The rates listed in Exhibit C were derived by following the general process set out in paragraph 18 of this Stipulation and Agreement.

Commission for resolution. To ensure independence, the auditor's contract will prohibit any direction or influence over the report's conclusions by Staff, OPC, or Liberty. Upon completion, the audit report will be filed with the Commission in EFIS. Up to $500,000 of the costs of the audits will be borne by Empire shareholders. Any amount over $500,000 will be booked to a regulatory asset account, recovery or non-recovery of which to be determined in a future rate case.

20. **Internal Audits.** Ethics and capitalization internal audits to be completed within one year from the effective date of new rates in this proceeding.

21. **Withdraw AAO for New Natural Gas Generation.** The Company agrees to withdraw its request for an AAO for new natural gas generation.

22. **Withdraw Wind Environmental Cost Recovery Tracker.** The Company agrees to withdraw its request for a Wind Environmental Cost Recovery Tracker.

23. **Discontinue Excess ADIT Tracker.** The Company's EADIT tracker will be discontinued as of the effective date for new rates.

24. **Property Tax Tracker Base.** The base amount of property tax is $25,850,330 for non-wind property and $4,261,941 for wind property, as of the effective date of rates in this case. Any successful property tax appeals will be reflected in the property tax regulatory tracker balance.

25. **FAC Reporting.** FAC reporting as outlined within Brooke Mastrogiannis Direct Testimony. Also provide to OPC.

26. **Tariff Changes:**

- Service Territorial Agreement Items (as proposed by Staff witness Coty King in direct testimony)
- Demand-Side Investment Mechanism Rider, Schedule DSIM (as proposed by Company witness Charlotte Emery in rebuttal testimony)
- Optional Time of Use Adjustment Rider OTOU eliminated (as proposed by Staff witness Sarah Lange)
- Removal of Solar Rebate Rider, Rider SR (as proposed by Staff witness Amanda Arandia)

- Suspend all new enrollments in the Electrification Tariffs with the compliance tariff sheets in this case, and Empire to make a separate tariff filing no later than 30 days after an Order approving this settlement.
  - Residential Smart Charge Pilot Program, Schedule RG-SCPP
  - Ready Charge Pilot Program, Schedule RCPP
  - Commercial Electrification Pilot Program, Schedule CEPP
  - Electric School Bus Pilot Program, Schedule ESBPP
  - Non-Road Electrification Pilot Program, Schedule NREPP
  - Demand Response and Vehicle to Grid Pilot Rates – Schedule EVDR
- Transmission Service Schedule TS Interruptible Credit: The monthly credit should be increased from $4.01/KW to $6.00/KW.
- Revise tariff to reflect new calculation method for budget billing.
- Revise tariff sheets to comply with Chapter 13 per Thomason rebuttal testimony.

27. **Normalized Weather Time Period.** The Company will participate in workshops with other electric and gas utilities to discuss the time period to use to calculate normal weather as described by OPC witness Mantle in rebuttal.

28. **Arrearage Forgiveness.** The Company will forgive $8.5 million in customer arrears through a targeted relief initiative. The intent is to support those most in need — including customers who are ineligible for federal assistance due to exceeding arrearage limits, are at high risk of disconnection, or are struggling to stay current on payment plans. The Company will work collaboratively with stakeholders to design a creative and impactful program that facilitates the funds being used in the most meaningful and effective way.

29. **Low-Income Weatherization Assistance Program**: Company agrees to continue its annual budget for LIWAP in the amount of $550,000 comprised of $250,000 from customers and $300,000 from shareholders. Additionally, Liberty will resume administrative control of the program.

30. **Low-Income Pilot Program**: Company agrees to continue a 50% Customer Match contribution at the annual cap of $900,000. Removing budget billing as requirement to participate in the program. Rename the program “Fresh Start Plan.” Change the program terms as outlined

in the Direct Testimony of Nate Hackney. Additionally, the Company proposes that any unspent funds would rollover to Project Help.

31. **Critical Medical Needs Program**. Company will continue its critical needs program funded annually with $50,000 by customers and $50,000 by shareholders.

32. **Quarterly Low-Income Stakeholder Meetings**. Company will begin hosting quarterly meetings with Stakeholders at which, affordability will be a standing agenda item.

33. **Pension Plan Funding.** The Company re-affirms prior commitments to funding the pension plan as set forth in the Orders Approving Stipulations and Agreements in Case No. EM-2016-0213, as set forth therein with no changes implied by this re-affirmation. The Company agrees to not engage in a pension risk transfer arrangement.

34. **Health Benefit Equal Treatment.** Liberty agrees to treat all members of Local Union #1474 of the International Brotherhood of Electrical Workers, who qualified for health benefit design and cost sharing mechanisms as of January 1, 2017, the same as similarly-situated non-bargaining unit employees of the Company with respect to the retiree health benefit obligations of the Stipulation and Agreement filed February 4, 2022, in Case No. ER-2021-0312 between the Empire District Retired Members & Spouses Association, LLC ("EDRA") and the Company.

35. **Green Button Connect:** Empire agrees to conduct further evaluation of the Green Button Connect initiative prior to committing to full implementation. This evaluation will include a review of customer experience impacts, system integration costs (particularly within SAP), Green Button Connect implementation costs, and the value of customer interval data. Empire agrees to initiate a competitive solicitation process for the implementation of Green Button Connect, with the goal of evaluating both cost parameters and compatibility with the Company's

existing SAP systems. This comprehensive assessment will be completed within one year of the effective date of rates established in this proceeding. Based on the results of the evaluation and input from stakeholders, Empire will determine the appropriateness of moving forward with implementation. If deemed appropriate, Empire will target full implementation no later than the end of 2028. A tariff workshop will be held beginning six months prior to any planned launch to support transparency and stakeholder engagement.

36. **Reliability.** Within 6 months of the effective date of rates in this case, Empire will collaborate with Staff and OPC on recommended actions for Empire to take to reduce the duration of outages and to improve the reliability of its worst-performing circuits.

37. **Variance Requests.** Within 6 months of the effective date of rates in this case, Empire will request variances from the Commission to:

- Allow for the reporting of its reliability improvement program on the same day of its capital investment plan filing to support consistency; and
- To allow its continued use of Institute of Electrical and Electronics Engineers (IEEE) Standard 1366-2022, Guide for Electric Power Distribution Reliability Indices as opposed to the standard required by Commission rules.

38. **Estimated Bills.** Empire agrees to the below provisions regarding estimations.

a. To immediately minimize any instance of interval billing estimation;

b. Within three months after the effective date of rates in this proceeding, Empire shall begin providing a monthly report to Staff that contains the number of meters rendering interval data and the number of those meters that contain interval estimates;

c. Within thirty days of the filing of this Agreement, Staff and Empire will come to an agreement on how to provide transparency on the estimation of interval reads across TOU periods;

d. Empire will work with Staff to implement appropriate tariff revisions and process improvements related to this issue no later than six months after the effective date of rates in this proceeding, unless otherwise ordered by the Commission in the investigation docket; and

e. Empire will issue customer notifications after three consecutive estimated bills.

39. **Customer First Name Change:** Change the name of "Customer First" to a neutral name.

40. **Emergency Curtailment Docket:** Company and stakeholders agree to open an emergency curtailment docket following the results of the Value of Lost Load Study.

41. **Customer Notification:** The Company agrees to work with the parties to develop targeted customer messaging regarding the disconnection moratorium, with specific emphasis that customers experiencing billing issues will not be subject to disconnection or late fees. Messaging will be crafted to support clarity and accuracy, while avoiding any unintended signals that could discourage timely payment from customers not impacted by billing issues. The Company further agrees to collaborate with the parties and the Commission to establish a communication plan and approach for when disconnections for nonpayment resume.

42. **Heat Rate Testing Results and Procedures:** Company agrees to file any new Heat Rate Testing results that have occurred since its prior response, which included the procedural schedule timeline in Case No. ER-2024-0261. Additionally, the Company will submit documentation outlining its heat rate testing procedures in this docket no later than March 31, 2026.

43. **Effective Date of Rates.** The Company will file compliance tariff sheets in response to a Commission order in this proceeding. The Signatories request that compliance tariff sheets be approved so that new rates take effect on February 1, 2026.

General Provisions

44. This Agreement is being entered into solely for the purpose of settling the issues in this case. Unless otherwise explicitly provided herein, none of the Signatories to this Agreement shall be deemed to have approved or acquiesced in any ratemaking or procedural principle, including, without limitation, any cost-of-service methodology or determination, depreciation principle or method, method of cost determination or cost allocation or revenue-related methodology.

45. This Agreement has resulted from extensive negotiations among the Signatories. This Agreement is a negotiated settlement, and the terms hereof are interdependent. Except as specified herein, the Signatories to this Agreement shall not be prejudiced, bound by, or in any way affected by the terms of this Agreement in any future proceeding.

46. This Agreement embodies the entirety of the agreements between the Signatories in this case on the issues addressed herein and may be modified by the Signatories only by a written amendment executed by all of the Signatories.

47. If approved and adopted by the Commission, this Agreement shall constitute a binding agreement among the Signatories. The Signatories shall cooperate in defending the validity and enforceability of this Agreement and the operation of this Agreement according to its terms.

48. If the Commission accepts the specific terms of this Agreement without condition or modification, then only as to the issues in this case that are settled by this Agreement explicitly

set forth above, the Signatories each waive their respective rights to present oral argument and written briefs pursuant to §536.080.1, their respective rights to the reading of the transcript by the Commission pursuant to §536.080.2, their respective rights to seek rehearing pursuant to §536.500, and their respective rights to judicial review pursuant to §386.510. This waiver applies only to a Commission order approving this Agreement without condition or modification issued in this proceeding and only to the issues that are resolved hereby. It does not apply to any matters raised in any prior or subsequent Commission proceeding nor any matters not explicitly addressed by this Agreement.

WHEREFORE, the undersigned Signatories respectfully request that the Commission issue an order approving the Agreement subject to the specific terms and conditions contained herein.

Respectfully submitted,

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d/b/a LIBERTY

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CERTIFICATE OF SERVICE

I hereby certify that the above document was filed in EFIS on this 6th day of October, 2025, with notification of the same being sent to all counsel of record, and I further certify that the above document was sent by electronic transmission to all counsel of record.

/s/ Diana C. Carter

Exhibit A

Liberty Empire Depreciation Rates
ER-2024-0261

Account Number	Description	Depreciation Rate	Note
Production Plant			
	Iatan 1		
311	Structures & Improvements	1.99%	
312	Boiler Plant Equipment	3.57%	
312	Unit Train	17.89%	
314	Turbo Generator Units	4.00%	
315	Accessory Electric Equipment	3.37%	
315.02	Computer Software-0%	0.00%	Footnote (1)
315.03	Communication Equipment	6.67%	
316	Misc. Power Plant Equipment	2.96%	
	Iatan 2		
311	Structures & Improvements	2.08%	
312	Boiler Plant Equipment	3.10%	
314	Turbo Generator Units	2.58%	
315	Accessory Electric Equipment	2.56%	
315.02	Computer Software-0%	0.00%	Footnote (1)
315.03	Communication Equipment	6.67%	
316	Misc. Power Plant Equipment	0.00%	
	Iatan Common		
311	Structures & Improvements	2.22%	
312	Boiler Plant Equipment	3.11%	
314	Turbo Generator Units	2.68%	
315	Accessory Electric Equipment	2.62%	
315.01	Computer Hardware	20.00%	
315.02	Computer Software-0%	0.00%	Footnote (1)
315.03	Communication Equipment	6.67%	
316	Misc. Power Plant Equipment	3.15%	
	Plum Point		
311	Structures & Improvements	2.41%	
312	Boiler Point Equipment	3.23%	
312	Train Lease	7.98%	
312	Unit Train - Plum Point	8.45%	
314	Turbo Generator Units	2.84%	

315	Accessory Electric Equipment	2.72%	
315.02	Computer Software-0%	0.00%	Footnote (1)
315.02	Computer Software-10%	10.00%	Footnote (1)
315.03	Communication Equipment	6.67%	
316	Misc. Power Plant Equipment	3.01%	
Hyrdo Plant			
331	Structures & Improvements	2.94%	
332	Reservoirs, Dams, Waterways	2.15%	
333	Water Wheels, Turbines & Generators	6.60%	
334	Accessory Electric Equipment	2.72%	
334.03	Communication Equipment	6.67%	
335	Misc. Power Plant Equipment	3.56%	
Other Production Plant			
	Energy Center		
341	Structures & Improvements	7.33%	
342	Fuel Holders, Producers & Access.	0.00%	
343	Prime Movers	5.34%	
344	Generators	5.79%	
345	Accessory Electric Equipment	5.67%	
345.01	Computer Hardware-Energy	20.00%	
345.02	Computer Software-20%	20.00%	Footnote (1)
345.02	Computer Software-6.67%	6.67%	Footnote (1)
345.03	Communication Equipment	6.67%	
346	Misc. Power Plant Equipment	0.44%	
	Energy Center FT8		
341	Structures & Improvements	3.37%	
342	Fuel Holders, Producers & Access.	2.95%	
343	Prime Movers	4.06%	
344	Generator	4.61%	
345	Accessory Electric Equipment	3.45%	
346	Misc. Power Plant Equipment	3.20%	
	Riverton Common		
345.01	Computer Hardware	20.00%	
345.02	Computer Software-10%	10.00%	Footnote (1)
345.03	Communication Equipment	6.67%	

Exhibit A

Riverton 9, 10, 11

341	Structures & Improvements	6.57%	
342	Fuel Holders, Producers & Access.	4.18%	
343	Prime Movers	5.77%	
344	Generators	4.21%	
345	Accessory Electric Equip	5.45%	
345.01	Computer Hardware	20.00%	
345.02	Computer Software-10%	10.00%	Footnote (1)
346	Misc. Power Plant Equip	6.27%	

Riverton 12

341	Structures & Improvements	2.57%	
342	Fuel Holders, Producers & Access.	2.20%	
343	Prime Movers	2.84%	
344	Generators	2.86%	
345	Accessory Electric Equipment	2.91%	
345.02	Computer Software-10%	10.00%	Footnote (1)
346	Misc. Power Plant Equipment	2.39%	

State Line 1

341	Structures & Improvements	0.73%	
342	Fuel Holders, Producers & Accessories	1.51%	
343	Prime Movers	2.92%	
344	Generators	3.69%	
345	Accessory Electric Equipment	2.97%	
345.02	Computer Software-0%	0.00%	Footnote (1)
346	Misc. Power Plant Equipment	3.59%	

State Line Common

341	ASDL Structures & Improvements	2.31%	
342	Fuel Holders, Producers & Accessories	0.00%	
343	Prime Movers	3.38%	
345	Accessory Electric Equipment	2.99%	
345.01	Computer Hardware	20.00%	
345.02	Computer Software-0%	0.00%	Footnote (1)
345.02	Computer Software-10%	10.00%	Footnote (1)
345.02	Computer Software-20%	20.00%	Footnote (1)
345.03	Communication Equipment	6.67%	

346	Misc. Power Plant Equipment	1.80%	
	State Line CC		
341	Structures and Improvements	2.36%	
342	Fuel Holders, Producers & Accessories	0.00%	
343	Prime Movers	2.80%	
344	Generators	2.96%	
345	Accessory Electric Equipment	2.58%	
345.01	Computer Hardware	20.00%	
345.02	Computer Software-0%	0.00%	Footnote (1)
346	Misc. Power Plant Equipment	2.80%	
	Asbury Wind Services		
338.21	Structures & Improvements	2.07%	
338.3	Computer Hardware	20.00%	
338.31	Computer Software-10%	10.00%	Footnote (1)
338.32	Communication Equipment	6.67%	
338.33	Misc Power Plant Eq	1.96%	
338.33	Misc Power Plant Eq-Lease	0.00%	
340	Land	0.00%	
341	Structures	2.07%	
342	Fuel Holders	1.29%	
345	Access. Electric	0.63%	
346	Misc. Equipment	1.96%	
Wind Production		3.33%	
Solar Production		4.00%	
Transmission Plant			
351.03	Communication Equipment	6.67%	
352	Structures & Improvements	1.07%	
353	Station Equipment	2.44%	
354	Towers and Fixtures	1.17%	
355	Poles and Fixtures	3.60%	
356	Overhead Conductors & Devices	1.82%	
Distribution Plant			
361	Structures & Improvements	1.94%	
362	Station Equipment	2.11%	
363.01	Computer Hardware	20.00%	

363.02	Computer Software-0%	0.00%	Footnote (1)
363.02	Computer Software-10%	10.00%	Footnote (1)
363.02	Computer Software-14.29%	14.29%	Footnote (1)
363.02	Computer Software-20%	20.00%	Footnote (1)
364	Poles, Towers, & Fixtures	5.05%	
365	Overhead Conductors & Devices	3.10%	
366	Underground Conduit	1.76%	
367	Underground Conductors & Devices	1.56%	
368	Line Transformers	1.88%	
369	Services	3.32%	
370	Meters	4.39%	
370.1	Meters-AMI	5.00%	
370.99	Distribution Unassigned	0.00%	
371	Meter Installations/Private Lights	3.48%	
371.1	EV Chargers on Cust Prem	5.00%	
371.2	EV Chargers Residential	0.00%	
371.3	EV Charges Ready	0.00%	
371.4	EV Charges Commercial	0.00%	
371.5	EV Charges School	0.00%	
373	Street Lighting and Signal Systems	3.90%	
375	Charging Stations	0.00%	

General Plant

389	Land/Land Rights	0.00%	
390	Structures & Improvements	1.73%	
391	Office Furniture & Equipment	5.00%	
391.1	Computer Equipment	20.00%	
391.2	Furniture Lease	0.00%	
392	Transportation Equipment	5.20%	
393	Stores Equipment	2.86%	
394	Tools, Shop, & Garage Equipment	5.00%	
395	Laboratory Equipment	5.00%	
396	Power Operated Equipment	4.62%	
397	Communication Equipment	6.67%	
397.01	Computer Hardware	20.00%	
397.01	Computer Hardware-Lease	0.00%	
397.02	Computer Software-0%	0.00%	Footnote (1)
397.02	Computer Software-10%	10.00%	Footnote (1)
397.02	Computer Software-14.29%	14.29%	Footnote (1)
397.02	Computer Software-16.67%	16.67%	Footnote (1)
397.02	Computer Software-20%	20.00%	Footnote (1)
397.02	Computer Software-25%	25.00%	Footnote (1)

397.02	Computer Software-33.33%	33.33%	Footnote (1)
397.02	Computer Software-5%	5.00%	Footnote (1)
397.03	Communication Equipment	6.67%	
398	Miscellaneous Equipment	2.94%	

Footnotes:

1. Amortization Schedule for Software Accounts

Empire, ER-2024-0261

Test Year 09/30/2023; Update Period - 09/30/2024; True Up 03/31/2025

EXHIBIT B

Line #	Asset/Liability	Description	Amortization Period (Year)	Start Date	End Date	Annual Amortization	Unamortized Balance at 03/31/2025
1	Asset	Cost/Benefit Analysis	5	1/1/2021	1/1/2026	$ -	$ -
2	Asset	MO Iatan I Amort O&M	51	9/30/2015	6/30/2066	$ 84,729	$ 3,502,012
3	Asset	MO Iatan II Amort O&M	52	9/30/2015	12/30/2067	$ 44,828	$ 1,916,531
4	Liability	Peoplesoft Regulatory Asset	0	9/30/2012	9/30/2022	$ -	$ -
5	Asset	Plum Point Carrying Cost	55	9/30/2015	10/30/2070	$ 1,987	$ 90,657
6	NA	Property tax	3	Effective date of rates ER-2024-0261	Effective date of rates ER-2024-0261 + 3 Years	5,201,007	15,603,022
7	Liability	Asbury AAO Securitized True up	3	Effective date of rates ER-2024-0261	Effective date of rates ER-2024-0261 + 3 Years	$ (1,049,140)	$ (3,147,420)
8	Liability	Asbury Environmental Securitized True up	3	Effective date of rates ER-2024-0261	Effective date of rates ER-2024-0261 + 3 Years	$ (335,384)	$ (1,006,152)
9	Asset	EADIT Tracker	3	Effective date of rates ER-2024-0261	Effective date of rates ER-2024-0261 + 3 Years	$ 4,992,921	$ 14,978,762
10	Asset	Riverton 12 O&M Tracker	5	6/1/2022	06/01/2027	$ -	$ -
11	Asset	Solar Rebate ER-2016-0023	10	10/1/2016	10/1/2026	$ 620,055	$ 904,246
12	Asset	Solar Rebate ER-2019-0374	10	9/16/2020	9/16/2030	$ 1,447,635	$ 7,901,673
13	Asset	Solar Rebate ER-2021-0312	10	6/1/2022	6/1/2032	$ 177,226	$ 1,270,120
14	Asset	Solar Initiative ER-2024-0261	10	Effective date of rates ER-2024-0261	Effective date of rates ER-2024-0261 + 10 Years	$ 632,651	$ 6,326,514
15	Asset	PISA Vintage 1	20	6/1/2022	6/1/2042	$ 629,868	$ 10,812,739
16	Asset	PISA Vintage 2	20	Effective date of rates ER-2024-0261	Effective date of rates ER-2024-0261 + 20 Years	$ 9,959,555	$ 199,191,101
17	ASSET	PAYGO	3	Effective date of rates ER-2024-0261	Effective date of rates ER-2024-0261 + 3 Years	$ (335,409)	$ (1,006,227)
18	Asset	Cust Prog Collaborative Exp	6	Vintage Year	Vintage year costs + 6 years	$ 359,980	$ 643,291
19	Asset	Interruptible Service Credit Amortization	3	Effective date of rates ER-2024-0261	Effective date of rates ER-2024-0261 + 3 Years	$ 469,485	$ 1,408,456
20	Liability	Stub Period EADIT	-	NA	NA	-	$ -
21	Liability	Protected EADIT	NA	Effective date of rates ER-2024-0261	NA	RSGM - $2,798,224 over 29.34 Years	(81,610,215)
22	Asset	LIPP - Low Income Pilot Program	6	Effective date of rates ER-2024-0261	Effective date of rates ER-2024-0261 + 6 Years	52,900	317,397
23	Asset	Riverton Environmental Costs					$ -

Exhibit C

Residential	Units	Current Rates	First Rates	Second Rates	Third Rates
Customer	1,729,896	$ 13.00	$ 13.00	$ 13.00	$ 13.00
Non-Standard Summer Energy	3,404,499	$ 0.13582	$ 0.14486	$ 0.15389	$ 0.16296
Non-Standard Winter Energy Block 1	2,907,389	$ 0.13582	$ 0.14486	$ 0.15389	$ 0.16296
Non-Standard Winter Energy Block 2	4,072,118	$ 0.10938	$ 0.11666	$ 0.12394	$ 0.13124
Plus On Peak	178,565	$ 0.28793	$ 0.30709	$ 0.32625	$ 0.34546
Plus Off Peak	803,627	$ 0.08569	$ 0.09139	$ 0.09709	$ 0.10281
Time Choice Summer Energy	622,128,513	$ 0.14031	$ 0.14965	$ 0.15898	$ 0.16835
Time Choice Winter Energy Block 1	560,300,056	$ 0.14031	$ 0.14965	$ 0.15898	$ 0.16835
Time Choice Winter Energy Block 2	588,903,764	$ 0.11651	$ 0.12425	$ 0.13201	$ 0.13978
Residential Community Solar Grid	582,228	$ 0.04377	$ 0.04668	$ 0.04959	$ 0.05252
TC Off-Peak Credit	493,322,435	$ (0.02000)	$ (0.02000)	$ (0.02000)	$ (0.02000)

General	Units	Current Rates	First Rates	Second Rates	Third Rates
Customer	270,192	$ 23.97	$ 25.43	$ 26.89	$ 28.36
Non-Standard Summer Energy	3,924,135	$ 0.13429	$ 0.14248	$ 0.15067	$ 0.15889
Non-Standard Winter Energy Block 1	3,371,515	$ 0.13429	$ 0.14248	$ 0.15067	$ 0.15889
Non-Standard Winter Energy Block 2	3,664,533	$ 0.12020	$ 0.12753	$ 0.13486	$ 0.14222
Plus On Peak	3,036	$ 0.32196	$ 0.34160	$ 0.36123	$ 0.38093
Plus Off Peak	12,278	$ 0.08363	$ 0.08873	$ 0.09383	$ 0.09895
Time Choice Summer Energy	153,794,819	$ 0.13892	$ 0.14739	$ 0.15587	$ 0.16436
Time Choice Winter Energy Block 1	76,021,774	$ 0.13892	$ 0.14739	$ 0.15587	$ 0.16436
Time Choice Winter Energy Block 2	187,595,507	$ 0.12624	$ 0.13394	$ 0.14164	$ 0.14936
General Service Community Solar Grid	7,476	$ 0.03908	$ 0.04146	$ 0.04385	$ 0.04624
TC Off-Peak Credit	109,053,673	$ (0.02000)	$ (0.02000)	$ (0.02000)	$ (0.02000)

Large General	Units	Current Rates	First Rates	Second Rates	Third Rates
Customer	33,024	$ 69.49	$ 73.24	$ 77.07	$ 80.91
LG Summer Block 1	19,953,874	$ 0.08941	$ 0.09429	$ 0.09919	$ 0.10410
LG Summer Block 2	18,329,208	$ 0.06939	$ 0.07318	$ 0.07698	$ 0.08079
LG Summer Block 3	7,605,347	$ 0.06231	$ 0.06571	$ 0.06913	$ 0.07255
LG Winter Block 1	36,712,137	$ 0.07676	$ 0.08095	$ 0.08516	$ 0.08937
LG Winter Block 2	32,692,301	$ 0.06253	$ 0.06595	$ 0.06937	$ 0.07280
LG Winter Block 3	12,091,732	$ 0.06198	$ 0.06537	$ 0.06876	$ 0.07216
LC Summer Block 1	143,932,159	$ 0.08998	$ 0.09489	$ 0.09982	$ 0.10476
LC Summer Block 2	140,719,849	$ 0.07091	$ 0.07478	$ 0.07867	$ 0.08256
LC Summer Block 3	52,311,164	$ 0.06417	$ 0.06768	$ 0.07119	$ 0.07471
LC Winter Block 1	268,745,836	$ 0.07793	$ 0.08219	$ 0.08646	$ 0.09073
LC Winter Block 2	228,595,390	$ 0.06436	$ 0.06788	$ 0.07140	$ 0.07493
LC Winter Block 3	78,696,785	$ 0.06385	$ 0.06734	$ 0.07083	$ 0.07434
Demand Summer	1,211,748	$ 8.93	$ 9.64	$ 10.34	$ 11.05
Demand Winter	2,266,914	$ 6.96	$ 7.51	$ 8.06	$ 8.61
Facilities Demand	4,628,222	$ 2.13	$ 2.30	$ 2.47	$ 2.64
LC Off Peak Credit	247,614,049	$ (0.00500)	$ (0.00500)	$ (0.00500)	$ (0.00500)

Exhibit C

Small Primary	Units	Current Rates	First Rates	Second Rates	Third Rates
Customer	720	$ 69.49	$ 73.24	$ 77.07	$ 80.91
SP Summer Block 1	11,127,248	$ 0.08767	$ 0.09258	$ 0.09743	$ 0.10236
SP Summer Block 2	10,796,642	$ 0.06804	$ 0.07185	$ 0.07561	$ 0.07944
SP Summer Block 3	6,874,104	$ 0.06110	$ 0.06452	$ 0.06790	$ 0.07134
SP Winter Block 1	20,685,589	$ 0.07527	$ 0.07948	$ 0.08365	$ 0.08788
SP Winter Block 2	19,093,744	$ 0.06131	$ 0.06474	$ 0.06813	$ 0.07158
SP Winter Block 3	10,485,310	$ 0.06077	$ 0.06417	$ 0.06753	$ 0.07095
SC Summer Block 1	3,355,462	$ 0.08823	$ 0.09317	$ 0.09805	$ 0.10301
SC Summer Block 2	3,381,490	$ 0.06953	$ 0.07332	$ 0.07727	$ 0.08118
SC Summer Block 3	708,843	$ 0.06292	$ 0.06644	$ 0.06992	$ 0.07346
SC Winter Block 1	7,228,429	$ 0.07641	$ 0.08069	$ 0.08491	$ 0.08921
SC Winter Block 2	6,368,102	$ 0.06311	$ 0.06664	$ 0.07013	$ 0.07368
SC Winter Block 3	1,213,748	$ 0.06261	$ 0.06611	$ 0.06958	$ 0.07310
Demand Summer	106,424	$ 8.75	$ 9.44	$ 10.13	$ 10.82
Demand Winter	205,119	$ 6.82	$ 7.36	$ 7.90	$ 8.44
Facilities Demand	430,044	$ 2.08	$ 2.24	$ 2.41	$ 2.57
SC Off Peak Credit	7,223,869	$ (0.00490)	$ (0.00490)	$ (0.00490)	$ (0.00490)

Large Power	Units	Current Rates	First Rates	Second Rates	Third Rates
Customer	517	$ 283.55	$ 296.82	$ 312.48	$ 329.58
Summer Block 1	190,003,090	$ 0.06790	$ 0.07157	$ 0.07523	$ 0.07892
Summer Block 2	98,944,096	$ 0.03528	$ 0.03719	$ 0.03909	$ 0.04101
Winter Block 1	350,130,018	$ 0.05995	$ 0.06319	$ 0.06643	$ 0.06968
Winter Block 2	164,448,439	$ 0.03394	$ 0.03577	$ 0.03761	$ 0.03945
Summer Demand	570,804	$ 18.61	$ 20.08	$ 21.55	$ 23.02
Winter Demand	1,049,559	$ 10.27	$ 11.08	$ 11.89	$ 12.70
Facilities	1,818,821	$ 1.88	$ 2.03	$ 2.18	$ 2.33

Transmission Service	Units	Current Rates	First Rates	Second Rates	Third Rates
Customer	12	$ 275.00	$ 292.37	$ 309.74	$ 327.16
Summer On-Peak Period kWh	4,756,558	$ 0.05594	$ 0.05947	$ 0.06301	$ 0.06655
Summer Shoulder Period kWh	6,529,676	$ 0.04467	$ 0.04749	$ 0.05031	$ 0.05314
Summer Off-Peak Period kWh	11,606,969	$ 0.03387	$ 0.03601	$ 0.03815	$ 0.04029
Winter On-Peak Period kWh	21,633,695	$ 0.03890	$ 0.04136	$ 0.04381	$ 0.04628
Winter Off-Peak Period kWh	24,293,433	$ 0.03181	$ 0.03382	$ 0.03583	$ 0.03784
Summer Demand Charge	31,952	$ 27.06	$ 28.77	$ 30.47	$ 32.19
Winter Demand Charge	64,727	$ 18.39	$ 19.55	$ 20.71	$ 21.88
Summer Facilities Charge	32,170	$ 0.53	$ 0.56	$ 0.59	$ 0.63
Winter Facilities Charge	64,775	$ 0.53	$ 0.56	$ 0.59	$ 0.63
Transmission Interruptible Credit			$ 6.00	$ 6.00	$ 6.00

	Current	First	Second	Third
Lighting Revenue	$ 6,537,778	$ 6,950,707	$ 7,363,636	$ 7,777,843

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 14th day of January 2026.

Nancy Dippell
Secretary

MOPSC Digitally signed by MOPSC
Date: 2026.01.14
11:32:09 -06'00'

MISSOURI PUBLIC SERVICE COMMISSION

January 14, 2026

File/Case No. ER-2024-0261

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

Sincerely,

Nancy Dippell
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.