

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

In the Matter of the True-Up of The Empire District     )  
Electric Company's Fuel Adjustment Clause (FAC)     )     **File No. EO-2017-0094**

**STAFF RECOMMENDATION**

**COMES NOW** the Staff of the Missouri Public Service Commission, by and through counsel, and for its recommendation states as follows:

1. On September 30, 2016, The Empire District Electric Company ("Empire" or "Company") filed its fourteenth (14<sup>th</sup>) fuel adjustment clause true-up filing under the provisions of 4 CSR 240-3.161(8) and 4 CSR 240-20.090(5).

2. In the attached Staff Memorandum, based on its examination and analysis of information filed and submitted by Empire, Staff recommends the Commission approve Empire's true-up filing for Recovery Period 14 ("RP14") (billing months of December 2015 through May 2016), during which Empire over-recovered \$516,561 from its customers.

3. The over-recovered amount of \$516,561 is the true-up amount for RP14, which along with interest for RP14, are included in the calculation of the Fuel and Purchased Power Adjustment ("FPA") amount included in Empire's Accumulation Period 16 ("AP16") adjustment filing, also filed on September 30, 2016, in File No. ER-2017-0094.

4. Staff has verified that Empire has filed its 2015 annual report and is not delinquent on any assessment; Empire is current on its submission of its Surveillance Monitoring reports as required in 4 CSR 240-20.090(10) and its monthly reports as required by 4 CSR 240-3.161(5). Other than as noted in the attached Staff Memorandum,

Staff is not aware of any other matter before the Commission that affects or is affected by Empire's true-up filing.

**WHEREFORE**, Staff recommends the Commission approve Empire's RP14 true-up filing for the billing months of December 2015 through May 2016, during which period Empire over-recovered \$516,561 from its customers, for inclusion in the calculation of the FPA amount included in the Company's AP16 adjustment filing in File No. ER-2017-0094.

Respectfully submitted,

**/s/ Nicole Mers**

Nicole Mers  
Assistant Staff Counsel  
Missouri Bar No. 66766  
Attorney for the Staff of the  
Missouri Public Service Commission  
P.O. Box 360  
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**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to all counsel of record this 31<sup>st</sup> day of October, 2016.

**/s/ Nicole Mers**

## MEMORANDUM

**TO:** Missouri Public Service Commission Official Case File  
File No. EO-2017-0094  
The Empire District Electric Company

**FROM:** Ashley Sarver, Utility Regulatory Auditor IV  
David C. Roos, Regulatory Economist III

**DATE:** /s/ John A. Rogers 10/31/2016      /s/ Nicole Mers 10/31/2016  
Energy Resources Department / Date      Staff Counsel Department / Date

**SUBJECT:** Staff's Analysis of and Recommendation Concerning The Empire District Electric Company's Fourteenth Fuel Adjustment Clause True-up Filing Under the Provisions in 4 CSR 240-3.161(8) and 4 CSR 240-20.090(5).

**DATE:** October 31, 2016

On September 30, 2016, The Empire District Electric Company ("Empire" or "Company") filed with the Missouri Public Service Commission ("Commission") in the form of direct testimony and supporting schedule by Bryan S. Owens, its fourteenth true-up filing under the provisions in 4 CSR 240-3.161(8) and 4 CSR 240-20.090(5).

Accumulation Period 14 ("AP14") includes the time period March 1, 2015 through August 31, 2015 and is followed by Recovery Period 14 ("RP14") which includes the billing months of December 2015 through May 2016. The true-up amount of (\$516,561)<sup>1</sup> identified in this filing is the result of an over-recovery of the Fuel and Purchased Power Adjustment ("FPA") amount for AP14 during RP14.

The true-up amount of (\$516,561) for RP14 is included in the calculation of the FPA amount included in the Company's Accumulation Period 16 ("AP16") adjustment filing, also filed on September 30, 2016, in File No. ER-2017-0092, which Empire filed in compliance with its FAC.<sup>2</sup>

The Commission's Staff ("Staff") examined the direct testimony of Bryan S. Owens, the supporting schedule Empire provided with its application in this case, and the monthly information Empire has submitted to the Commission. Staff also reviewed and agrees with Empire's monthly interest calculations for RP14.

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<sup>1</sup> A true-up amount in parentheses indicates an "over-recovery" by the utility.

<sup>2</sup> The Empire District Electric Company's P.S.C. Mo. No. 5, Section 4, Original Sheet No. 17ab tariff sheet:

TRUE-UP OF FPA: In conjunction with an adjustment to its FAR, the Company will make a true-up filing with an adjustment to its FAC on the first Filing Date that occurs after completion of each Recovery Period. The true-up adjustment shall be the difference between the FPA revenues billed and the FPA revenues authorized for collection during the true-up recovery period, i.e. the true-up adjustment. Any true-up adjustments or refunds shall be reflected in item T above and shall include interest calculated as provided for in item I above.

MO PSC CASE NO. ER-2017-0092

Official Case File Memorandum

October 31, 2016

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Based on its examination and analysis of information Empire filed and submitted in this case, Staff recommends the Commission approve Empire's RP14 true-up filing for the billing months December 2016 through May 2016 during which Empire over-recovered \$516,561 from its customers for inclusion in the calculation of the FPA amount included in the Company's AP16 adjustment filing in File No. ER-2017-0092.

Staff has verified that Empire has filed its 2015 annual report and is not delinquent on any assessment. Empire is current on its submission of its Surveillance Monitoring reports as required in 4 CSR 240-20.090(10) and its monthly reports as required by 4 CSR 240-3.161(5). Staff is not aware of any other matter before the Commission that affects or is affected by this filing, except as noted herein.

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

In the Matter of the True-Up of The Empire District            )  
Electric Company's Fuel Adjustment Clause                    )     File No. ER-2017-0094

**AFFIDAVIT OF DAVID C. ROOS**

STATE OF MISSOURI     )  
                                  ) ss  
COUNTY OF COLE     )

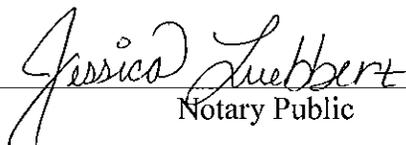
**COMES NOW**, David C. Roos and on his oath declares that he is of sound mind and lawful age; that he contributed to the attached Staff Recommendation in Memorandum form; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

  
\_\_\_\_\_  
David C. Roos

Subscribed and sworn to be this 27<sup>th</sup> day of October, 2016.

JESSICA LUEBBERT Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: February 19, 2019 Commission Number: 15633434
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\_\_\_\_\_  
Notary Public

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In the Matter of the True-Up of The Empire District            )  
Electric Company's Fuel Adjustment Clause                    )     **File No. ER-2017-0094**

**AFFIDAVIT OF ASHLEY SARVER**

STATE OF MISSOURI     )  
                                  ) ss  
COUNTY OF COLE     )

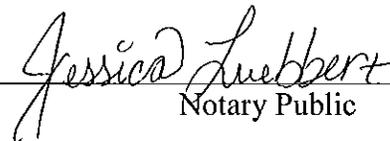
**COMES NOW**, Ashley Sarver and on her oath declares that she is of sound mind and lawful age; that she contributed to the attached Staff Recommendation in Memorandum form; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.

  
\_\_\_\_\_  
Ashley Sarver

Subscribed and sworn to be this 28<sup>th</sup> day of October, 2016.

JESSICA LUEBBERT  
Notary Public - Notary Seal  
State of Missouri  
Commissioned for Cole County  
My Commission Expires: February 19, 2019  
Commission Number: 15633434

  
\_\_\_\_\_  
Notary Public