

BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

In the Matter of the Application of The Empire)
District Electric Company for Approval of its) Docket No. 25-EPDE-245 -ACA
Annual Energy Cost Adjustment ("ACA") Filing)

APPLICATION

The Empire District Electric Company ("Liberty-Empire") submits its application to the Kansas Corporation Commission ("Commission"), for approval of its Annual Energy Cost Adjustment ("ACA") filing, states:

1. Liberty-Empire is a corporation duly organized and existing under the laws of the State of Kansas and is engaged in doing business in said state and is duly qualified to do and is doing business in the states of Missouri, Arkansas and Oklahoma. Liberty-Empire is a holder of a Certificate from the Commission to conduct the business of an electric utility in Kansas. The Commission approved Liberty-Empire's ECA/ACA tariff in Docket No. 05-EPDE-980-RTS. This Application is being made to obtain approval of Liberty-Empire's ACA factor for the upcoming year.

2. Attached to this Application and incorporated herein by reference as Appendix A is the annual calculation of the (over)/under recovery of energy costs for the Energy Cost Adjustment ("ECA") year ending October 31, 2024, the annual calculation of over/(under) refund of the prior years off system sales margins (Kansas jurisdictional) that flow through the ECA. In addition, the annual forecast of energy costs for the upcoming calendar year 2025 has been attached to this Application as Appendix B.

3. The annual calculation of the ACA resulted in an over recovered balance of approximately \$740,465.34 for the ACA period ending October 31, 2024. This balance reflects the

elimination of the gains/losses associated with the financial instruments used to hedge the cost of natural gas and also reflects the elimination of the gains/losses associated with the sale of excess natural gas during the ACA period. These eliminations were agreed to by the Staff of the Commission and Empire in Docket No. 07-EPDE-712-ACA.

4. In the first half of 2021, Liberty-Empire acquired three wind generation facilities - North Fork Ridge and Kings Point located in southwest Missouri and Neosho Ridge located in southeast Kansas. These facilities have been excluded from the 2025 Kansas ECA/ACA calculation of rates to comply with the Motion to Withdraw its Request to Recover Acquisition and Operating Costs of Wind Projects in Rates filed in Docket No. 21-EPDE-444-RTS.

5. The total ECA eligible costs for the upcoming ECA year is forecast to decrease by about 18 percent from the preceding year's ECA forecast. The total ACA costs for the current ECA year will decrease by 17 percent from the prior year. The proposed ACA surcharge will result in a forecasted decrease in the composite of approximately 18 percent.

6. Appendix B to this Application also includes summaries of the monthly energy costs forecast for the upcoming calendar year 2025. In addition to these monthly summaries, Liberty-Empire will provide a spreadsheet to the Commission Staff ("Staff") that displays the details behind the 2024 energy cost forecast compiled for purposes of the Kansas ECA. The information included in the energy cost forecast is Confidential and Liberty-Empire requests that it be treated as Confidential by the Staff pursuant to K.S.A. 66-1220a and K.A.R. 82-1-221a. Liberty-Empire also requests that the Commission issue a Protective Order in this docket. The information is confidential because it is information that has not been disclosed to the public and if disclosed, could place Liberty-Empire at a competitive disadvantage in negotiating future fuel contracts.

7. Included in the information on the spreadsheet forwarded to the Staff will be information such as the following for each supply resource:

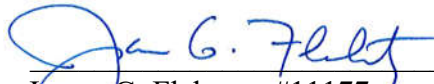
- Hours of operation
- Fuel cost in total and by fuel type
- Capacity factor
- Heat rate
- Starts
- MWH of output
- Fuel cost per MWH and MMBtu
- Unit Outage Schedules
- Natural gas price assumptions used in the Kansas ECA for 2025

In general terms, the fuel model used for the 2025 Kansas ECA produced an expected natural gas requirement of about 23.1 million MMBtu. At the time of the fuel run, Liberty-Empire had already secured about * * million MMBtu of physical natural gas at fixed prices for use in calendar year 2025. Liberty-Empire has eliminated the impact of the financial instruments that fix the price of natural gas for calendar year 2025 from the Kansas ECA calculation in accordance with the agreement reached in Docket No. 07-EPDE-712-ACA. Additionally, the impact of the three Company owned wind farms mentioned above have been excluded from the calculation in accordance with the Motion to Withdraw its Request to Recover Acquisition and Operating Costs of Wind Projects in Rates from Docket No. 21-EPDE-444-RTS. Using only the physical contracts, Liberty-Empire has already locked in the price associated with approximately * * percent of its expected natural gas requirements for calendar year 2025 for purposes of the Kansas ECA. The ultimate quantities of natural gas purchased

are subject to modification if conditions, such as weather, wind, or plant outages, cause a significant change in the expected natural gas consumption.

8. Liberty-Empire will file as part of this Application in January 2025, verified testimony, which shall discuss in detail why Liberty-Empire believes that the fuel and energy costs that were passed through the Kansas ECA during the 2024 ECA period (which ended October 31, 2024) were reasonable based upon the standards established by the Commission in its Orders issued in Docket No. 106,850-U (75-GIMC-009-GIG) dated March 19, 2002 and September 25, 2002.

WHEREFORE, Liberty-Empire requests that its ACA be approved by the Commission.



James G. Flaherty, #11177

ANDERSON & BYRD, LLP

216 S. Hickory ~ P.O. Box 17

Ottawa, Kansas 66067

(785) 242-1234, telephone

(785) 242-1279, facsimile

jflaherty@andersonbyrd.com

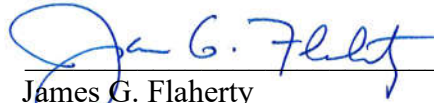
Attorneys for The Empire District Electric Company

VERIFICATION

STATE OF KANSAS
COUNTY OF FRANKLIN, ss:

James G. Flaherty, of lawful age, being first duly sworn on oath, states:

That he is the attorney for The Empire District Electric Company, named in the foregoing Application, and is duly authorized to make this affidavit; that he has read the foregoing Application, and knows the contents thereof; and that the facts set forth therein are true and correct to the best of his knowledge, information and belief.



James G. Flaherty

SUBSCRIBED AND SWORN to before me this 17th day of December, 2024.





Notary Public

Appointment/Commission Expires:

APPENDIX A

**Empire District Electric Co.
Annual ACA Calculation
For The ECA Year Ending 12/31/2025**

**Attachment A
Schedule 1**

		<u>January-25</u>	<u>February-25</u>	<u>March-25</u>	<u>April-25</u>	<u>May-25</u>	<u>June-25</u>	<u>July-25</u>	<u>August-25</u>	<u>September-25</u>	<u>October-25</u>	<u>November-25</u>	<u>December-25</u>
Fuel	F=	\$ 11,992,940	\$ 10,039,012	\$ 5,395,700	\$ 5,570,084	\$ 3,449,779	\$ 7,230,199	\$ 11,407,116	\$ 10,813,728	\$ 5,704,312	\$ 3,228,661	\$ 5,093,255	\$ 11,507,076
Purchased Power	P=	3,508,422	3,287,467	3,710,227	3,446,970	3,300,125	2,699,274	2,655,904	2,646,704	3,063,017	3,290,369	2,814,250	2,188,412
Interchange	NI=												
Emission Allowance	E=												
Total ECA Eligible Costs		\$ 15,501,362	\$ 13,326,478	\$ 9,105,927	\$ 9,017,054	\$ 6,749,904	\$ 9,929,473	\$ 14,063,020	\$ 13,460,431	\$ 8,767,329	\$ 6,519,030	\$ 7,907,504	\$ 13,695,488
Kansas ECA Billed KWH	S=	23,875,276	20,641,180	18,099,323	15,447,653	16,709,216	19,942,041	23,843,607	22,775,959	18,711,289	17,158,535	17,075,055	21,654,420
Total Company Billed KWH		488,635,648	415,992,542	388,452,223	331,346,602	353,684,960	421,168,534	479,411,679	469,678,017	383,395,683	345,995,757	372,175,764	461,309,270
Kansas Jurisdiction Factor	KF=	4.886%	4.962%	4.659%	4.662%	4.724%	4.735%	4.974%	4.849%	4.880%	4.959%	4.588%	4.694%
Average Cost per KWH Sold-Kansas		3.172	3.204	2.344	2.721	1.908	2.358	2.934	2.866	2.287	1.884	2.125	2.969
Credit for Off-system Sales Profits		-	-	-	-	-	-	-	-	-	-	-	-
Annual Settlement Factor		(0.340)	(0.340)	(0.340)	(0.340)	(0.340)	(0.340)	(0.340)	(0.340)	(0.340)	(0.340)	(0.340)	(0.340)
Total ECA per KWH Sold-Kansas	cents per KWH	2.832	2.864	2.004	2.381	1.568	2.018	2.594	2.526	1.947	1.544	1.785	2.629

**Empire District Electric Co.
Annual ACA Calculation
For ECA Year Ending 10/31/2024**

Attachment A
Schedule 2

	Nov 2023	Dec 2023	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024	Jul 2024	Aug 2024	Sep 2024	Oct 2024	Total
Generation (includes PPA)	\$ 10,147,368.58	\$ 10,427,666.84	\$ 21,141,203.13	\$ 9,780,386.38	\$ 8,163,873.00	\$ 6,263,882.93	\$ 7,381,988.91	\$ 12,046,199.61	\$ 13,752,370.47	\$ 13,764,988.53	\$ 8,386,369.51	\$ 8,297,290.68	\$ 129,553,588.57
Native Load Costs - IM Expense - FERC Netted	\$ (380,026.13)	\$ 1,578,469.76	\$ 8,555,388.06	\$ 1,258,513.58	\$ 1,042,593.99	\$ 852,144.07	\$ (2,454,970.17)	\$ 1,118,384.55	\$ (993,696.83)	\$ 25,601.96	\$ 797,290.49	\$ 697,442.41	\$ 12,097,135.74
EDE Sales - IM Revenue - FERC Netted	\$ (2,205,493.23)	\$ (1,316,482.56)	\$ 719,178.51	\$ 192,186.09	\$ (1,272,507.92)	\$ (476,477.59)	\$ 671,110.54	\$ (2,162,540.93)	\$ (538,669.28)	\$ (1,847,141.70)	\$ (1,846,974.57)	\$ (877,156.45)	\$ (10,960,969.09)
AQCS	\$ 49,628.24	\$ 96,892.90	\$ 73,204.55	\$ 98,624.14	\$ 47,442.41	\$ (14,513.28)	\$ 51,021.64	\$ 61,925.30	\$ 57,639.65	\$ 82,010.41	\$ 38,789.60	\$ 53,060.75	\$ 695,726.31
SWPA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Emission Allowance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (5.56)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (5.56)
Total ECA Eligible Costs	\$ 7,611,477.46	\$ 10,786,546.94	\$ 30,488,974.25	\$ 11,329,710.19	\$ 7,981,401.48	\$ 6,625,036.13	\$ 5,649,145.36	\$ 11,063,968.53	\$ 12,277,644.01	\$ 12,025,459.20	\$ 7,375,475.03	\$ 8,170,637.39	\$ 131,385,475.97
Kansas Billed KWH	15,244,863	16,915,791	26,307,161	23,748,337	15,919,140	8,757,655	18,314,971	17,480,745	16,156,119	27,173,208	19,172,469	12,633,582	217,824,040
Total Company Billed KWH	335,251,307	359,342,246	544,185,276	504,576,168	346,843,917	194,572,910	384,899,800	364,022,439	334,838,959	596,487,925	372,069,446	397,939,202	4,735,029,594
Kansas Jurisdiction Factor	KF= 4.547%	4.707%	4.834%	4.707%	4.590%	4.501%	4.758%	4.802%	4.825%	4.556%	5.153%	3.175%	4.600%
Kansas Costs Eligible for ECA Recovery	\$ 346,093.88	\$ 507,722.76	\$ 1,473,837.02	\$ 533,289.46	\$ 366,346.33	\$ 298,192.88	\$ 268,786.34	\$ 531,291.77	\$ 592,396.32	\$ 547,879.92	\$ 380,058.23	\$ 259,417.74	\$ 6,105,312.65
ECA Revenue	\$ 348,954.91	\$ 506,289.62	\$ 956,528.36	\$ 907,661.46	\$ 479,325.29	\$ 269,122.75	\$ 473,442.00	\$ 544,175.58	\$ 518,772.98	\$ 825,522.06	\$ 483,913.12	\$ 309,143.75	\$ 6,622,851.88
(Over)/Under Recovery as Reported Monthly	\$ (2,861.03)	\$ 1,433.14	\$ 517,308.66	\$ (374,372.00)	\$ (112,978.96)	\$ 29,070.13	\$ (204,655.66)	\$ (12,883.81)	\$ 73,623.34	\$ (277,642.14)	\$ (103,854.89)	\$ (49,726.01)	\$ (517,539.23)
Prior Period Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustments Bi-Lat Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustments SWPA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustments Derivative	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Kansas Share of Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted (Over)/Under Recovery	\$ (2,861.03)	\$ 1,433.14	\$ 517,308.66	\$ (374,372.00)	\$ (112,978.96)	\$ 29,070.13	\$ (204,655.66)	\$ (12,883.81)	\$ 73,623.34	\$ (277,642.14)	\$ (103,854.89)	\$ (49,726.01)	\$ (517,539.23)
Annual Settlement Factor (Over)/Under	ACA=												(740,465.34)
Off System Profit Factor "D" Over/(Under)	OAV=												-
Total (Over)/Under Recovery Amount For ACA													\$ (740,465.34)
New ACA Rate												\$ per KWH	\$ (0.00340)

Empire District Electric Co.
ACA Reconciliation
For ECA Year Ending 10/31/2024

Attachment A
Schedule 3

	<u>Nov 2023</u>	<u>Dec 2023</u>	<u>Jan 2024</u>	<u>Feb 2024</u>	<u>Mar 2024</u>	<u>Apr 2024</u>	<u>May 2024</u>	<u>Jun 2024</u>	<u>Jul 2024</u>	<u>Aug 2024</u>	<u>Sep 2024</u>	<u>Oct 2024</u>	<u>Total</u>
ACA Beginning Balance (Over)/Under	\$ (863,223.75)	\$ (883,006.62)	\$ (900,346.98)	\$ (275,441.32)	\$ (552,682.32)	\$ (600,637.28)	\$ (535,809.82)	\$ (646,484.63)	\$ (587,872.19)	\$ (448,170.32)	\$ (614,674.04)	\$ (640,113.53)	\$ (863,223.75)
ACA Recovery/(Refunds)	\$ 16,921.84	\$ 18,773.50	\$ (107,597.00)	\$ (97,131.00)	\$ (65,024.00)	\$ (35,757.33)	\$ (93,980.85)	\$ (71,496.25)	\$ (66,078.53)	\$ (111,138.42)	\$ (78,415.40)	\$ (51,671.35)	\$ (742,594.79)
Actual Annual (Over)/Under	ACA= \$ (2,861.03)	\$ 1,433.14	\$ 517,308.66	\$ (374,372.00)	\$ (112,978.96)	\$ 29,070.13	\$ (204,655.66)	\$ (12,883.81)	\$ 73,623.34	\$ (277,642.14)	\$ (103,854.89)	\$ (49,726.01)	\$ (517,539.23)
Prior Period Adjustments	(1) \$ -	\$ (102,297.15)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (102,297.15)
ACA Ending Balance (Over)/Under	\$ (883,006.62)	\$ (900,346.98)	\$ (275,441.32)	\$ (552,682.32)	\$ (600,637.28)	\$ (535,809.82)	\$ (646,484.63)	\$ (587,872.19)	\$ (448,170.32)	\$ (614,674.04)	\$ (640,113.53)	\$ (638,168.19)	\$ (740,465.34)

(1) To correct wind TCR revenues for November 2022 and January 2023

APPENDIX B

CONFIDENTIAL