THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:

Andrew J. French, Chairperson

Dwight D. Keen Annie Kuether

In the Matter of the Application of the Empire					
District	Electric	Company	Transmission)	Docket No. 25-EPDE-535-TAR
Delivery Charge (TDC), 2025 Annual True-Up)	

ORDER ACKNOWLEDGING EFFECTIVE DATE OF TRANSMISSION DELIVERY CHARGE SUBJECT-TO-REFUND PURSUANT TO K.S.A. 66-1237

The above-captioned matter comes before the State Corporation Commission of the State of Kansas ("Commission") for consideration and determination. Having examined its files and records, the Commission finds and concludes:

I. BACKGROUND

- 1. On June 20, 2025, The Empire District Electric Company ("Liberty") submitted its annual Transmission Delivery Charge ("TDC") Rider filing with the Commission in the above-captioned docket. The updated TDC tariff contained revisions to the rates for electric transmission service to Liberty's retail customers. Liberty requested an effective date of August 1, 2025.
- 2. The Commission's July 30, 2019, Order in Docket No. 19-EPDE-223-RTS approved Liberty's TDC Rider and instructed Liberty to file an annual true-up with the Commission each calendar year.

¹ The Empire District Electric Company 2025 Annual True Up, Docket No. 25-EPDE-535-TAR (June 20, 2025) ("Application").

² Application, p. 1.

³ *Id*.

II. LEGAL STANDARDS AND DISCUSSION

- 3. The Commission holds full power, authority, and jurisdiction to supervise and control Liberty as an electric public utility pursuant to K.S.A. 66-101. The Commission holds jurisdiction over Liberty's rates and terms of service under K.S.A. 66-101b.
- 4. K.S.A. 66-101b states any rates charged by Liberty must be just and reasonable and that the rates may not be unreasonably discriminatory or unduly preferential.
- 5. K.S.A. 66-1237(a) provides, in part, that any electric utility subject to the Commission's jurisdiction may seek to recover costs associated with transmission of electric power through a TDC Rider, so long as those costs are consistent with the determination of transmission-related costs made by a regulatory authority with legal jurisdiction over the electric transmission system.
 - 6. K.S.A. 66-1237(c) provides in full:
 - (c) All transmission-related costs incurred by an electric utility and resulting from any order of a regulatory authority having legal jurisdiction over transmission matters, including orders setting rates on a subject-to-refund basis, shall be conclusively presumed prudent for purposes of the transmission delivery charge and an electric utility may change its transmission delivery charge whenever there is a change in transmission-related costs resulting from such an order. The commission may also order such a change if the utility fails to do so. An electric utility shall submit a report to the commission at least 30 business days before changing the utility's transmission delivery charge. If the commission subsequently determines that all or part of such charge did not result from an order described by this subsection, the commission may require changes in the transmission delivery charge and impose appropriate remedies, including refunds.
- 7. As provided by K.S.A. 66-1237(c), all transmission-related costs incurred by an electric public utility that resulted from an order of a regulatory authority having legal jurisdiction over transmission matters are conclusively determined prudent. The Federal Energy Regulatory Commission ("FERC") is the regulatory authority with legal jurisdiction over transmission

matters. The Commission does not have discretion over this matter and has been explicitly instructed by K.S.A. 66-1237(c) to presume that Liberty's 2025 TDC filing is prudent.

8. Although FERC has jurisdiction over transmission-related costs, the Commission has authority to issue an order setting the TDC rates subject to refund.⁴ If the Commission, after detailed review of Liberty's filing, subsequently determines that all or part of the TDC rate does not comply with K.S.A. 66-1237, the Commission may require changes in the TDC and impose appropriate remedies, including refunds.⁵

III. FINDINGS AND CONCLUSIONS

- 9. The Commission finds that Liberty submitted a report updating its TDC tariff on June 20, 2025, thereby providing notice at least thirty (30) business days prior to the requested effective date of August 1, 2025. This comports with the language of K.S.A. 66-1237(c).
- Therefore, pursuant to K.S.A. 66-1237(c), the Commission presumes the charges represented to have been incurred by Liberty are prudent, and finds that the true-up to Liberty's TDC tariff is necessary to compensate Liberty for the transmission expense incurred by the utility to supply retail energy to its customers. Accordingly, the Commission at this time finds no reason to delay the implementation of Liberty's revised TDC rates.
- 11. K.S.A. 66-1237(c) provides that, if after Liberty's TDC rates have gone into effect, the Commission determines that all or part of the TDC did not result from an order described in K.S.A. 66-1237(c), the Commission may require changes in the charge and impose appropriate remedies, including refunds.

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⁴ See K.S.A. 66-1237(c).

⁵ *Id*.

12. The Commission concludes that Liberty's proposed TDC rates filed June 20, 2025, should become effective August 1, 2025, on a subject-to-refund basis while the Commission conducts its review of Liberty's revised 2025 TDC.

THEREFORE, THE COMMISSION ORDERS:

A. The Empire District Electric Company's Transmission Delivery Charge, as filed in its Application on June 20, 2025, shall go into effect on August 1, 2025, subject to Commission review, possible changes to the charge, and subject to appropriate remedies, including refunds.

B. Any party may file and serve a petition for reconsideration pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).

BY THE COMMISSION IT IS SO ORDERED.

French,	Chairperson;	Keen,	Commissioner;	Kuether,	Commission	21
Dated:	07/29/2025					

Celeste Chaney-Tucker Executive Director

MKH

CERTIFICATE OF SERVICE

25-EPDE-535-TAR

I, the undersigned,	certify that a true copy	of the attached	Order has beer	n served to the	following by	means of
electronic service o	n <u>07/29/2025</u>	•				

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/S/ KCC Docket Room

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