



January 31, 2025

Secretary Retz
Kansas Corporation Commission
1500 S.W. Arrowhead Road
Topeka, KS 66604-4027

Re: Liberty Utilities - The Empire District Electric Company Ad Valorem Tax Surcharge,
2025 Annual True Up

Dear Ms. Retz:

The Commission's February 19, 2015 Order in Docket No. 15-EPDE-313-TAR approved The Empire District Electric Company's ("Liberty-Empire") Ad Valorem Tax Surcharge ("AVTS") Rider. The order instructed Liberty-Empire to file an annual true-up in January of each calendar year.

This letter transmits the required true-up, including previously unrecovered/over-received Ad Valorem taxes charged to Liberty-Empire, plus the recently received 2024 assessments. Liberty-Empire has calculated the 2025 surcharge to be charged to Liberty-Empire's customers, as specified under AVTS Rider.

Attachment 1 is a spreadsheet showing the calculation of the new AVTS Rider. Attachment 2 is an itemized listing of taxes assessed by each taxing entity. The supporting documents will be sent to the Utilities Division electronically. Also enclosed is the AVTS Rider Tariff, Liberty-Empire would appreciate it if you would provide us with a filed stamp copy of the tariff upon approval of the Commission.

Please add Cindy Wilson at Cindy.Wilson@libertyutilities.com and Angela Cloven at Regulatory.Information@libertyutilities.com to the service list of this docket.

Sincerely,

Cindy Wilson

Cindy Wilson
Director, Rates and Regulatory Affairs - Electric

THE STATE CORPORATION COMMISSION OF KANSAS

Index No. 4

THE EMPIRE DISTRICT ELECTRIC COMPANY
(Name of Issuing Utility)

SCHEDULE AVTS

ALL TERRITORY
(Territory to which schedule is applicable)

Replacing Schedule AVTS Sheet 11

which was filed 03/01/24

AD VALOREM TAX SURCHARGE RIDER
RIDER AVTS
Sheet 1 of 1 Sheets

AD VALOREM TAX SURCHARGE RIDER

APPLICABILITY

This rider is applicable to every bill for service provided under each of the Company's rate schedules.

RATE

The Ad Valorem Tax Surcharge shall be applied to the energy charge on a customer's regular monthly bill. The surcharge shall be computed as follows:

The sum of:	The total Ad Valorem taxes levied for the year
Minus:	The Ad Valorem taxes included in the Company's current rates as approved by the Commission in Docket No. 19-EPDE-223-RTS
	Property tax related to transmission assets as approved by the Commission in Docket No. 24-EPDE-541-TAR
	Property tax related to disallowed plant as approved by the Commission in Docket No. 19-EPDE-223-RTS
	Property tax related to common property as approved by the Commission in Docket No. 19-EPDE-223-RTS
Plus:	Any amount under-collected by prior Ad Valorem Tax Surcharges, or
Minus:	Any amount over-collected by prior Ad Valorem Tax Surcharges
Divided by:	The total estimated kWh sales for the recovery period

2025 Ad Valorem Tax Surcharge\$0.00195 per kWh

DEFINITIONS AND CONDITIONS

1. The Ad Valorem Tax Surcharge is intended to recover changes in the real estate and personal property taxes pursuant to K.S.A. 66-117(f).
2. The Ad Valorem Tax Surcharge shall become a part of the total bill for electric service and need not be itemized separately on the customer's bill.
3. All provisions of this rider are subject to changes made by order of the Commission

Issued	<u>January</u>	<u>31</u>	<u>2025</u>
	Month	Day	Year
Effective	<u>March</u>	<u>1</u>	<u>2025</u>
	Month	Day	Year

By /s/Charlotte T. Emery Senior Director of Rates & Regulatory Affairs-Electric
Signature Title

THE STATE CORPORATION COMMISSION OF KANSAS

Index No. 4

THE EMPIRE DISTRICT ELECTRIC COMPANY
(Name of Issuing Utility)

SCHEDULE AVTS

ALL TERRITORY
(Territory to which schedule is applicable)

Replacing Schedule AVTS Sheet 11

which was filed 03/01/2324

AD VALOREM TAX SURCHARGE RIDER
RIDER AVTS
Sheet 1 of 1 Sheets

AD VALOREM TAX SURCHARGE RIDER

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TAR	Property tax related to disallowed plant as approved by the Commission in Docket No. 19-EPDE-223-RTS
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~~2024-2025~~ Ad Valorem Tax Surcharge \$0.~~00179~~~~—00195~~
per kWh

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Issued January 31 ~~2024~~ 2025
Month Day Year

Effective March 1 2025
Month Day Year

By /s/Charlotte T. Emery Senior Director of Rates & Regulatory Affairs-Electric
Signature Title

Year Ended December 31, 2024

Line No.	Description	Reference	Balance
1	State		
2	Missouri	WP-7 MO Tax Liability	\$ 24,307,194
3	Kansas	WP-8 KS Tax Liability	4,054,537
4	Oklahoma	WP-9 OK Tax Liability	750,551
5	Arkansas	WP-10 AR Tax Liability	814,563
6	Total	Sum Line 2 through Line 5	29,926,845
7	Less:-Property Taxes Capitalized	2024 Capitalized PT Computation	(123,961)
8	Net Ad Valorem Tax Expense	Sum Line 6 through Line 7	29,802,884
9	Kansas Jurisdictional percentage (1)	4ST11-24	5.42%
10	Kansas Jurisdictional expense	Line 8 * Line 9	1,615,949
11	Ad Valorem Taxes in Base Rates (Docket No. 19-EPDE-223-RTS)	Docket No. 19-EPDE-223-RTS (page 4)	(969,556)
12	Ad Valorem Taxes in TDC Rider (Docket 24-EPDE-894-TAR)	TFR Template	(246,168)
13	Disallowed Plant Assets (Iatan and Plum Point)	Iatan Plum Point Plant Aug 2011	(3,240)
14	Common Property	Common Plant	(3,543)
15	True-up of Prior AVTS Rider recoveries	WP-2 True Up	65,833
16	Balance to be recovered through the AVTS Rider	Sum Line 10 through Line 15	459,274
17	Estimated Kansas kWh sales for recovery period	Preliminary Rev State Report	235,933,555
18	AVTS Rider Surcharge per kWh sold	Line 13 / Line 14	\$ 0.00195

Footnote:

(1) - 12-month rolling average of plant investment

Year Ended December 31, 2024

Line No.	County	Reference	Balance
1	Balance per Order to be Recovered - 2024	Order 24-EPDE-541-TAR	\$ 442,828
2	Less AVTS revenue collected - 2024	TME Rate Revenue Summary Report	376,995
3	(Over) \ Under Collected - 2024		\$ 65,833

Source: 2024 RRS Report - provided by Revenue Accounting

Order Approving (Docket 24-EPDE-541-TAR) page 4:

12. Moreover, the Commission finds and concludes Liberty-Empire’s request to update its Property Tax Surcharge should be approved. Liberty-Empire shall be permitted to recover its Ad Valorem tax surcharge of \$442,828. Liberty-Empire may implement this surcharge subject to the conditions contained within Staff’s R&R and as detailed in paragraph 10 of this Order.

Year Ended December 31, 2024

Line No.	County	Reference	Tax
1	Barry	WP-15 ↓	\$ 357,972
2	Barton (1)		270,587
3	Cedar		255,477
4	Christian		1,788,862
5	Dade		522,982
6	Dallas		461,389
7	Greene		1,914,351
8	Hickory		290,057
9	Jasper		5,787,738
10	Lawrence		2,218,678
11	McDonald		606,363
12	Newton		4,297,657
13	Platte		1,093,593
14	Polk		1,178,340
15	St Clair		107,631
16	Stone		417,286
17	Taney		2,730,346
18	Webster		7,884
19	Total Missouri	Sum Line 1 through Line 18	\$ 24,307,194

Source: Electric and Water Property Tax Summary - provided by Tax Department

Purpose: To provide the total tax liability of real and personal property by jurisdiction

Footnote:

(1) - 2024 Tax Liability Values for Barton County were not available at the time of this filing, so this value is an estimate

Year Ended December 31, 2024

Line No.	County	Reference	Tax
1	Cherokee	WP-15	\$ 3,935,566
2	Crawford	↓	31,428
3	Labette	↓	87,542
4	Neosho	↓	0
5	Total Kansas	Sum Line 1 through Line 4	\$ 4,054,537

Source: Electric and Water Property Tax Summary - provided by Tax Department

Purpose: To provide the total tax liability of real and personal property by jurisdiction

Year Ended December 31, 2024

Line No.	County	Reference	Tax
1	Craig	WP-15 	\$ 100,228
2	Delaware		9,089
3	Ottawa		641,234
4	Total Oklahoma	Sum Line 1 through Line 3	\$ 750,551

Source: Electric and Water Property Tax Summary - provided by Tax Department

Purpose: To provide the total tax liability of real and personal property by jurisdiction

Year Ended December 31, 2024

Line No.	County	Reference	Tax
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1	Benton 2024 Estimate	WP-15	\$ 671,822
2	Osceola		84,388
3	Subtotal	Sum line 1 through line 2	756,211
4	Benton 2023 Estimate	Property Tax Rider Detail December 2023	491,915
5	Benton 2023 Actual	2023 Benton County AR Tax Statement	550,268
6	2024 True-Up	Line 5 - Line 4	58,352
7	Total 2024 Arkansas	Line 3 + Line 6	814,563

Source: Electric and Water Property Tax Summary - provided by Tax Department

Purpose: To provide the total tax liability of real and personal property by jurisdiction

Note: Empire does not receive the Arkansas Property Tax Assessment statements for the previous year (2024) until March of the current year (2025). Because of this we complete a calculation with a true up factor.