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ROBERT A. ANDERSON
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August 3, 2020

via e-filing EXPRESS

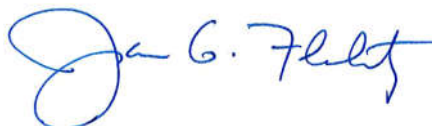
Ms. Lynn M. Retz
Executive Director
Kansas Corporation Commission
1500 S. W. Arrowhead Road
Topeka, Kansas 66604-4027

Re: The Empire District Electric Company
Docket No. 20-EPDE-526-TAR

Dear Ms. Retz:

Please file the attached tariff in the above captioned docket on behalf of The Empire District Electric Company pursuant to the Order Acknowledging Effective Date of TDC Subject-to-Refund Pursuant to K.S.A. 66-1237 dated July 28, 2020.

Sincerely,



James G. Flaherty
jflaherty@andersonbyrd.com

JGF:rr

Enclosure

cc: Andria Jackson
Carly Masenthin
David W. Nickel
Todd E. Love

THE STATE CORPORATION COMMISSION OF KANSAS

Index No. 4

THE EMPIRE DISTRICT ELECTRIC COMPANY
(Name of Issuing Utility)

SCHEDULE TDC

ALL TERRITORY
(Territory to which schedule is applicable)

Replacing Schedule _____ Sheet 15

which was filed _____

TRANSMISSION DELIVERY CHARGE
RIDER TDC
Sheet 1 of 6 Sheets

TRANSMISSION DELIVERY CHARGE

APPLICABILITY

This Transmission Delivery Charge (TDC) rider (Schedule TDC) shall be applicable to all Kansas Retail Rate Schedules for the Company.

BASIS OF CHARGE

Company shall collect from applicable customers a Transmission Delivery Charge (TDC) based on all transmission-related costs incurred to be recovered under the following schedules of the Open Access Transmission Tariff (OATT) offered by the Southwest Power Pool, Inc. (SPP) for service and the Midcontinent Independent System Operator (MISO) to the Company's retail customers:

SPP

- Schedule 1A – Tariff Administration
- Schedule 1 – Scheduling, System Control and Dispatch Service
- Schedule 9 – Network Integration Transmission Service
- Schedule 10 – Wholesale Distribution Service
- Schedule 11 – Base Plan Charge
- Schedule 12 – FERC Assessment Charge
- Monthly Assessment Charge

MISO

- Schedule 1 – Scheduling, System Control and Dispatch Service
- Schedule 2 – Reactive Supply and Voltage Control
- Schedule 7 – Long-Term Firm and Short-Term Firm Point-To-Point
- Schedule 10 – DERC Annual Charges Recovery
- Schedule 11 – Wholesale Distribution Service
- Schedule 26 – Network Upgrade Charge From Transmission Expansion Plan
- Schedule 33 – Blackstart Service
- Schedule 45 – Cost Recovery of NERC Recommendation or Essential Action

Other

- Other transmission-related charges recorded in FERC Account 565 (Transmission of Electricity by Others), fees charged to the Company by the North American Electric Reliability Council (NERC), and other transmission revenue requirements not otherwise reflected in and recoverable through base rates or other Commission authorized rider mechanisms shall be included.

Issued July 30 2019
 Month Day Year
 Effective August 1 2019
 Month Day Year
 By /s/ Sheri Richard, Director, Rates and Regulatory Affairs
 Signature of Officer Title

THE STATE CORPORATION COMMISSION OF KANSAS

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**TRANSMISSION DELIVERY CHARGE
RIDER TDC**

Sheet 2 of 6 Sheets

The costs to be recovered under Schedule 9 (Network Integration Transmission Service) shall exclude the revenue requirement for all Company-owned transmission facilities classified by SPP as Base Plan Upgrades. Company shall provide periodic reports to the Commission of its collections, including a calculation of the total collected under this rate schedule.

Method of Billing

The ATRR shall be collected by applying a TDC Unit Charge, developed for each rate schedule permitting such cost recovery, to each applicable customer's bill. The TDC Unit Charge shall be implemented using one or more of the following billing methods:

1. A dollar per kilowatt (KW) charge determined by dividing a portion of the cost of transmission service allocated to a rate schedule by the annual applicable KW sales for that rate schedule; and/or
2. A dollar per kilowatt hour (KWh) charge determined by dividing a portion of the cost of transmission service allocated to a rate schedule by the annual applicable KWh sales for that rate schedule.

The TDC Unit Charges included on the following sheets are designed to recover transmission-related charges incurred for the delivery of generation or as a result of serving native load from Kansas retail customers.

Transmission Delivery Charge Calculation:

The Company shall file to update its TDC Rates annually. The Company may file for a change in the TDR Rates more frequently than once per year, but only if the Company receives concurrence from the Commission Staff that such filing is appropriate. All proposed TDC Rates shall be filed with the Commission no later than 30 business days before the effective date of the proposed charges. The TDC Rates will be established immediately following case 19-EPDE-223-RTS but will be updated annually immediately following the filing and implementation of The Company's Transmission Formula Rate (TFR) filing.

$$\begin{aligned} TDC_{Filing} &= ATRR_{Filing} + SPP + MISO + Other + TU_{n-1} \\ TDC_{Actual} &= ATRR_{Actual} + SPP + MISO + Other + TU_{n-1} \\ TU_n &= TDC_{Actual} - TDC_{Rev} \end{aligned}$$

Transmission Delivery Charge Calculation (continued): Where:

- TDC_{Year} = The 12-month period beginning the month following the publication of Empire's TFR rate update in the SPP Revenue Requirements and Rates file (RRR) immediately following the implementation of The Company's TFR.
- TDC_{Filing} = The TDC-related costs authorized by the Commission to be included in the development of the TDC Rates to be charged to Kansas Retail sales.
- TDC_{Actual} = The TDC-related costs, as allocated to Kansas Retail sales, authorized to be recovered during the TDC year including the True-Up calculated for the prior TDC Year.

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**TRANSMISSION DELIVERY CHARGE
RIDER TDC**

Sheet 3 of 6 Sheets

TDC_{Rev} = Actual TDC Revenues for the Kansas Retail sales received during the TDC Year. These TDC revenues will be based in the TDC Rates in effect throughout the TDC Year. Such TDC Rates may be changed one or more times during the TDC Year, with approval by the Commission. The TDC Rates in effect at any point during the TDC Year will be applied to Kansas Retail KWh sales or KW billing demands, as applicable, during the effective period of each such approved TDC Rate.

TU_n = True-Up calculation to reflect the difference between the actual TDC-related costs authorized to be recovered during the TDC Year and the actual TDC Revenues for Kansas Retail sales during the TDC Year. This True-Up will be applied to the TDC Rate for the following TDC Year.

TU_{n-1} = True-Up amount to reflect the difference between the actual TDC related costs authorized to be recovered during the prior TDC Year and the actual TDC Revenues for the Kansas Retail sales during the prior TDC Year. The difference for the prior TDC Year shall be included as a component of the TDC Rate for the current TDC Year.

The TU_{n-1} component in the initial TDC Rate calculation for the initial TDC Year shall be equal to zero (\$0). The True-Up component included in the TDC Rate calculations for subsequent TDC Years may be positive or negative.

Transmission Delivery Charge Calculation (continued):

And:

$ATRR_{Filing}$ = The amount allocated to Kansas Retail sales for the Zonal and Regional Schedule 9 and Schedule 11 Network Service Annual Transmission Revenue Requirement (ATRR) applicable to the Empire zone (based on the Southwest Power Pool Inc. (SPP) RRR currently effective at the time of the filing of the TDC Rate).

The allocation to Kansas retail sales shall first reflect the Company's Native System portion of the Empire Zone Load Ratio Share (LRS). The Company's Native System includes Kansas Retail sales, Missouri Retail sales, Oklahoma Retail sales, Arkansas Retail sales, and any full-requirements wholesale sales.

For the Schedule 9 amounts, the allocation of the Native System portion of the LRS to Kansas Retail sales shall be based on a projected 12-month Coincident Peak (12-CP) Demand allocator for the TDC year. For the Schedule 11 amounts, the allocation of the Native System portion of the LRS to Kansas Retail sales shall be based on a projected 12-CP Demand allocator for the TDC year.

$ATRR_{Actual}$ = The amount allocated to Kansas Retail customers for the Zonal and Regional Schedule 9 and Schedule 11 Network Service ATRR applicable to the Empire zone (based on the SPP RRR files effective throughout the TDC Year).

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|-----------|---------------|-----------|-------------|
| Issued | <u>July</u> | <u>30</u> | <u>2019</u> |
| | Month | Day | Year |
| Effective | <u>August</u> | <u>1</u> | <u>2019</u> |
| | Month | Day | Year |

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The allocation to Kansas retail sales shall first reflect the Company's Native System portion of the Empire LRS.

For the Schedule 9 amounts, the allocation of the Native System portion of the LRS to Kansas Retail sales shall be based on the actual 12-CP Demand allocator for the TDC year.

For the Schedule 11 amounts, the allocation of the Native System portion of the LRS to Kansas Retail sales shall be based on the actual 12-CP Demand allocator for the TDC year.

SPP =

Amount allocated to Kansas Retail sales for actual amounts incurred during the prior TDC_{Year}. Charges include:

- Schedule 1A – Tariff Administration Service
- Schedule 1 – Scheduling, System Control & Dispatch Service
- Schedule 9 - Network Integration Transmission Service (Excluding charges related to Empire owned facilities)
- Schedule 10 – Wholesale Service
- Schedule 11 – Base Plan Funding (Excluding charges related to Empire owned facilities)
- Schedule 12 – FERC Assessment Charge
- Other transmission charges from SPP that are specifically identifiable as assignable to Empire's Native System Load

MISO =

Amount allocated to Kansas Retail sales for the actual amounts incurred during the prior TDC_{Year}. Charges include:

- Schedule 1 – Scheduling, System Control and Dispatch Service
- Schedule 2 – Reactive Supply and Voltage Control
- Schedule 7 – Long-Term Firm and Short-Term Firm Point-To-Point
- Schedule 10 - FERC Annual Charges Recovery
- Schedule 11 – Wholesale Distribution Service
- Schedule 26 – Network Upgrade Charge From Transmission Expansion Plan
- Schedule 45 – Cost Recovery of NERC Recommendation or Essential Action
- Other transmission charges from SPP that are specifically identifiable as assignable to Empire's Native System Load

Issued July 30 2019
Month Day Year

Effective August 1 2019
Month Day Year

By /s/ Sheri Richard, Director, Rates and Regulatory Affairs
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**TRANSMISSION DELIVERY CHARGE
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OTHER = Amount allocated to Kansas Retail sales for non-SPP and non-MISO transmission charges that are identifiable as costs incurred for the purpose of serving Empire's Native System Load:

Calculation of TDC Rates:

The Company shall calculate a separate TDC Rate for each applicable Kansas Retail Customer Class as described below:

$TDC_{KW-Rate(Class)} = TDC_{Filing} \times DA_{Class} / KW_{Class}$

or

$TDC_{KWh-Rate(Class)} = TDC_{Filing} \times DA_{Class} / KWh_{Class}$

Where:

$TDC_{KW-Rate(Class)}$ = The TDC Rate applicable to General Power Service and Transmission Power Service and any other rate classes with a billing demand component.

$TDC_{KWh-Rate(Class)}$ = The TDC Rate applicable to all Residential Services, Commercial Service, Small Heating Service, Total Electric Building Service, Lighting rate classes, and any remaining rate classes with only a KWh consumption component.

And:

TDC_{Filing} = Described in Sheet 3 under Transmission Delivery Charge Calculation
 DA_{Class} = The demand allocator for the applicable Kansas Retail customer class. This demand allocator shall be based on the 12-CP allocator utilized by the Company for its Class Cost of Service Study in its most recent Kansas retail rate case.

KW_{Class} = Class normalized Billing Demands (KW) utilized by the Company for its Rate Design Study in its most recent Kansas retail rate case.

KWh_{Class} = Class normalized Energy (KWh) utilized by the Company for its Rate Design Study in its most recent Kansas retail rate case.

The class demand allocators (DA_{Class}), class normalized Billing Demands (KW_{Class}), and class normalized Energy (KWh_{Class}) shall remain unchanged, until the next general rate class in which class demand allocators and class normalized Billing Demands and Energy are reset or, at a minimum, once every five years, to limit cost shifting among retail classes.

Method of Billing

The TDC-related revenue requirements shall be collected by applying the TDC Rate, developed for each rate schedule permitting such cost recovery, to each applicable customer's bill. The TDC Rate shall be implemented using the applicable dollars per kilowatt-hour (KWh) charge or dollars per kilowatt (KW) charge.

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