

ORIGINAL \_\_\_\_\_ Sheet No. 32

Replacing: \_\_\_\_\_ Sheet No. \_\_\_\_\_

The Empire District Electric Company d/b/a Liberty-Empire  
Name of Company

Kind of Service: Electric Class of Service: All

Part III Rate Schedule No. 14

Title: **ENERGY EFFICIENCY COST RECOVERY TARIFF (Schedule EECR)**

PSC File Mark Only

**14. ENERGY EFFICIENCY COST RECOVERY TARIFF (EECR TARIFF)**

**14.1 PURPOSE**

The purpose of the Energy Efficiency Cost Rate (“EECR”) Tariff is to establish the EECR Rate(s) by which The Empire District Electric Company will recover its energy efficiency program costs approved by the Commission in Docket No. 07-076-TF; including, but not limited to: (1) incremental energy efficiency program costs (“Incremental Program Costs”); (2) lost contributions to fixed costs (“LCFC”) as described and approved by the Commission in Order No. 14 issued in Docket No. 08-137-U; (3) utility incentive as described and approved by the Commission in Order No. 15 issued in Docket No. 08-137-U; and (4) a “true-up” adjustment (collectively, the “Recoverable Costs”). Recovery of Incremental Program Costs is limited to the incremental costs which represent the direct program costs that are not already included in the then current rates of the Company. The EECR Rate(s) will be calculated to recover the Company’s Recoverable Costs over the period in which the EECR Rate(s) will be in effect.

**14.2 ANNUAL REDETERMINATION**

On or before May 1 of each year, re-determined EECR Rate(s) shall be filed by the Company with the Commission in accordance with the provisions of Section 7 of the Commission’s *Rules for Conservation and Energy Efficiency Programs*. The re-determined EECR Rate(s) shall be determined by application of the EECR Rate Formula set out in Attachment A to this tariff. Each such revised EECR Rate shall be filed in Docket No. 07-076-TF and shall be accompanied by supporting testimony and a set of work papers sufficient to fully document the calculations of the revised EECR Rate(s).

The re-determined EECR Rate(s) shall reflect projected Recoverable Cost for the next calendar year (the “Recoverable Year”); including, but not limited to: (1) the approved Incremental Program Costs for the Recoverable Year; (2) the projected LCFC for the Recoverable Year; (3) the incentive earned in the prior calendar year (the “Reporting Year”), if any; and (4) a true-up adjustment reflecting the over-recovery or under-recovery of the EECR Recoverable Costs for the Reporting Year. The true-up adjustment will be calculated to include the effect of carrying costs using the Company’s most recently approved rate of return on rate base. The EECR Rate(s) so re-determined shall be effective for bills rendered on and after the first billing cycle of January of the Recoverable Year and shall then remain in effect for twelve (12) months (EECR Cycle), except as otherwise provided for below.

**ARKANSAS PUBLIC SERVICE COMMISSION**

ORIGINAL \_\_\_\_\_ Sheet No. 32.1

Replacing: \_\_\_\_\_ Sheet No. \_\_\_\_\_

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**14.3 INTERIM ADJUSTMENT**

Should a cumulative over-recovery or under-recovery balance arise during any EECR Cycle which exceeds ten (10) percent of the EECR Cost determined for the EECR Cycle included in the most recently filed rate redetermination under this EECR Tariff, then either the General Staff or the Company may propose an interim revision to the then currently effective EECR Rate(s).

**14.4 TRACKING AND MONITORING PROGRAM COSTS AND BENEFITS**

The Company shall develop and implement appropriate accounting procedures, subject to the review of the General Staff, which provide for separate tracking, accounting, and reporting of all program costs incurred by the Company. The procedures shall enable energy efficiency program costs to be readily identified and clearly separated from all other costs. The Company shall secure and retain all documents necessary to verify the validity of the program costs for which it is seeking recovery. Such documents shall include, but shall not be limited to, vouchers, journal entries, and the date the participant's project was completed.

**ARKANSAS PUBLIC SERVICE COMMISSION**

ORIGINAL \_\_\_\_\_ Sheet No. 32.2

Replacing: \_\_\_\_\_ Sheet No. \_\_\_\_\_

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Name of Company

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The Company shall develop and implement appropriate accounting procedures, subject to the review of the General Staff, which provide for separate tracking, accounting, and reporting of revenues collected through the EECR Tariff. The procedures shall enable the EECR revenues to be readily identified and clearly separated from all other revenues. The Company shall secure and retain all documents necessary to verify the accuracy of the EECR revenues. Such documents shall include, but shall not be limited to, billing determinants, journal entries, and summary revenue reports.

For the purpose of assessing the benefits and effectiveness of the programs, the Company shall develop and implement appropriate procedures, subject to the review of the Commission General Staff, which provide for separate tracking of the benefits and the effectiveness of the programs. The data that shall be tracked shall include, but shall not be limited to, information that will enable the Commission to assess the effectiveness of the programs. The Company shall secure and retain all documents necessary to verify its assessments.

**14.5 TRACKING AND MONITORING LCFC AND INCENTIVE**

The Company shall track and monitor LCFC and Incentives in accordance with Order Nos. 14 and 15, respectively, issued in Docket No. 08-137-U and in future Orders addressing LCFC and Incentives.

**14.6 TERM**

This EECR Tariff shall remain in effect until modified or terminated by the Commission. If this EECR Tariff is terminated by a future order of the Commission, the EECR Rate(s) then in effect shall continue to be applied until the Commission approves an alternative mechanism by which the Company can recover its energy efficiency costs. At that time, any cumulative over-recovery or under-recovery resulting from application of the just terminated EECR Rate(s) shall be applied to customer billings over the twelve (12) month billing period beginning on the first billing cycle of the second month following the termination of the EECR Tariff in a manner prescribed by the Commission.

**14.7 APPLICABLE RATE SCHEDULES:**

The EECR shall be applied to all Arkansas jurisdictional rate classes.

**THE EMPIRE DISTRICT ELECTRIC COMPANY  
ENERGY EFFICIENCY COST RECOVERY TARIFF (EECR TARIFF)  
JANUARY 1, 2022 THROUGH DECEMBER 31, 2022  
ATTACHMENT A**

Line	Recoverable Costs 2021	Recoverable Costs 2022
Regulatory Costs	\$ 3,000	\$ 3,000
EM&V Costs	\$ 6,500	\$ 8,300
General Marketing	\$ 2,000	\$ 2,000
1 Central Air Conditioner Tune-Up & Replacement Rebate	\$ -	\$ -
2 Residential Lighting Program	\$ -	\$ -
3 Small Business Lighting	\$ -	\$ -
4 Arkansas Weatherization Program	\$ -	\$ -
5 Commercial & Industrial Prescriptive Rebate	\$ 17,922	\$ 17,922
6 Commercial & Industrial Custom Program	\$ 8,748	\$ 8,748
7 Energy Efficiency Arkansas	\$ 1,409	\$ -
8 Online Calculators	\$ 2,000	\$ 2,000
9 Commercial & Industrial Audit	\$ -	\$ -
10 Energy Star® Appliances	\$ -	\$ -
11 School Based EE Education Program	\$ 14,175	\$ 14,175
12 Residential Weatherization	\$ 42,000	\$ 42,000
13 Air-Conditioning Tune-Up & Duct Repair	\$ -	\$ -
14 Residential Products	\$ 20,770	\$ 21,725
<u>Deferred Regulatory Costs (Program Design)</u>		
1 Total of All Programs	<u>\$ 118,524</u>	<u>\$ 119,869</u>
2a Prior Period (Over)/Under amount--including carrying costs		\$ 1,777
2b Deferred Regulatory Costs (Program Design)		\$ -
2c Lost contribution to fixed costs		\$ 142,112
2d Adjustment for self-directed customers		\$ -
2e Adjustment for legal costs not related to energy efficiency		\$ -
3 Recoverable Amount (1+ 2)		<u>\$ 263,758</u>
4 Billing Units		117,775,977
5 EECR Rate (3 / 4)		<u>\$ 0.00224</u>