

THE STATE CORPORATION COMMISSION OF KANSAS

Index No. 4THE EMPIRE DISTRICT ELECTRIC COMPANYSCHEDULE TCR

(Name of Issuing Utility)

Replacing Schedule TCR Sheet 14ALL TERRITORY

(Territory to which schedule is applicable)

which was filed July 30, 2019TAX CHANGE RIDER
RIDER TCRSheet 1 of 3 SheetsApplicability

This Tax Change Rider (TCR) is applicable to all electric service retail customers provided under any retail rate schedule, whether metered or unmetered (except where not permitted under a separately negotiated contract with a customer).

Calculation of Deferred Revenue Account (DRA) Surcharge (Credit)

The one time surcharge (credit) associated with the DRA resulting from the Tax Cuts and Jobs Act of 2017 or subsequent tax law changes will be a surcharge (credit) to customers utilizing the same class revenue requirement allocation as approved in the most recent general rate case, and will show as a separate line item on the customers bill. While reviewing this tariff, Commission Staff and Empire noticed mathematical mistakes in the proof of revenue and the rate from two classes were transposed when the proof of revenue rates were put into the compliance tariff that had been approved. The "Net DRA Surcharge (Credit) Amount (effective September 1, 2021)" corrects these mistakes with a surcharge (credit) over a 12 month period. These mistakes involved four classes. Specifically, Special Lighting (LS) was originally calculated using the Municipal Street Lighting rate of \$4 per customer accounts instead of kWh. Further, the kWh rate was calculated based on annual kWhs instead of monthly kWhs. Power Transmission (PT) also used a calculated kWh rate based on annual kWhs instead of monthly kWhs. Municipal Street Lighting (SPL) was calculated based on the wrong customer count instead of the Municipal Street Lighting customer counts. Finally, Private Lighting (PL) was calculated using the wrong customer count instead of the Private Lighting customer count. The surcharge/(credit) effective September 1, 2021 corrects the mistakes for each effected customer class in order to comply with the approved rates in Docket No. 19-EPDE-223-RTS (19-223). For further explanation, a motion and exhibits filed in (19-223) on February 4, 2021, goes into more detail explaining the mistakes and corrections.

Net DRA Surcharge (Credit) Amount (effective August 1, 2019)

| Rate Class | Credit Charge | Rate Class | Credit Charge |
|------------|---------------------|------------|---------------------|
| RG | \$(108.00) | TEB | \$(2,017.00) |
| RH | \$(148.00) | SPL | \$(0.01467) per kWh |
| CB | \$(189.00) | PL | \$(65.00) |
| SH | \$(250.00) | LS | \$(4.00) |
| GP | \$(3,326.00) | RGW | \$(126.00) |
| PT | \$(0.00511) per kwh | | |

Issued August 03 2021
Month Day Year
Effective September 01 2021
Month Day Year
By /s/Tim Wilson, Vice President, Electric Operations
Signature Title

19-EPDE-223-RTS
Approved LE
Kansas Corporation Commission
August 3, 2021
/s/ Lynn Retz

THE STATE CORPORATION COMMISSION OF KANSAS

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(Name of Issuing Utility)

Replacing Schedule TCR Sheet 14ALL TERRITORY

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which was filed July 30, 2019TAX CHANGE RIDER
RIDER TCRSheet 2 of 3 SheetsNet DRA Surcharge (Credit) Amount (effective September 1, 2021)

| Rate Class | Credit / Charge | Rate Class | Credit / Charge |
|------------|---------------------|------------|---------------------|
| RG | \$0.00 | TEB | \$0.00 |
| RH | \$0.00 | SPL | \$(225.16) |
| CB | \$0.00 | PL | \$2.57 |
| SH | \$0.00 | LS | \$(0.01416) per kWh |
| GP | \$0.00 | RGW | \$0.00 |
| PT | \$(0.00468) per kWh | | |

Calculation of Excess Deferred Income Tax (Excess ADIT) Surcharge (Credit)

The annual amortization true-up of the regulatory liability (asset) for Excess ADIT resulting from the Tax Cuts and Jobs Act of 2017 or subsequent tax law changes will be a surcharge (credit) to customers annually on a onetime basis utilizing the same class revenue requirement allocation as approved in the most recent general rate case, and will show as a separate line item on the customers bill until the Excess ADIT is fully amortized.

Excess ADIT Surcharge (Credit) B The total amount (protected and unprotected), if any, of the surcharge (credit) in a given year will be determined based on the method approved in the most recent general rate proceeding that addresses the changes in federal or state tax changes. The protected portion of any surcharge (credit) will not exceed the amortization determined by the average rate assumption method ("ARAM") as required by the Tax Cuts and Jobs Act of 2017 Section 13001(d) or other method specified by subsequent tax law changes.

True Up Adjustment B the Excess ADIT surcharge (credit) shall be trued up annually. The True Up Adjustment will include any revision to a previous Excess ADIT surcharge (credit) that results from the Company finalizing its corporate tax return or an audit adjustment by a federal or state taxing authority and the difference between the amount of the Excess ADIT surcharge (credit) included in base rates in the most recent general rate case and the amount actually applied to customer bills.

Excess ADIT Surcharge (Credit) per Customer B The Excess ADIT surcharge (credit) per customer will be determined by allocating the surcharge (credit), plus/minus any prior year True Up adjustment, among the customer classes utilizing the same class revenue requirement allocation as approved in the most recent general rate case.

Issued August 03 2021
Month Day Year
Effective September 01 2021
Month Day Year
By /s/Tim Wilson, Vice President, Electric Operations
Signature Title

19-EPDE-223-RTS
Approved LE
Kansas Corporation Commission
August 3, 2021
/s/ Lynn Retz

THE STATE CORPORATION COMMISSION OF KANSAS

Index No. 4

THE EMPIRE DISTRICT ELECTRIC COMPANY

SCHEDULE TCR

(Name of Issuing Utility)

Replacing Schedule TCR Sheet 14

ALL TERRITORY

(Territory to which schedule is applicable)

which was filed July 30, 2019

TAX CHANGE RIDER

RIDER TCR

Sheet 3 of 3 Sheets

Net Excess ADIT Surcharge (Credit) Amount

| Rate Class | Credit Charge | Rate Class | Credit Charge |
|------------|-------------------|------------|-------------------|
| RG | \$0.54 | TEB | \$10.12 |
| RH | \$0.74 | SPL | \$0.02 |
| CB | \$0.95 | PL | \$0.33 |
| SH | \$1.25 | LS | \$0.00088 per kWh |
| GP | \$16.68 | RGW | \$0.63 |
| PT | \$0.00031 per kWh | | |

Calculation of Excess Deferred Income Tax (Excess ADIT) Surcharge (Credit)

The annual amortization of the regulatory liability (asset) for Excess ADIT resulting from the Tax Cuts and Jobs Act of 2017 or subsequent tax law changes will be a surcharge (credit) to customers annually on a onetime basis utilizing the same class revenue requirement allocation as approved in the most recent general rate case, and will show as a separate line item on the customers bill until the Excess ADIT has been fully returned to customers.

Issued January 14 2021
Month Day Year
Effective February 1 2021
Month Day Year
By /s/Sheri Richard, Director Rates & Regulatory Affairs
Signature Title

21-EPDE-205-TAR
Approved ANJ
Kansas Corporation Commission
January 12, 2021
/s/ Lynn Retz