

LEGAL NOTICE

On February 10, 2023, The Empire District Electric Company (the “Company”) filed with the Arkansas Public Service Commission (“Commission”) an application for a change in the rates to be charged to all classes of its customers. The request is based on a historic test year ending March 31, 2022, with known and measurable changes through March 31, 2023, and seeks to cover increases in operating expenses and return on investment in additional facilities constructed to service customers since the Company’s last general rate adjustment. The total requested base revenue increase being sought by the Company is \$7.3M, and the total retail sale revenues being requested after incorporating the projected Wind fuel cost savings in the Energy Cost Recovery Rider (“ECR”), and the proposed eliminations of the Alternative Generation Environmental Recovery Rider (“GER”), Riverton Rider, and Tax Adjustment (“TA”) Rider is shown below. The Company is also proposing a new System Safety and Reliability Rider (“SSRR”) to recover \$2.5M in costs for a new Gentry Substation that is expected to be completed in 2024. To help ease the rate request impact to customers, the Company has proposed an alternative phase-in rate plan to mitigate the increase over a four-year period. Under this phase-in, an average residential customer using 1,000 kWh, would see a 10.1% increase to their bill for each of the four years of the phase-in. If the Commission does not approve the Company’s proposed alternative phase-in rate plan the amount of the total bill rate change for each rate class of customer is as follows:

Rate Schedules	Annual Volume Qualification	Total Retail Sales Revenue*	Percent*
RG-Residential	kWh	\$ 2,208,274	38.7%
CB-Commercial	kWh	493,132	30.6%
GP-General Power	kWh/kW	175,020	6.2%
PT-Transmission	kWh/kW	(338,084)	-6.2%
SPL-Municipal Street Lighting	Watts	58,612	91.2%
PL-Private Lighting	Watts	36,069	34.3%
LS-Special Lighting	kWh	10,072	291.9%
TOTAL		\$ 2,643,095	16.8%

*Based upon estimated total amounts billed to customers, including the customer charge, demand and usage charges, and the applicable charges related to the ECR, Energy Efficiency Cost Recovery Rider (“EECR”), Transmission Cost Recovery Rider (“TCR”), Riverton Rider, GER, and TA Rider line items. The increase does not include the Company’s proposed SSRR that would take place in December 2024.

The amounts and percentages shown above and other rates and charges may change or be affected by a final order of the Arkansas Public Service Commission. Below are the present and proposed Customer Charges and Volumetric Charges for each rate class of service. The “Present Rate” column shows the rates that will be charged in the month before the Commission approves final rates and the “Proposed Rate” column shows the rates which will be charged if the requested increase is granted. As part of the Company’s proposed request mentioned above, three Riders currently being paid for by customers will be rolled into the new base rates and will no longer appear as individual line items on customer bills: the Riverton Rider, the GER Rider, and the TA Rider. The new base rates shown below will include the costs from these Riders, which are not new to customers and are already being included in customers’ current bills.

RG-Residential General Service	Present Rates	Proposed Rates
Customer Charge	\$ 11.04	\$ 12.00
Winter		
First 600 kWh	\$ 0.07591	\$ 0.15174
All Additional kWh	\$ 0.06402	\$ 0.12797
Summer		
First 600 kWh	\$ 0.07673	\$ 0.15338
All Additional kWh	\$ 0.08109	\$ 0.16209

CB-Commercial Service	Present Rates	Proposed Rates
Customer Charge	\$ 14.35	\$ 16.00
Winter		
First 700 kWh	\$ 0.08214	\$ 0.15240
All Additional kWh	\$ 0.05411	\$ 0.10039
Summer		
First 700 kWh	\$ 0.08275	\$ 0.15353
All Additional kWh	\$ 0.08608	\$ 0.15971

GP-General Power Service	Present Rates	Proposed Rates
Customer Charge	\$ 60.87	\$ 75.00
Winter		
First 150 kWh	\$ 0.03985	\$ 0.06260
Next 200 kWh	\$ 0.02399	\$ 0.03769
All Additional kWh	\$ 0.01672	\$ 0.02626
Summer		
First 150 kWh	\$ 0.04046	\$ 0.06356
Next 200 kWh	\$ 0.02399	\$ 0.03769
All Additional kWh	\$ 0.01672	\$ 0.02626
Winter Demand		
Primary	\$ 6.52201	\$ 10.24520
Secondary	\$ 7.25030	\$ 11.38924
Summer Demand		
Primary	\$ 9.78302	\$ 15.36781
Secondary	\$ 10.41348	\$ 16.35817

	Present Rates	Proposed Rates
PT-Transmission Service		
Customer Charge	\$ 291.15	\$ 400.00
Winter		
First 350 kWh	\$ 0.01080	\$ 0.01659
All Additional kWh	\$ 0.00547	\$ 0.00840
Summer		
First 350 kWh	\$ 0.01131	\$ 0.01737
All Additional kWh	\$ 0.00547	\$ 0.00840
Demand Charge		
Winter	\$ 12.91405	\$ 19.83757
Summer	\$ 19.95807	\$ 30.65805

	Present Rates	Proposed Rates
SPL-Municipal Street Lighting Service		
Mercury Vapor Lamp Sizes		
7,000 Lumen Mercury	\$ 23.90	\$ 93.72
11,000 Lumen Mercury	\$ 28.33	\$ 111.09
20,000 Lumen Mercury	\$ 40.32	\$ 158.11
53,000 Lumen Mercury	\$ 66.11	\$ 259.23
High Pressure Sodium Vapor Lamp Sizes		
6,000 Lumen	\$ 22.79	\$ 89.37
16,000 Lumen	\$ 28.14	\$ 110.34
27,500 Lumen	\$ 36.41	\$ 142.77
50,000 Lumen	\$ 51.68	\$ 202.65
130,000 Lumen	\$ 81.49	\$ 319.54
Metal Halide Lamp Sizes		
12,000 Lumen	\$ 63.80	\$ 250.18
20,500 Lumen	\$ 70.52	\$ 276.53
36,000 Lumen	\$ 92.47	\$ 362.60
110,000 Lumen	\$ 192.16	\$ 753.51
Shielded Lighting High Pressure Sodium		
9,500 Lumen	\$ 24.79	\$ 97.21
27,500 Lumen	\$ 36.41	\$ 142.77
Shielded Lighting Metal Halide		
12,000 Lumen	\$ 63.80	\$ 250.18

	Present Rates	Proposed Rates
PL-Private Lighting Service		
Installation Charge: Standard Street Lighting		
Mercury Vapor Lamp Sizes		
6,800 Lumen	\$ 6.41	\$ 10.20
20,000 Lumen	\$ 10.68	\$ 16.99
54,000 Lumen	\$ 20.17	\$ 32.10
Sodium Vapor Lamp Sizes		
6,000 Lumen	\$ 6.05	\$ 9.63
9,500 Lumen	\$ 7.62	\$ 12.13
16,000 Lumen	\$ 8.78	\$ 13.97
27,500 Lumen	\$ 12.83	\$ 20.42
50,000 Lumen	\$ 14.79	\$ 23.54
Shielded Sodium Vapor Lamp Sizes		
9,500 Lumen	\$ 11.18	\$ 17.79
Metal Halide Lamp Sizes		
12,000 Lumen	\$ 8.54	\$ 13.59
20,500 Lumen	\$ 13.68	\$ 21.77
36,000 Lumen	\$ 15.31	\$ 24.36
Installation Charge: Standard Flood Lighting		
Mercury Vapor Lamp Sizes		
20,000 Lumen	\$ 15.19	\$ 24.17
54,000 Lumen	\$ 24.72	\$ 39.34
Sodium Vapor Lamp Sizes		
27,500 Lumen	\$ 14.70	\$ 23.39
50,000 Lumen	\$ 20.31	\$ 32.32
140,000 Lumen	\$ 29.18	\$ 46.43
Metal Halide Lamp Sizes		
12,000 Lumen	\$ 12.36	\$ 19.67
13,000 Lumen	\$ 12.36	\$ 19.67
20,500 Lumen	\$ 16.39	\$ 26.08
36,000 Lumen	\$ 20.70	\$ 32.94
110,000 Lumen	\$ 29.77	\$ 47.37
Anchor	\$ 1.00	\$ 1.00
Conductor	\$ 0.01	\$ 0.01

	Present Rates	Proposed Rates
LS-Special Lighting Service		
Winter		
First 1,000 kWh	\$ 0.13433	\$ 0.87447
All Additional kWh	\$ 0.09845	\$ 0.64090
Summer		
First 1,000 kWh	\$ 0.13433	\$ 0.87447
All Additional kWh	\$ 0.09845	\$ 0.64090

Upon request, the Company will furnish any further information a customer desires concerning the percentage increase being sought for any rate schedule. In addition, the Company will, upon request, provide to any customer an estimate of the calculated average monthly dollar amount by which the proposed rates will increase the customer's electric utility bill. Requests can be made at www.libertyenergyandwater.com or by calling 1-800-206-2300.

The Public Service Commission has assigned Docket No. 22-085-U to this application and has suspended the new rates pending completion of a hearing on the application. The Commission has ten (10) months in which to issue its Order. The new rates are not expected to become effective until December 2023. The Commission rules provide procedures for interested persons to intervene as a party, make limited appearances or submit public comments in writing or orally at the hearing and further information may be obtained by writing or calling the Secretary of the Public Service Commission. The Secretary's name, Commission address and telephone number is: Ms. Jennifer Ivory, Arkansas Public Service Commission, Jennifer.Ivory@arkansas.gov, 1000 Center Street, Little Rock, Arkansas 72201; Telephone Number: 501-682-5782. The Commission's website can be found at www.arkansas.gov/psc.

The Arkansas Public Service Commission has not yet established a procedural schedule or hearing dates for this matter. Interested persons may contact the Public Service Commission in order to obtain further information regarding procedural schedules in the near future.