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JEREMIAH W. (JAY) NIXON
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October 6, 2006

FILED³

OCT 6 2006

Missouri Public
Service Commission

Public Service Commission
Governor Hotel
200 Madison Street
Jefferson City, MO 65102


RE: *In the Matter of Kansas City Power & Light and Its Tariff Filing to Implement
a General Rate Increase for Electric Service; Case No. ER-2006-0314*

Dear Sir/Madam:

Enclosed for filing please find an original and 9 copies of the Missouri Department of Natural Resources' Affidavit of Anita C. Randolph and the Surrebuttal Testimony of Anita C. Randolph in the above-styled matter. Please stamp "filed" on the extra copy for my files. Thank you.

Sincerely,

JEREMIAH W. (JAY) NIXON
Attorney General


SHELLEY A. WOODS
Assistant Attorney General

SAW:mg
Enclosure
c: Counsel of Record

FILED³

OCT 6 2006

Exhibit No.:	Weatherization	Missouri Public
Issues:	Anita C. Randolph	Service Commission
Witness:	Missouri Department of Natural	
Sponsoring Party:	Resources - Energy Center	
Type of Exhibit:	Surrebuttal Testimony	
Case No.:	ER-2006-0314	

KANSAS CITY POWER & LIGHT COMPANY ELECTRIC RATE CASE

SURREBUTTAL TESTIMONY

OF

ANITA C. RANDOLPH

MISSOURI DEPARTMENT OF NATURAL RESOURCES

ENERGY CENTER

October 6, 2006

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

**SURREBUTTAL TESTIMONY OF
ANITA C. RANDOLPH**

**MISSOURI DEPARTMENT OF NATURAL RESOURCES
ENERGY CENTER**

CASE NO. ER-2006-0314

24 with KCPL to provide low-income weatherization services to KCPL's low-income customers
25 in the Kansas City area. In his testimony, Mr. Jackson recommends that KCPL's Call Center
26 should refer applicants to the KCPL weatherization program (Jackson Rebuttal, pg. 2). Mr.
27 Jackson references a recommendation from the Missouri Energy Task Force report of August
28 13, 2006, that refers to coordination between the federal weatherization program and the
29 Low-Income Home Energy Assistance Program (LIHEAP), by requiring LIHEAP recipients
30 to participate in the weatherization program, if services are available and offered (Jackson
31 Rebuttal, pgs. 2-3).

32 **Q. Do you agree with Mr. Jackson's recommendation regarding the low-income**
33 **weatherization program?**

34 A. Yes. I agree that KCPL's Call Center should refer potential applicants to seek weatherization
35 services. This appears to be a reasonable way to improve coordination, levels of
36 participation in the program and delivery of weatherization services. As a member of the
37 Missouri Energy Task Force, the department also supports the Task Force recommendation
38 that LIHEAP recipients be referred to the federal weatherization program and required to
39 participate if services are available and offered, as a condition of receiving future utility
40 assistance. Weatherization services that are consistent with guidelines for the federal Low-
41 Income Weatherization Assistance Program are a cost-effective means to help low-income
42 individuals or families pay their energy bills year after year for the life of the energy-
43 efficiency measure or product, often 10 to 15 years. Weatherization can help reduce the
44 amount of state and federal assistance needed to pay higher utility bills and have a positive
45 impact on the household's promptness in paying utility bills.

I note that KCPL's weatherization program is consistent with the guidelines for the federal Low-Income Weatherization Assistance Program. Although the Task Force recommendation specifically addresses the federal weatherization program and energy assistance programs, because of the consistency between the federal and KCPL weatherization programs, I believe the intent of this recommendation to improve coordination and address the long-term benefits of weatherization is also applicable in this case.

Q. Can you summarize Mr. Dias' filing regarding "weatherization"?

A. In his August 1, 2006 pleading "Motion for Leave to File Application to Intervene Out of Time of W. Bill Dias, Natural Person, and W. Bill Dias, D/B/A I.PAYSTATION.COM", Mr. Dias lists one of his requests as:

"(1) That KCPL not be give (sic) a rate increase that effects the Urban Community of Kansas City Missouri without offering those customers that signs (sic) up a complete package deal that includes both the Energy Conservation Thermostat and Weatherization of homes and apartments at no cost to the customer. There are to be no income restrictions for this service. That these programs be operated by Dias and underwritten on a continuing monthly base (sic) by KCPL." (pg. 4)

Q. Do you support Mr. Dias' proposed "weatherization" program?

A. I will limit my statements to the energy efficiency aspects of Mr. Dias' proposed Energy Conservation and Weatherization program. Mr. Dias does not offer additional explanation or description of the energy efficiency components of the program other than what is included above and in an unsigned "Memorandum of Understanding for the Appointment of an Authorized Third-Party Pay Agent Between Dias Capital Growth Corporation, Inc. and Kansas City Power & Light Company, Inc." (MOU) dated June 5, 2006. Therefore, the

69 department does not have sufficient information to comment on the value or effectiveness of
70 the program in reducing energy use. It appears that program design details to achieve energy
71 savings had not been determined as of June 5, 2006. On page 2 of the MOU, Mr. Dias
72 proposes a dialogue between KCPL, DCGC (Dias Capital Growth Corporation, Inc.) and the
73 Baptist Ministers Union on "what it is going to take to create an 'Energy Conservation
74 Program' that has an out reach through the churches and community action agencies detailing
75 how customers registered in our bill payment program can achieve the 10% energy reduction
76 in their homes and/or apartments though (sic) weatherization and education;" (June 5, 2006
77 unsigned MOU, pg. 2).

78 In the absence of adequate information to assess the value to KCPL customers, I do not
79 support Mr. Dias' proposed Energy Conservation and Weatherization program.

80 **Q. Do you have any other comments on Mr. Dias' proposed "weatherization" program?**

81 **A.** I have additional comments regarding Mr. Dias' use of the term "weatherization."

82 "Weatherization" in the context of cases before the Commission refers to the federal Low-
83 Income Weatherization Assistance Program administered by the department in coordination
84 with local agencies, or programs that are funded by utilities that are consistent with the
85 guidelines of the federal program. I am concerned that references to Mr. Dias' program as
86 "weatherization" may be confused with the long-standing federal program that has well-
87 documented energy savings and an established network of trained energy professionals
88 throughout the state. Even with the limited information Mr. Dias provides, it is apparent that
89 it would not be consistent with federal guidelines because it would have no income
90 restrictions. The federal Low-Income Weatherization Assistance Program is limited to

91 elderly, handicapped and low-income households at or below 150 percent of the federal
92 poverty level.

93 **Q. Does this conclude your testimony?**

94 **A. Yes.**

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

In the Matter of Kansas City Power & Light,
And Its Tariff Filing to Implement a
General Rate Increase for Electric Service

Case No. ER-2006-0314

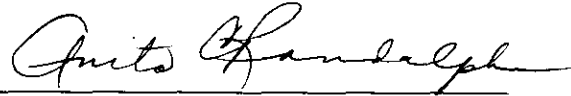
AFFIDAVIT OF ANITA C. RANDOLPH

STATE OF MISSOURI

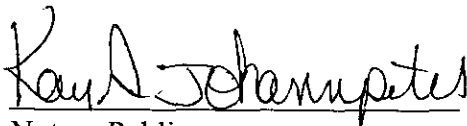
COUNTY OF COLE

ss.

Anita Randolph, being duly sworn on her oath, hereby states that she has participated in the preparation of the foregoing Testimony in question and answer form; that the answers in the foregoing Testimony were given by her; that she has knowledge of the matters set forth in such answers; and that such matters were true and correct to the best of her knowledge, information and belief.

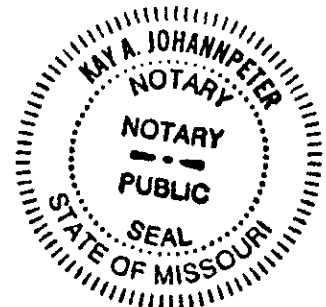
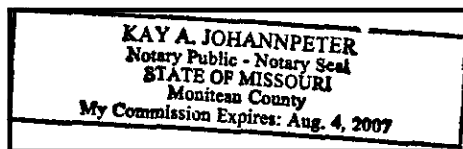


Anita C. Randolph



Notary Public

My commission expires:



Subscribed and sworn before me this 5th day of October, 2006.