


PROCEEDINGS
JUDGE STEARLEY: Good afternoon. Today is Wednesday, March 23rd, 2011. And the Commission has set this time for a public hearing in file number ER-2011-0004, which is captioned as, in the matter of the Empire District Electric Company of Joplin, Missouri, for authority to file tariffs increasing rates for electric service provided to customers in the Missouri service area of the company. My name is Harold Stearley and I'm the Regulatory Law Judge presiding over this matter. There are, unfortunately, none of the Commissioners could make it here with of me today, but they will be reviewing the copies of this transcript. So, anyone who does make comments today, they will be reviewed by our five commissioners. They'll become part of the public record and be part of the file of this case. We're going to begin the hearing by taking entries of appearance from counsel, for the parties, starting with the Empire District Electric Company.

MS. CARTER: Diana Carter, from Brydon, Swearengen and England, for The Empire District Electric Company.

JUDGE STEARLEY: All right. Thank you, Ms. Carter. And for the Office of the Public Counsel?

MS. BAKER: Thank you. Christina Baker.

Page 4

Appearing on behalf of the Office of the Public Counsel and the rate payors.

JUDGE STEARLEY: All right. Thank you, Ms.
Baker. And, for the staff of the Missouri Public Service Commission.

MS. KLIETHERMES: Thank you, Judge. Sarah Kliethermes, staff counsel's office for the staff of the Public Service Commission.

JUDGE STEARLEY: Okay. Thank you, Ms.
Kliethermes. Are any of the interveners, in this case, represented by counsel here today? Hearing none, we will move onto taking testimony. I have a sign-up sheet, and I have one name on it this afternoon. Mrs. Norma Chapman. Would you like to give testimony today? WITNESS: Yes.

JUDGE STEARLEY: All right. If you'd like, you can come sit up front, if you're -- wherever you're comfortable. And I will have you begin by stating and spelling your name for the court reporter.

WITNESS: Okay. Norman Chapman. N-O-R-M-A C-H-A-P-M-A-N.

NORMA CHAPMAN, of lawful age, having been produced and sworn, testified as follows:

JUDGE STEARLEY: Please proceed.

WITNESS: Okay. Well, we came here today, basically, just an ordinary bill-paying being person, concerned about the increase. Approximately, \$14.00, 13 something on a monthly rate for just -- ordinary household. In this economy that we have, and we hear all kinds of things about it, it's over, it's over. Well, it's not over until it's over. Peoples' retirement income, and in fact, job increases is pretty well frozen in most -- well, a lot of areas. Particularly, retirement. I'm not Social Security, but I know a lot who are. Their income is basically plateaued. And, in fact, less, because more is going towards Medicare, which probably needs to go there, but it still leaves them less to pay their monthly bills with. And, you know 13, or $\$ 14.00$ may not sound much to a lot of people, but to people on a limited income, it's a lot. And I just feel like, that you know, companies need to do some belt tightening, just like the rest of us are having to do in our economy. And I do feel like, the companies need to consider their customers. Whether you're a Wal-Mart, or any other kind of company, and the money that they have, that they can spend. And, so, basically, what I'm saying, is that during -- in this economy -- things the way it is right now, I personally don't think we need any rate increase. I know they want
to recover, but $I$ also know they're making lots of money. I haven't looked at their books, but, you know. And, basically, that's it. I'm just an ordinary person paying a bill. And I hear lots of ordinary people talk, but they don't come to meetings like this, because frankly, they will tell you, well, you know, you're wasting your time going down there, because, they're not going to listen to you anyway. Well, I hope and don't think that's true. That if we don't come and we don't say, then of course not. So, basically, that's it. I just feel like a rate increase, at this time, is really going to handicap a lot of their customers.

JUDGE STEARLEY: Please remain there for just a moment. Counsel do you have any questions for this witness?

MS. BAKER: And you said that you live in the Buffalo area, is that correct?

WITNESS: (Shakes head up and down.)
MS. BAKER: That's the only question $I$ have.
JUDGE STEARLEY: Seeing no others, I'd like to thank you for your testimony. And we do appreciate you coming out.

WITNESS: Thank you.
JUDGE STEARLEY: And we're all listening. That was the only name I had on our sign-up sheet. I know

1 there are a couple other people. Does anybody else wish to offer testimony? Please come forward. Similarly, if you'd begin by stating and spelling your name for us?

WITNESS: Ron Ross. R-O-N R-O-S-S.
RON ROSS,
of lawful age, having been produced and sworn testified as follows:

JUDGE STEARLEY: Please proceed.
WITNESS: Okay. I'm basically representing a company, but I'd rather not state any names, or things like that, if that's possible? But what I'd like to do is share that, the company I'm with, the rate increase, from last September, affects us by over 60,000 a year. And additional 9.2 percent is going to hit us even harder. And there's no way we can pass that on to our customers. So, it's a definite harmful situation to us. I don't understand how the construction got started in the first place -- I didn't do a whole lot to prepare on that part, but was there any consideration, as far as financial services outside of the customer base? And I don't understand recovery. Is that a -- it just doesn't make sense to me, on how you could come back and charge your customers for something they didn't have a choice in. That's about it.

JUDGE STEARLEY: All right. Are there any
(The foregoing deposition was concluded at
12:15 p.m. on March 23, 2011.)

PUBLIC SERVICE COMMISSION 3/23/2011


PUBLIC SERVICE COMMISSION 3/23/2011

| A | come 4:17 6:5,9 7:2 | F | 6:11,13 7:21 | needs 5:13 |
| :---: | :---: | :---: | :---: | :---: |
| about 5:3,6 7:24 | comfortable 4:18 | $\text { fact } 5: 8,12$ | $\mathbf{K}$ | none 3:11 4:11 <br> Norma 4:14,22 |
| additional 7:14 | comfortable 4:18 | far 7:19 | kind 5•21 | Norma 4:14,22 |
| adjourned 8:10 | coming 6:22 | Fax 2:22 | kind 5:21 <br> kinds $5 \cdot 6$ | Norman 4:20 9:4 number 3:4 |
| affects 7:13 | comments 3:14 | feel 5:17,19 6:11 | kinds 5:6 | number 3:4 |
| afternoon 3:2 4:13 | Commission 1:5 2:11,13 3:3 4:5,8 | file 1:15,17 3:4,7,16 | $\begin{gathered} \text { Kliethermes 2:12 } \\ \text { 4:6.7.10 } \end{gathered}$ | N-O-R-M-A 4:20 |
| age 4:23 7:6 | commissioners 3:12 | financial 7:20 <br> first $7 \cdot 18$ | know 5:11,15,17,25 | 0 |
| 7:1 | 15 | five $3: 15$ | 6:1,2,6,25 | offer 7:2 |
| anyone 3:14 8:6 | companies 5:17,20 | Floor 2:13 |  | offers 8:7 |
| anyway 6:8 | company 1:15,17 | follows 4:24 7:7 | L | office 2:7 3:24 4:1,7 |
| appearance 3:18 | 2:2 3:6,9,19,22 | foregoing 8:12 | last 7:13 | Okay 4:9,20 5:1 7:9 |
| Appearing 4:1 | 5:21 7:10,12 | forward 7:2 | Law 1:19 3:10 | one 4:13 |
| appreciate 6:21 | concerned 5:3 | frankly 6:6 | lawful 4:23 7:6 | only 6:19,25 |
| Approximately 5:3 | conclude 8:8 | from 3:18,20 7:13 | leaves 5:14 | onto 4:12 |
| area 1:16 3:9 6:17 | concluded 8:12 | front 4:17 | less 5:12,14 | on-the-record 8:8 |
| 8:2 | consider 5:20 | frozen 5:9 | like 4:14,16 5:17,18 | ordinary 5:2,4 6:3,4 |
| areas 5 | consideration 7:19 |  | 5:19 6:5,11,20 | other 5:21 7:1 8:7 |
| authority 1:15 3:7 | construction 7:17 | G | 7:11,11 8:6 | others 6:20 8:5 |
| Avenue 2:4 | copies 3:13 | give 4:14 | limited 5:16 | ut 6:22 |
|  | correct 6:17 | go 5:13 8:8 | listen 6:8 | outside 7:20 |
| B | counsel 2:7,8 3:18 | going 3:17 5:12 6:7 | listening 6:24 | over 3:10 5:6,6,7,7 |
| B 9:8 | 3:24 4:1,11 6:14 | 6:8,12 7:14 | Litigation 1:22 2:20 | 7:13 |
| back 7:22 | 's 4:7 | Good 3:2 | live 6:16 |  |
| Baker 2:8 3:25,25 | couple 7:1 course 6:10 |  | looked 6:2 |  |
| 4:4 6:16,19 8:2,4 | course 6:10 court 4:19 | H | looked 6:2 <br> lot 5:9,11,16,17 | P 2:1,1 <br> PAGE 9:3 |
| base 7:20 | court 4:19 <br> customer 7:20 | H 9:8 | $\begin{gathered} \operatorname{lot} 5: 9,11,16,17 \\ 6: 127: 18 \end{gathered}$ | part 3:15,16 7:19 |
| basically 5:2,11,23 6:3,10 7:9 | customers 1:16 3:8 | handicap 6:12 <br> harder 7:15 | $\begin{aligned} & \text { 6:12 7:18 } \\ & \text { lots 6:1,4 } \end{aligned}$ | part 3:15,16 7:19 |
| ecome 3:15 | 5:20 6:12 7:16,23 | harmful 7:16 |  | parties 3:18 |
| begin 3:17 4:18 7:3 | C-H-A-P-M-A-N | Harold 1:18 3:9 | M | ass 7:15 |
| behalf 4:1 | 4:21 | having 4:23 5:19 | Madison 2:13 | pay 5:14 |
| being 5:2 |  | 7:6 | make 3:12,14 7:22 | paying 6:4 |
| belt 5:18 | D | head 6: | making 6:1 | payors 4:2 |
| bill 6:4 | D 9:1 | hear 5:5 6:4 | March 1:12 3:3 | people 5:16,16 6:4 |
| bills 5:14 | definite 7:16 | hearing 1:10 3:4,17 | 8:13 | 7:1 |
| bill-paying 5:2 | deposition 8:12 | 4:11 8:9,9 | matter 1:14 3:5,11 | Peoples 5:7 |
| books 6:2 | Diana 2:3 3:20 | hit 7:14 | may 5:15 | percent 7:14 |
| Box 2:4,9,14 | District 1:14 2:2 3:6 | hop | Medicare 5:13 | person 5:2 6:3 |
| Branson 8:3 | 3:19,21 | household 5:5 | meetings 6:5 | personally 5:24 |
| Brydon 2:3 3:20 | down 6:7,18 |  | Midwest 1:22 2:20 | place 7:18 |
| Buffalo 6:17 | during 5:23 | I | Missouri 1:4,13,15 | plateaued 5:12 |
|  | E | income 5:8,11,16 | 1:16 3:7,9 4:4 | Please 4:25 6:13 7:2 |
| C |  | increase 5:3,25 6:11 | moment 6:14 |  |
| C 2:1,3 <br> came 5:1 | E 2:1,1 9:1,8 <br> East 2:4 | $7: 12$ | moment 6:14 <br> money 5:22 6:2 | portion 8:8 possible 7: |
| apitol 2 | economy 5:5,19,24 | increases 5:8 increasing 1:15 3:7 | monthly 5:4,14 | prepare 7:18 |
| captioned 3:5 | electric 1:15,16 2:2 | interveners 4:10 | more 5:12 | presiding 1:18 3:10 |
| Carter 2:3 3:20,20 | 3:6,8,19,21 |  | most 5:9 | pretty 5:8 |
| 3:24 | Empire 1:14 2:2 3:6 | J | move 4:12 | probably 5:13 |
| case 3:17 4:10 | 3:19,21 England $2 \cdot 3$ 3.21 | Jefferson 2:5,9,14 | much 5:15 8:11 | proceed 4:25 7:8 |
| CCR 2:19 | England 2:3 3:21 entries $3 \cdot 18$ | job 5:8 | N | PROCEEDINGS $1 \cdot 73 \cdot 1$ |
| Chapman 4:14,20 | entries 3:18 <br> Erika 1.21 2.19 | Joplin 1:15 3:6 |  | 1:7 3:1 |
| 4:22 9:4 | Erika 1:21 2:19 <br> ER-2011-0004 1:17 | Judge 1:19 3:2,10 | N 2:1 9:1 | produced 4:23 7:6 |
| charge 7:22 | ER-2011-0004 1:17 3:5 8:10 | 3:23 4:3,6,9,16,25 | name 3:9 4:13,19 6:25 7:3 | provided 1:16 3:8 <br> public 1:5,10 2:7,8 |
| choice 7:23 Christina 2.8 | even 7:14 | 6:13,20,24 7:8,25 | $\begin{gathered} \text { 6:25 7:3 } \\ \text { names 7:10 } \end{gathered}$ | $2: 11,133: 4,16,24$ |
| City 2:5,9,14 | Exhibits 9:15 | 8:5 just 5:2,4,17,18 6:3 | National 2:20 need 5:18,20,25 | $\begin{gathered} 4: 1,4,88: 9 \\ \text { p.m } 1: 138: 13 \end{gathered}$ |

PUBLIC SERVICE COMMISSION 3/23/2011

| P. O 2:4,9,14 | some 5:18 | W | 7 |  |
| :---: | :---: | :---: | :---: | :---: |
| Q | something 5:4 7:23 sound 5:15 | Wal-Mart 5:21 | 79:5 |  |
| question 6:19 | South 2:20 | wasting 6:7 | 9 |  |
| questions 6:14 8:1 | spelling 4:19 7:3 spend 5:22 | way 5:24 7:15 | 9th 2:13 |  |
| R | spend $5: 22$ <br> Spring 1:13 | Wednesday 3:3 | 9.2 7:14 |  |
| R 2:1 | Springfield 2:21 | $\begin{aligned} & \text { well } 5: 1,7,9,96: 6, \\ & 8: 7 \end{aligned}$ |  |  |
| rate 4:2 5:4,25 6:11 | staff 2:11 4:4,7,7 | we're 3:17 6:24 |  |  |
| 7:12 | started 7:17 | whole 7:18 |  |  |
| rates 1:16 3:7 | starting 3:19 | wish 7:1 |  |  |
| rather 7:10 | state 1:4 7:10 | witness 4:15,20 5:1 |  |  |
| really 6:11 | stating 4:18 7:3 | 6:15,18,23 7:4,9 |  |  |
| record 3:16 | Stearley 1:18 3:2,10 | 8:1,3 9:3 |  |  |
| recover 6:1 | 3:23 4:3,9,16,25 |  |  |  |
| recovery 7:21 | 6:13,20,24 7:8,25 | X |  |  |
| Reeds 1:13 | 8:5 | X 9:1,8 |  |  |
| Regulatory 1:19 | still 5:14 | X |  |  |
| 3:10 | Street 2:13 | Y |  |  |
| remain 6:13 | Suite 2:20 | year 7:13 |  |  |
| REPORTED 1:21 | Swearengen 2:3 |  |  |  |
| 2:19 | 3:21 | \$ |  |  |
| reporter 4:19 | sworn 4:23 7:6 | \$14.00 5:3,15 |  |  |
| representing 7:9 | T | 1 |  |  |
| rest 5:18 | T 9:8 | 12:00 1:13 |  |  |
| retirement 5:8,10 | taking 3:17 4:12 | 12:15 8:13 |  |  |
| reviewed $3: 15$ | talk 6:4 | $13 \text { 5:3,15 }$ |  |  |
| reviewing 3:13 | tariffs 1:15 3:7 | 1911 2:20 |  |  |
| right 3:23 4:3,16 | Tel 2:21 |  |  |  |
| 5:24 7:25 8:4 | tell 6:6 | 2 |  |  |
| Ron 7:4,5 9:5 | testified 4:23 7:6 | 200 2:13 |  |  |
| Ross 7:4,5 8:6 9:5 | testify 8:7 | 2011 1:12 3:3 8:13 |  |  |
| R-O-N 7:4 | testimony $4: 12,14$ | 2230 2:9 |  |  |
| R-O-S-S 7:4 | 6:21 7:2 8:6,7 | 23 1:12 8:13 |  |  |
| S | 4:9 6:21,23 8:4,5 | 23rd 3:3 |  |  |
| S 2:1 9:8 | 8:10 | 3 |  |  |
| Sarah 2:12 4:6 | their 5:11,14,20 6:2 | 312 2:4 |  |  |
| saying 5:23 | 6:12 | 360 2:14 |  |  |
| Schaffer 1:21 2:19 | things 5:6,24 7:10 |  |  |  |
| Security 5:10 seeing 6:20 8:5,7 | think 5:25 6:9 <br> tightening 5:18 | 4 |  |  |
| seeing 6.20 8.5, Senior 1:19 2:8 | time 3:4 6.7.11 | 41:11 |  |  |
| sense 7:22 | today $3: 2,12,14$ | 402 2:20 |  |  |
| September 7:13 | 4:11,14 5:1 | 417-877-9700 417-877-9704 $2: 21$ |  |  |
| service 1:5,16,16 | today's 8:9 | $456 \text { 2:4 }$ |  |  |
| 2:11,13 3:8,9 4:5 | towards 5:13 | 456 2.4 |  |  |
| 4:8 | transcript 1:7 3:13 | 5 |  |  |
| services 2:20 7:20 | true 6:9 | 5 9:4 |  |  |
| set 3:3 Shakes 6:18 | U | 573-635-7166 2:5 |  |  |
| share 7:12 | understand 7:17,21 | 573-751-5565 2:10 |  |  |
| sheet 4:13 6:25 | unfortunately 3:11 | 573-751-6726 2:15 |  |  |
| sign-up 4:12 6:25 | until 5:7 | 6 |  |  |
| Similarly 7:2 <br> sit 4:17 | V | 60,000 7:13 |  |  |
| situation 7:16 | very 8:11 | $65102 \text { 2:5,9,14 }$ <br> 65804 2:21 |  |  |
| Social 5:10 | Volume 1:11 |  |  |  |

