

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION
TRANSCRIPT OF PROCEEDINGS

Public Hearing

August 24, 2006

Kansas City, Missouri

Volume 2

In the Matter of the Application of)
Kansas City Power & Light Company for) Case No.
Approval to Make Certain Changes in) ER-2006-0314
Its Charges for Electric Service to)
Begin the implementation of Its)
Regulatory Plan)

RONALD D. PRIDGIN, Presiding

REGULATORY LAW JUDGE

CONNIE MURRAY,

STEVE GAW,

ROBERT M. CLAYTON, III,

LINWARD 'LIN' APPLING,

COMMISSIONERS

1 APPEARANCES

2 Lewis Mills - OPC
 3 Karl Zobrist - KCP&L
 4 Roger W. Steiner - KCP&L
 5 Charles Brent Stewart - Trigen-K.C. Energy Corp.
 6 John Gary Bribe - Trigen-K.C. Energy Corp.
 7 Jeremiah Finnegan - County of Jackson, Missouri
 8 John B. Kaufman - AARP
 9 Jeffrey Thompson - Staff

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1 PROCEEDING:

2 JUDGE PRIDGIN: We're on the record.

3 Good afternoon. The Missouri Public Service
4 Commission has set this time for a local hearing
5 in Case Number ER20060314 in which Kansas City
6 Power & Light seeks a rate increase. The Missouri
7 Public Service Commission regulates the rates
8 charged by investor-owned utility companies in
9 Missouri to insure that those rates are just and
10 reasonable. The Commission also regulates the
11 quality of service and safety of the operations of
12 investor-owned utilities. The Commission is made
13 up of five commissioners, three of whom are
14 present for the hearing.

15 These commissioners are appointed by the
16 governor to fixed terms and confirmed by the
17 senate. These commissioners employ a staff of
18 engineers, accountants, attorneys, financial
19 analysts and other specialists in the field of
20 utility regulation. I am Ron Pridgin, I'm a
21 regulatory law judge for the Missouri Public
22 Service Commission. I will preside over this
23 afternoon's hearing.

24 With me today on the bench is
25 Commissioner Murray, here in Jefferson City with

1 me, and in Kansas City is Commissioner Clayton and
2 Commissioner Appling. This is an official hearing
3 of the Missouri Public Service Commission. And
4 the statements and testimony of witnesses will be
5 recorded by the court reporter and must be given
6 under oath. All of the commissioners will have
7 the opportunity to read all of the witnesses'
8 remarks.

9 In addition to this hearing a trial type
10 hearing is scheduled for October 16th through 20th
11 and 23rd through 27th of 2006 beginning each day
12 at 8:30 a.m. at the commissioners offices at the
13 governor office building in Jefferson City,
14 Missouri. That will be a public hearing and at
15 that hearing the Company will have the burden of
16 proving its case. The parties will present their
17 witnesses for and against the rate increase at
18 that time. The purpose of this hearing is to hear
19 from you.

20 The Company will not present witnesses
21 and will not answer questions. This is your
22 chance to testify and your remarks will be made a
23 part of the official record of this case. I will
24 call the name of each name who is signed up to
25 speak. I will plan to call you in the order in

1 which you signed up.

2 When your name is called, please come
3 forward to the witness area and spell your name
4 for the court reporter so the reporter can put
5 your name in the record correctly. I will ask a
6 few preliminary questions such as your name and
7 address and you can then make your statement for
8 the Commission. There may be questions from the
9 commissioners or from me, so please do not leave
10 the witness area until you are excused. To get as
11 many of you on the record as possible I would
12 normally ask that you be brief, but as of now we
13 only have four witnesses on the record so that
14 may not be an issue, but as more sign up I may ask
15 people to start limiting their time.

16 There may be someone who wishes to
17 testify but because of religious convictions
18 cannot take an oath. If so, please inform the
19 court reporter or myself so that your testimony
20 may be affirmed instead. Does anyone have any
21 questions about the procedure we will follow?

22 MR. OCHOA: No questions.

23 JUDGE PRIDGIN: Very good. We will
24 then begin the public hearing on Case Number
25 ER20060314 in the matter of the application of

1 Kansas Power & Light Company for approval to make
2 certain changes in its charges for electric
3 service to begin the implementation of its
4 regulatory plan. I would like to get entries of
5 appearance from counsel, please, beginning with
6 staff.

7 MR. THOMPSON: Jeffrey Thompson, General
8 Counsel for the Commission for the staff of
9 Missouri Public Service Commission, Post Office
10 Box 360, Jefferson, Missouri 65102.

11 JUDGE PRIDGIN: Mr. Thompson, thank you.
12 On behalf of the office of the public counsel,
13 please?

14 MR. MILLS: On behalf of the office of
15 public counsel and the public my name Lewis Mills,
16 my address is Post Office Box 2230, Jefferson
17 City, Missouri, 65102.

18 JUDGE PRIDGIN: Mr. Mills, thank you. On
19 behalf of the U.S. Department of Energy, please?

20 MR. OCHOA: No representation, Your
21 Honor.

22 JUDGE PRIDGIN: Thank you. On behalf of
23 the City of Kansas City, Missouri, please?

24 MR. OCHOA: Nothing, Your Honor.

25 JUDGE PRIDGIN: Thank you. Any counsel

1 there for Missouri Gas Energy?

2 MR. OCHOA: No.

3 JUDGE PRIDGIN: Counsel there for Empire
4 District Electric Company?

5 MR. OCHOA: No, Your Honor.

6 JUDGE PRIDGIN: All right. Mr. Ochoa,
7 could you just please inform me what counsel are
8 there?

9 MR. OCHOA: Yes, we have --

10 MR. ZOBRIST: Karl Zobrist, Roger W.
11 Steiner, Sonnenschein, Nath & Rosenthal, 4520 Main
12 Street, Kansas City, Missouri 64111 for applicant
13 Kansas City Power & Light Company.

14 JUDGE PRIDGIN: Mr. Zobrist, thank you.
15 Are there any other intervenors and their counsel
16 wishing to enter an appearance?

17 MR. STEWART: Charles Brent Stewart,
18 the law firm of Stewart & Kevill (phonetic), LLC,
19 46031. John Geary Bribe, Suite 11, Columbia,
20 Missouri 65203 appearing on behalf of
21 Trigen-Kansas City Energy Corporation.

22 JUDGE PRIDGIN: Mr. Stewart, thank you
23 and Mr. Ochoa, thank you. Is there any other
24 counsel wishing to enter an appearance?

25 MR. FINNEGAN: Yes, Jeremiah Finnegan,

1 Finnegan, Conrad & Peterson, 3100 Broadway, Suite
2 1209, Kansas City, Missouri 64111 on behalf of
3 the County of Jackson Missouri.

4 JUDGE PRIDGIN: Mr. Finnegan, thank you.

5 MR. FINNEGAN: And I would like to point
6 out that the county executive, Katheryn Shields is
7 here and I believe she is going to be the first
8 one to testify.

9 JUDGE PRIDGIN: Yes, sir, and that's
10 fine with me. All right, thank you. Any further
11 counsel?

12 MR. KAUFMAN: Appearing on behalf of
13 AARP, John B. Kaufman, 871 Tuxedo Boulevard, St.
14 Louis, Missouri 63119.

15 JUDGE PRIDGIN: Mr. Kaufman, thank you.

16 MR. DIAS: Bill Dias appearing on behalf
17 of himself.

18 JUDGE PRIDGIN: You're not counsel, Mr.
19 Dias, you'll be allowed to testify and give
20 comments if you want, but you're not counsel.

21 MR. DIAS: Okay. But can I do it pro
22 se?

23 JUDGE PRIDGIN: No, sir. I'll call you,
24 you give the name that you signed up.

25 MR. DIAS: Okay.

1 COMMISSIONER CLAYTON: He's representing
2 himself, Judge.

3 JUDGE PRIDGIN: Yeah.

4 COMMISSIONER CLAYTON: And I think he
5 is entitled to speak in on his own behalf.

6 MR. ZOBRIST: Well, just if I may for
7 the record, I would like to object because I
8 believe the Commission actually has not granted
9 him intervention yet, so we have absolutely no
10 objection to him testifying as a member of the
11 public, but I do not believe he is yet a party to
12 the proceeding.

13 JUDGE PRIDGIN: That is correct, as Mr.
14 Zobrist is speaking, he is not yet a party. He's
15 allowed to testify and give local public comment,
16 but he's not a party. Are there any other
17 counsel?

18 MR. DIAS: Excuse me, it's my
19 understanding that the order directed by the
20 Commission was for a position up or down and with
21 no opposition to my intervention.

22 JUDGE PRIDGIN: Mr. Dias, you have not
23 been granted intervention, yet, okay. You will be
24 allowed to testify and give local public comment.
25 If and when you're granted intervention, we can

1 address how you'll present your evidence and how
2 you will appear at the evidentiary hearing. But
3 as of now you have the same rights as everybody
4 else in the public and that is to give public
5 comments. Are there any other counsel wishing to
6 give an entry of appearance, please?

7 MR. OCHOA: I believe that's all, Your
8 Honor.

9 JUDGE PRIDGIN: Okay. Hearing on. I
10 would like to proceed to the first witness. And
11 if I understand from Mr. Finnegan, is that
12 Katheryn Shields would be the first witness?

13 MR. OCHOA: Correct.

14 MR. FINNEGAN: Katheryn Shields, right.

15 JUDGE PRIDGIN: Ms. Shields, if you'll
16 come forward and be sworn by the court reporter,
17 please.

18 (Whereupon, the oath was administered.)

19 JUDGE PRIDGIN: Ms. Shields, thank you.
20 If you would please state your name and your
21 business address for the record.

22 MS. SHIELDS: Thank you. My name is
23 Katheryn Shields, I'm the Jackson County Executive
24 and my business address is 415 East 12th Street,
25 Kansas City, Missouri 64106.

1 JUDGE PRIDGIN: Ms. Shields, are you a
2 customer of KCP&L?

3 MS. SHIELDS: Yes, but I wanted to if I
4 may, I'll spell my name for the record.

5 JUDGE PRIDGIN: Yes, ma'am.

6 MS. SHIELDS: Katheryn is
7 K-A-T-H-E-R-Y-N and Shields is S-H-I-E-L-D-S.

8 JUDGE PRIDGIN: Ms. Shields, thank you.
9 And just to clarify, are you a customer of KCP&L?

10 MS. SHIELDS: Yes, both in my capacity
11 as county executive and also as an individual
12 citizen.

13 JUDGE PRIDGIN: Ms. Shields, thank you.
14 And before any of you make your statement let me
15 inform the hearing, Commissioner Gaw has just
16 joined me on the bench. Ms. Shields, did you have
17 a statement for the Commission?

18 MS. SHIELDS: Yes. First of all, I just
19 wanted to start off by thanking you all for being
20 here both in person and also by phone to hear
21 comments from the citizens of Jackson County and
22 the surrounding counties. This is a very
23 important case. Obviously KCP&L is a very
24 important company and corporate citizen and this
25 is an appropriate forum for both their concerns to

1 be addressed, but also the concerns of government,
2 other businesses and the citizens of this general
3 community. I just want to speak very briefly to
4 say that I have perused the general report that
5 the Public Service Commission staff has prepared
6 in terms of 2005, 12 months ending December 31st,
7 2005.

8 And their summary indicates that
9 essentially -- initially they had indicated that
10 rather than an increase I guess that there should
11 be a decrease in rates amounting to somewhere
12 between 4 to 5 million dollars. And that there
13 might be some circumstances if these figures
14 stand up, that they might actually be supporting
15 an increase of 15 million. Obviously, whether
16 it's a decrease or this slight increase of 15
17 million versus 55 million annually, clearly for
18 the government of Jackson County, for the
19 taxpayers of Jackson County, obviously it is -- we
20 support the concept of the lower increase. Rates
21 are very high, inflation is an issue with people
22 in many issues.

23 Obviously heating and cooling homes are
24 one of the basic things that both government and
25 corporations and citizens have to do and we really

5 JUDGE PRIDGIN: Ms. Shields, thank you.

6 Does that conclude your comments?

8 JUDGE PRIDGIN: Thank you very much.

13 COMMISSIONER MURRAY: I think just one,
14 thank you. Ms. Shields, thank you for being here.
15 And also has Jackson County, I can't recall,
16 please refresh my memory for me, has Jackson
17 County found anything in the past year or two in
18 terms of tax rebates or anything like that to the
19 customers to help them with their utility bills?

23 COMMISSIONER MURRAY: Yes.

25 COMMISSIONER: So there has been nothing

1 done in Jackson County in terms of increased taxes
2 that you may have received from higher utility
3 bills to kind of help people offset that?

4 MS. SHIELDS: Well, I believe that
5 Jackson County does not have revenue that comes to
6 it based on the utility bills. And so we are not
7 in a position where we would have had excess
8 revenue or any revenue to distribute from that
9 source.

10 COMMISSIONER MURRAY: Okay. Thank you
11 very much.

12 MS. SHIELDS: You're welcome.

13 JUDGE PRIDGIN: Commissioner Murray,
14 thank you. Commissioner Gaw?

15 COMMISSIONER: I don't have any
16 questions. I just want to thank the county
17 executive for coming in and giving testimony and
18 taking the time to do that. Thank you very much.

19 MS. SHIELDS: You're welcome.

20 JUDGE PRIDGIN: Commissioner Gaw, thank
21 you. Commissioner Clayton?

22 COMMISSIONER CLAYTON: Thank you, Judge.
23 I just want to add, echo what Commissioner Gaw
24 just said, thank you for welcoming us to this
25 excellent facility. It's certainly beautiful. I

1 haven't been in the Jackson County Courthouse for
2 some time and it looks great. And thanks for
3 making it available to us.

4 MS. SHIELDS: That's all right, I'll
5 brag a little bit. We just finished about a 10
6 million dollar renovation inside and out, so.
7 This courthouse was built when Harry Truman had my
8 job and this is the first major overhaul it's had
9 in 70 years and it's ready to serve the
10 Commission and the citizens for another 70 years.

11 COMMISSIONER APPLING: It's good to see
12 you again.

13 MS. SHIELDS: Thank you.

14 JUDGE PRIDGIN: Commissioner Clayton,
15 thank you and Ms. Shields, thank you.
16 Commissioner Appling?

17 COMMISSIONER APPLING: Yes, we just
18 spoke and talked and I said thank you. And you
19 have a nice building and we appreciate you being
20 here, ma'am.

21 MS. SHIELDS: Thank you.

22 JUDGE PRIDGIN: All right. Ms. Shields,
23 I don't have any questions for you but I certainly
24 want to echo the other commissioners' comments and
25 thank you for your time and your testimony.

1 MS. SHIELDS: You're welcome. Thank you
2 very much.

3 JUDGE PRIDGIN: Thank you, ma'am. All
4 right. Mr. Ochoa, could you introduce the next
5 witness, please?

6 MR. OCHOA: Susan Brown.

7 JUDGE PRIDGIN: Ms. Brown, if you'll
8 come forward to the court reporter and be sworn,
9 please.

10 (Whereupon, the oath was administered.)

11 MS. BROWN: Susan Brown.

12 JUDGE PRIDGIN: Thank you. Ms. Brown,
13 if you would please state your name for the record
14 and spell your name for the court reporter.

15 MS. BROWN: Susan Brown, S-U-S-A-N,
16 B-R-O-W-N.

17 JUDGE PRIDGIN: All right. Ms. Brown,
18 your address, please.

19 MS. BROWN: 14 Mill Street, M-I-L-L,
20 Dearborn, Missouri 64439.

21 JUDGE PRIDGIN: And are you a customer
22 of KCP&L?

23 MS. BROWN: No, I am not. I live about
24 ten miles from the site -- from the Iatan sites.

25 JUDGE PRIDGIN: All right. Do you have

1 a comment for the Commission, ma'am?

2 MS. BROWN: Yes, I do.

3 JUDGE PRIDGIN: Whenever you're ready,
4 ma'am.

5 MS. BROWN: I actually support the rate
6 increase reluctantly and here's why.
7 Unfortunately after a long period of stable to
8 declining electricity rates I feel Missouri is
9 facing a wave of many increases. Why? Because
10 we're heavily dependent on imported coal for our
11 fuel supply and coal prices are increasing. Strip
12 mining coal requires huge amounts of diesel for
13 the heavy equipment, rail transport from far away
14 mines is also dependent on sharply rising diesel
15 fuel.

16 Demand for coal is rising with 150 new
17 power plants proposed for the nation. Just as the
18 price of national gas rose dramatically when all
19 the utilities switched to natural gas, the same
20 thing will happen to coal. Energy efficiency has
21 been virtually ignored except in -- many
22 businesses have adopted it, but in general. So
23 now we are seeing rate increases for new
24 generation. KCP&L is asking for 20 percent more
25 for a new plant on top of their current rate

1 increase. I think that's correct, I'm not sure.

2 We've avoided rate increases in the past
3 by not upgrading emission equipment on our older
4 dirty power plants, we're now being required to do
5 these improvements. Future regulations for global
6 warming gasses, mercury and particulents will
7 cause even more increases. We'll pay a high price
8 if carbon taxes are imposed to curb global
9 warming. All of our ageing power plants and even
10 KCP&L's newest plant cannot be retrofit to capture
11 carbon cost effectively.

12 And finally, the proposed fuel
13 adjustment clause in Missouri will make it easier
14 for utilities to pass on these increases to
15 customers. So why is it that I support this
16 increase? Because people don't change habits
17 unless it's personally painful. I think
18 Missouri's future economic development is
19 dependent on using energy more efficiently and
20 using cleaner locally sourced renewable fuel.

21 The states that will be successful in
22 attracting future economic development will be
23 those that have planned ahead, have already
24 implemented energy efficiency programs and are
25 exploiting their own renewable resources. An

1 agreement with KCP&L to diversify their portfolio
2 with energy efficiency and wind is a small start,
3 but what is needed is a vision for energy and
4 dependence in this state and that would include
5 renewable portfolio standards, weatherization and
6 conservation energy efficiency program, energy
7 efficient building codes, grain pricing, net
8 metering, and there's many, many others. I've
9 given up hope that this will happen without some
10 sort of pain first, so I reluctantly support the
11 increase because it could lead to some change for
12 the better in the long term. That's it.

13 JUDGE PRIDGIN: Ms. Brown, thank you
14 very much and I'll see if we have any questions
15 from the Commission. I do want to apologize, you
16 were cutting in and out, no fault of your own. We
17 got most of your testimony but just not every
18 word. Of course, the court reporter caught
19 everything and the commissioners there caught
20 everything, so I apologize if we ask questions
21 that seem redundant because we missed a few
22 seconds here and there of your remarks. So with
23 that in mind let me see if we have any questions
24 from the commissioners. Commissioner Murray?

25 COMMISSIONER MURRAY: Yes, thank you.

1 Ms. Brown, it's refreshing when someone comes
2 before us who has obviously done his or her
3 homework about the issues that are involved. And
4 you obviously know quite a bit about the supply of
5 energy and the costs of supplying energy across
6 the country and the various portfolios that are
7 being looked at today by utility companies. I
8 wanted to ask you in relation to this particular
9 rate case, are you satisfied with any proposals
10 that are entered in terms of moving more toward
11 energy efficiency or weatherization, net metering,
12 those kinds of things that you mentioned?

13 MS. BROWN: Well, like I stated, it is a
14 good start. I think this is the first energy
15 efficiency program in the state by any of the
16 utilities in the State of Missouri?

17 COMMISSIONER MURRAY: I'm sorry, state
18 that last sentence again.

19 MS. BROWN: Okay. I do believe that the
20 agreement with KCP&L is the first to include any
21 kind of energy efficiency in the State of
22 Missouri. Is that true or not? I don't know.
23 But, yeah. I mean, in any -- you know, it's a
24 good start, but it's extremely small. And now
25 I've forgotten what the question is.

1 COMMISSIONER: I just asked if you were
2 satisfied with this particular rate case and the
3 items that have been included in it that enough
4 attention has been given to energy efficiency,
5 weatherization, those types of issues that you
6 mentioned earlier.

7 MS. BROWN: Oh, absolutely not. It
8 should be totally the other way around. We should
9 be putting -- you know, we could put, you know,
10 triple the amount into energy efficiency and
11 then save money in the long term rather than
12 building new power plants, sending all of our
13 money to Wyoming to buy the coal. It makes no
14 sense to me, so, no, it could be a lot better.

15 COMMISSIONER MURRAY: But I think part
16 of what I heard you say was that in order for
17 there to be an incentive for the public to
18 conserve energy or to move towards more efficient
19 appliances or more efficient use of energy in
20 other ways, that there has to be some price signal
21 statements. In other words, they have to realize
22 something close to the true nature of the cost in
23 supplying the electricity. Is that a part of what
24 you were saying?

25 MS. BROWN: Yes, I agree with that.

1 You'll see the states that are implementing energy
2 conservation, energy efficiency programs, those
3 are the states that do have much higher prices,
4 energy prices than we do. In fact, our
5 electricity prices are very low compared to the
6 rest of the county.

7 COMMISSIONER MURRAY: You faded out
8 there, are you finished --

9 MS. BROWN: Yes.

10 COMMISSIONER MURRAY: -- with that
11 statement?

12 MS. BROWN: Yes.

13 COMMISSIONER MURRAY: I didn't hear the
14 end of it.

15 MS. BROWN: I just said that our prices
16 are relatively low for electricity than the rest
17 of the county, that's why it's not been a big --
18 that's why energy efficiency and conservation
19 hasn't been a big priority here in my opinion.

20 COMMISSIONER MURRAY: Okay. Well, thank
21 you very much for your testimony. That's all,
22 Judge.

23 MS. BROWN: Thank you.

24 JUDGE PRIDGIN: Commissioner Murray,
25 thank you. Commission Gaw?

1 COMMISSIONER GAW: I don't have any
2 questions, Ms. Brown, but thank you very much for
3 your opinions and for coming today.

4 MS. BROWN: Thank you.

5 JUDGE PRIDGIN: Thank you very much,
6 Commissioner Gaw. Commissioner Clayton?

7 COMMISSIONER CLAYTON: Thank you. Ms.
8 Brown, I'm not sure where Dearborn is. Where is
9 Dearborn?

10 MS. BROWN: It's halfway between Kansas
11 City and St. Joe.

12 COMMISSIONER CLAYTON: Okay. And who is
13 your electrical provider at Dearborn?

14 MS. BROWN: Aquila.

15 COMMISSIONER: Okay. And I just want to
16 thank you for your very comprehensive comments.
17 The comments that you've given are starting to be
18 said around the country right now and Missouri
19 needs to -- we need to get into discussion about
20 these topics, so I appreciate your coming.

21 JUDGE PRIDGIN: Commissioner Clayton,
22 thank you. Commissioner Appling?

23 COMMISSIONER APPLING: It's good to see
24 you again. I'm sure you won't pass up the
25 opportunity to talk to me as much as you can

1 of KCP&L?

2 MR. DIAS: Yes, I am.

3 JUDGE PRIDGIN: All right. Do you have
4 a comment for the Commission, sir?

5 MR. DIAS: Yes, I do. First of all, let
6 me say that I represent a coalition of ministers
7 and civic organizations and I represent -- I have
8 an interest that is outside of that of the public
9 interest.

10 JUDGE PRIDGIN: If you'll try not to
11 argue your intervention motion and just have your
12 public comment for the Commission, please, sir.

13 COMMISSIONER CLAYTON: Judge, I think
14 the witness can talk about what he would like to
15 talk about. I don't know if we need to restrict
16 what his comments are about.

17 JUDGE PRIDGIN: Very well.

18 MR. DIAS: The first thing I wanted to
19 say is that my interest is outside of that of the
20 public counsel, which the public counsel is
21 already representing the general public. My
22 interest is of a contract that was signed with
23 Kansas City Power & Light. And as I filed the
24 motions that you all have, I think it's pretty
25 clear to say that they're pretty representative of

1 my rights. The first thing I would like to say is
2 that I -- and this will probably make Kansas City
3 Power & Light fall off of their chairs.

4 I do not oppose their rate increase.
5 What I oppose is that they do not have the plan
6 that was put in effect to do energy conservation
7 and weatherization. I have a problem with the
8 fact that in their test models they're only using
9 an area in Grandview and an area in Johnson County
10 to put together their data that's going to be
11 submitted to the Public Service Commission.
12 They're leaving out data on homes that are 50
13 years old and older. The need for weatherization
14 is critical.

15 We need to have -- if you're going to
16 give them a half a billion dollars and for ten
17 years have them reinvest money back into the
18 community in the form of energy conservation
19 devices and weatherization not restricted to
20 income -- there are a thousand programs for low
21 income individuals. Low income individuals have
22 more rights than the middle class at this point in
23 time, and that's not who we want to try and bring
24 up to par.

25 The second thing that I would like to

1 state is that the way that the classes are
2 represented in this case, the City of Kansas City,
3 Missouri pays little or nothing for their lights
4 while the residents of Kansas City pay a
5 substantial amount. I would like to see that
6 there be some parity there. We can get some
7 relief if the City of Kansas City, Missouri steps
8 up to the plate and pay their fair share. The
9 problem that I have is that there is going to be
10 four additional rate requests.

11 And I would hope that the Commission
12 when they make their decision would entertain the
13 ability to set it so that at the end of the last
14 rate request that there will be parity in all
15 classes. And that's all I have to say.

16 JUDGE PRIDGIN: Mr. Dias, thank you very
17 much. Let me see if we have any questions from
18 the commissioners. Commissioner Murray?

19 COMMISSIONER MURRAY: Mr. Dias, thank
20 you for your testimony. I don't believe that I
21 have any questions for you. Thank you.

22 JUDGE PRIDGIN: Commissioner Murray,
23 thank you. Commissioner Gaw?

24 COMMISSIONER GAW: Good afternoon, Mr.
25 Dias.

1 MR. DIAS: Hello, how are you?

2 COMMISSIONER GAW: I'm good. Thank you
3 for coming. Let me -- I'm trying to -- I want to
4 try to understand a little bit better about your
5 filing in particular. Have you filed a copy of
6 this Memorandum of Understanding at this point?

7 MR. DIAS: What I did, the Commission
8 ordered me through a directive filing to bring
9 that to -- the case to this hearing today and I
10 have complied with that.

11 COMMISSIONER GAW: Okay, good. So it
12 will be accessible?

13 MR. DIAS: Yes.

14 COMMISSIONER GAW: Does it have
15 information that you could not discuss today?

16 MR. DIAS: It's pretty general. We were
17 working with Kansas City Power & Light to deal
18 with more specific areas dealing with energy
19 conservation and weatherization, but we didn't get
20 that far. So, no, there are -- I don't think
21 there's anything we can't discuss today.

22 COMMISSIONER GAW: Okay. Can you give
23 me an idea about the size of the document just
24 generally?

25 MR. DIAS: It's probably about 15 -- 5

1 pages, 10 pages.

2 COMMISSIONER GAW: Okay.

3 MR. DIAS: Yes.

4 COMMISSIONER GAW: Your objection or
5 your concern in regards to the weatherization
6 program that's proposed or that's commonplace, is
7 it confined to the location and the limits on
8 income or is it more than that and do I have that
9 characterized correctly?

10 MR. DIAS: My objections are -- well,
11 let me say this. You're right, my objection is
12 the definition that to provide weatherization and
13 energy conservation for the low income, certainly
14 we want that to occur. But I think by a large
15 measure the middle class is the ones that are
16 suffering today and it's going to cause families
17 to be disintegrated. Energy is not a joke right
18 now.

19 It costs -- you have to make decisions
20 whether or not you're going to go to work or buy
21 groceries. That's where we are right now. Now,
22 Kansas City Power & Light wants to take out a
23 substantial amount of money. And I know they have
24 their operating cost. What I would like for them
25 to do would be to partner with the community,

1 let's get energy conservation, let's see if we can
2 find a way to weatherize any home or apartment in
3 Kansas City that wants it.

4 We have a following of some 200,000
5 households. We can partner with Kansas City Power
6 & Light, but as you know, Kansas City Power &
7 Light they do their own thing, you know. They
8 don't -- they don't really like people telling
9 them what to do or how to do it. Well, what I
10 would like for Kansas City Power & Light to do is
11 to listen for a minute, listen to what the people
12 are saying.

13 We understand that you have things that
14 you have to pay for, but help the people winterize
15 their homes and then you will have a partner. You
16 have energy efficient thermostats that some
17 people don't trust. We have the relationships
18 with the community that can overcome that
19 opposition. We can make things happen a lot
20 easier than it happening from some vacant box.

21 So what we're saying here is I have a
22 relationship, the contract that I have, the
23 acceptance that I have with the community, we can
24 make things happen. We want to make sure that
25 weatherization and energy conservation becomes a

1 main part of any rate increase.

2 MR. GAW: Mr. Dias, would you mind
3 refreshing my memory again in regards to the group
4 that you're with and a little bit more detail
5 about the entity?

6 MR. DIAS: I don't represent any one
7 group.

8 MR. GAW: Okay.

9 MR. DIAS: What I have been able to
10 accomplish is a relationship with multiple groups
11 and organizations and I have their support. Some
12 of them are here today. All of them understand
13 that there has to be some method that the
14 community begins to stand on its own feet. We
15 proposed a relationship with Kansas City Power &
16 Light that would accomplish that and that they
17 could stop begging with their hands out.

18 Everybody is agreeing to that. It's
19 just that sometimes when you make as much money as
20 Kansas City Power & Light they don't listen.

21 COMMISSIONER GAW: Can you tell me
22 whether you have any ideas or concepts that would
23 address trying to encourage landlords to get
24 involved and improve the energy efficiency of some
25 of the homes that are out there when they

1 sometimes have a disconnection from having an
2 incentive to do that if they're not paying utility
3 bills themselves?

4 MR. DIAS: Yes, sir. We've taken some
5 steps, I have contacted the head of the NAACP here
6 in Kansas City and we're going to get with some of
7 the city council, we're going to address this
8 issue from an ordinance standpoint. Just like you
9 have a fire ordinance, we're going to address
10 energy conservation and weatherization as an
11 ordinance. A landlord will have to have certain
12 standards that hopefully will be established --

13 COMMISSIONER GAW: Okay.

14 MR. DIAS: -- that will -- that the
15 landlord will have to have those standards met.
16 Some are factors in the walls.

17 COMMISSIONER GAW: Yes.

18 MR. DAIS: Those kinds of things before
19 that apartment can be rented. Here's what I'm
20 finding out. I'm finding out that a landlord will
21 rent an apartment for \$200 and it costs them \$600
22 a month in energy costs. That's not right.

23 COMMISSIONER GAW: No, it's not. And
24 it's not confined to Kansas City.

25 MR. DIAS: Well, we want to --

1 COMMISSIONER: But I appreciate the fact
2 that you're looking into that issue. Go ahead,
3 I'm sorry to interrupt.

4 MR. DIAS: We're going to meet with
5 members of the city council and ask them to
6 sponsor this ordinance. I'm hoping that Kansas
7 City Power & Light will jump on board. I think we
8 can get it passed. I think we can get it passed.
9 But what we don't have is the standards that an
10 apartment should have, but I'm thinking that we
11 can get that developed.

12 But there is a lot of support right now
13 for that type of an ordinance and that type of an
14 approach. We've had problems in doing it on the
15 state level because of the lobbies in Jefferson
16 City, it's almost impossible to get something
17 done. But on the local level we can do an
18 ordinance and we can achieve the same results and
19 that's going to mean more efficiency for the end
20 user and Kansas City Power & Light is going to be
21 able to conserve money.

22 COMMISSIONER GAW: Mr. Dias, thank you
23 very much. I appreciate that input.

24 MR. DIAS: Thank you.

25 JUDGE PRIDGIN: Commissioner Gaw, thank

1 you. Commissioner Clayton?

2 COMMISSIONER CLAYTON: Thank you, Judge.

3 I've asked Mr. Ochoa to bring the paperwork that
4 Mr. Dias brought and I was wondering if we should
5 have these marked as an exhibit, Judge, or how do
6 you want to handle that? I would also note that
7 there is kind of a Powerpoint sheet that you've
8 also brought that should probably be marked as an
9 exhibit, made part of the record. So why don't we
10 start with the document that says, "Pursuant to 4
11 CSRC"?

12 MR. DIAS: Yes.

13 COMMISSIONER CLAYTON: Why don't you go
14 ahead and give that copy to the court reporter and
15 maybe we can have it marked as Exhibit 1, if
16 that's appropriate?

17 JUDGE PRIDGIN: Yes, I think that's
18 appropriate to mark as Exhibit 1, please.

19 COMMISSIONER CLAYTON: And, Mr. Dias,
20 could you just describe what you've just given the
21 court reporter?

22 MR. DIAS: What it is, is I put together
23 a Powerpoint presentation to address the issues
24 that give me the right to have intervention in
25 this case. Essentially that's what it is. It

1 also has the service maps of Aquila and Kansas
2 City Power & Light. And I also asked the
3 gentleman to come today who lives in Grandview
4 that can deal with the issue of what Kansas City
5 Power & Light -- as far as their study is
6 concerned, the information that they were using to
7 present this to the Commission. I would like for
8 you to hear from him also.

9 COMMISSIONER CLAYTON: The court
10 reporter is going to mark the exhibit, Judge,
11 that's what's going on.

12 JUDGE PRIDGIN: Thank you. Commissioner
13 Clayton, whenever you're ready, sir.

14 COMMISSIONER CLAYTON: We're waiting on
15 the court reporter to get her paperwork started.

16 JUDGE PRIDGIN: Thank you very much.

17 (Exhibit No. 1 was marked for identification.)

18 COMMISSIONER CLAYTON: Now, Mr. Dias,
19 that was Exhibit 1. Now, you brought some other
20 paperwork and I first want to ask you, is there --
21 there is nothing in the other documents that you
22 brought that cannot be made available to the
23 public; is that correct?

24 MR. DIAS: There are some -- the things
25 that we're doing with our card and the -- I guess

1 there's some marketing items that tells what
2 individuals get with our card is not a part of the
3 public record, but I thought that it would be
4 helpful to the Commission when you talked about
5 what we're charging the public and what they're
6 getting in return. But this is something that I
7 would not like to have out in the general public.

8 COMMISSIONER CLAYTON: Well, let's
9 start with the public documents --

10 MR. DIAS: Okay.

11 COMMISSIONER CLAYTON: -- that you
12 brought. Start with -- I think you've got a
13 couple of memorandums of understanding?

14 MR. DIAS: Yes, that's right.

15 COMMISSIONER CLAYTON: Those can be part
16 of the public record; is that correct?

17 MR. DIAS: Absolutely, that's absolutely
18 right.

19 COMMISSIONER CLAYTON: Would you just
20 first pick a document, identify it and we'll mark
21 it as an exhibit.

22 MR. DIAS: This is a Memorandum of
23 Understanding that was executed between Kansas
24 City Power & Light and myself, February 12th of
25 2001. It speaks to a pilot, it speaks to -- it

1 has a financial plan, it has -- it includes monies
2 going into a public charity to help fund
3 weatherization and energy conservation coming from
4 the rate payers themselves, not really asking a
5 lot of money coming from Kansas City Power &
6 Light. All of that is public information, Exhibit
7 1.

8 JUDGE PRIDGIN: Do I stand corrected,
9 that's been labeled as Exhibit No. 1?

10 MR. DIAS: Exhibit No. 2 I think it is.

11 COMMISSIONER CLAYTON: That's No. 2.

12 JUDGE PRIDGIN: Okay. Excuse me, would
13 you tell me what No. 1 is, please?

14 MR. DIAS: It's a Powerpoint
15 presentation that basically sets out my rights to
16 intervene in this case.

17 JUDGE PRIDGIN: Mr. Dias, I'm sorry, I
18 had them flip flopped, I apologize. So 1 is your
19 Powerpoint and 2 is your Memorandum of
20 Understanding?

21 MR. DIAS: It's the memorandum that was
22 signed on February 12th in 2001 contemplating a
23 pilot. And I have another memorandum that we were
24 working on with Kansas City Power & Light that
25 deals with energy conservation and weatherization

1 program and how we were going to work in
2 conjunction with Kansas City Power & Light to fund
3 that, that situation.

4 COMMISSIONER CLAYTON: So that second
5 Memorandum of Understanding will be Exhibit 3?

6 MR. DIAS: Exhibit 3.

7 COMMISSIONER CLAYTON: Go ahead and give
8 that to the court reporter.

9 JUDGE PRIDGIN: Do you have a date on
10 that, please, Mr. Dias?

11 MR. DIAS: It is a Memorandum of
12 Understanding and it is as of June the 5th of 2006.

13 JUDGE PRIDGIN: Thank you, sir.

14 COMMISSIONER CLAYTON: Do you have any
15 other public documents?

16 MR. DIAS: Well, no, that's all I want.

17 COMMISSIONER WHITE: Those are the
18 public documents. Now, Judge, he's got more
19 material that I think he brought in response to
20 the order directing filing and I need some
21 guidance from you or if you could give him
22 direction on how he would tender documents that he
23 believes should be highly confidential or at least
24 proprietary. Is there a way to do that?

25 JUDGE PRIDGIN: Yes, sir, and thank you,

1 Commissioner. The only thing the Commission
2 ordered him to present would be that Exhibit 2,
3 which was the Memorandum of Understanding. But
4 obviously if there are other documents he thinks
5 that the Commission should review, we can
6 certainly look at them and have them classified as
7 highly confidential and proprietary.

8 COMMISSIONER CLAYTON: Well, I can't
9 guarantee that that information is not going to be
10 part of the public record. So if you want that
11 information to remain confidential, then you
12 should not submit it?

13 MR. DIAS: Okay. The only thing is that
14 it does give the Commission -- for each one of
15 these cards that we have it will give the
16 Commission an idea of what the customer is getting
17 for the money that they're going to pay and where
18 we're going to get the funds to fund this energy
19 conservation and weatherization program. I
20 certainly wouldn't like to have this document out
21 in the general public, but I do believe that the
22 Commission should somehow see it. And that's a
23 quandary that we're in at this point.

24 JUDGE PRIDGIN: Is this the only other
25 document that you wish to introduce, Mr. Dias?

1 MR. DIAS: This is it, yes, that's the
2 final document.

3 JUDGE PRIDGIN: Okay. I can at least
4 label that as Exhibit No. 4. And I don't know if
5 other parties have had a chance to see that and
6 if anybody would object to that being under the
7 protective order and kept in public forum.

8 MR. ZOBRIST: Judge, Karl Zobrist for
9 Kansas City Power & Light. We have not had an
10 opportunity, but to permit Mr. Dias an opportunity
11 to present it to the Commission, I don't think we
12 would have a problem with it coming in at least in
13 a proprietary classification. And we'd look at
14 it, if we had a problem, then we --

15 JUDGE PRIDGIN: Is there anybody who
16 objects to this Exhibit No. 4 as being labeled as
17 proprietary?

18 MR. OCHOA: Don't see anything, Your
19 Honor.

20 JUDGE PRIDGIN: Appearing no objections,
21 so Exhibit No. 4 as propriety. Any party wishing
22 that to be made public later, they will need to
23 file a motion for that to be released to the
24 public. And I will remind the party that even
25 though that document is labeled as proprietary we

1 are broadcasting this hearing on the world wide
2 web and so you'll have to be very careful speaking
3 about this. And I don't want to give protection
4 to a document simply for the protection to be
5 worthless if we're talking about it and people can
6 hear us on the internet. So I will caution the
7 parties to be very careful as they discuss this
8 document. Commissioner Clayton, did you have any
9 further questions for Mr. Dias?

10 COMMISSIONER CLAYTON: I don't have any
11 further questions. I know that he -- that Mr.
12 Dias brought that material with him. I wanted to
13 make sure that he had an opportunity to present
14 that material to the Commission in a fashion he
15 felt appropriate. I don't think I have any
16 questions. I will just advise Mr. Dias that the
17 Commission will be taking up the application to
18 intervene. At some point the decision will be
19 made on that and that will be forthcoming here
20 soon. So thank you very much for coming.

21 JUDGE PRIDGIN: Commissioner Clayton,
22 thank you very much. Commissioner Appling?

23 COMMISSIONER APPLING: No questions.
24 Good to see you again.

25 MR. DIAS: Good to see you.

1 JUDGE PRIDGIN: I'm sorry, Commissioner
2 Appling?

3 COMMISSIONER APPLING: No questions,
4 Judge.

5 JUDGE PRIDGIN: All right, thank you
6 very much. And I don't believe I have any
7 questions for Mr. Dias. I just want to insure
8 that those documents that have been marked will
9 somehow get back with either Mr. Ochoa or with one
10 of the commissioners to bring back for all the
11 commissioners to look at it and so that we can put
12 it in our electronic filing system so that it --
13 Mr. Ochoa, if you could just insure that those
14 documents get back with you?

15 COMMISSIONER CLAYTON: Judge, the court
16 reporter has them and I think they probably would
17 come with the court reporter. Is that accurate?

18 THE REPORTER: With the transcript.

19 COMMISSIONER CLAYTON: It would be part
20 of the transcript.

21 JUDGE PRIDGIN: Then I could speak with
22 the court reporter and be sure we get copies,
23 correct?

24 COMMISSIONER CLAYTON: Correct.

25 JUDGE PRIDGIN: Very good. All right.

1 If there is nothing further from the bench?
2 Nothing further, Mr. Dias. Thank you very much
3 for your time and for your testimony and for
4 bringing those documents to the Commission's
5 attention.

6 MR. DIAS: Thank you.

7 JUDGE PRIDGIN: And, Mr. Ochoa, if you
8 would call for or introduce the next witness,
9 please.

10 MR. OCHOA: Sebastian Allen.

11 JUDGE PRIDGIN: I'm sorry, Mr. Ochoa?

12 MR. OCHOA: Sebastian Allen.

13 JUDGE PRIDGIN: All right.

14 THE REPORTER: Your Honor, this is the
15 court reporter. Real quick, I have not had time
16 to stick these stickers on here, so could you just
17 give me a minute?

18 JUDGE PRIDGIN: Absolutely.

19 THE REPORTER: Thank you.

20 JUDGE PRIDGIN: Just let me know when
21 you're ready, ma'am.

22 THE REPORTER: Okay.

23 (Exhibit Nos. 2-4 were marked for
24 identification.)

25 THE REPORTER: Okay, Your Honor.

1 JUDGE PRIDGIN: Thank you very much. If
2 you would please swear in the next witness.

3 (Whereupon, the oath was administered.)

4 MR. ALLEN: My name is Sebastian Allen.
5 I spell it S-E-B-A-S-T-I-A-N, middle initial G as
6 in Gerald, last name Allen, A-L-L-E-N. I'm just a
7 typical citizen that gets the information through
8 fliers and whatever news that the news media might
9 put out for us, but I never assume that to be the
10 whole story. From a citizen's standpoint I think
11 it would have been appropriate that if this is a
12 public hearing where we're hearing from citizens,
13 that KCPL would have made a comment at the initial
14 phase of these hearings to state their position
15 and why they're seeking what they're seeking.

16 There's a big difference between their
17 approximate revenue increase of 55.8 million and
18 then the P -- the MPS staff only recommending 15.2
19 million. And they called that mid range. Well, I
20 think that some explanation more is needed than
21 the small 2 by 5-inch fliers that we get in our
22 bills that basically we're hearing KCPL's side of
23 it. It did let me know about this meeting today,
24 which I do thank them for that.

25 I should know about things like that,

1 but I would have liked to have known more
2 position -- more of their position in regard to
3 why they want this increase. I think that the
4 increase should definitely be phased over a given
5 period of time. I don't believe it should be made
6 just to increase at just next year or whatever
7 year it is. I think it should be phased over
8 several years.

9 I also think that there should be some
10 attention given in the increase to weight of
11 users. I think that businesses obviously use more
12 power than residents and I do feel that some of
13 the increase, since they're in a situation where
14 they're able to make additional funds also for
15 profits, I think that some of that burden should
16 fall on them and not all go to the citizen.
17 Personally 7 bucks increase a month base on them
18 trying to get 55.8 million is an awful lot of
19 money for an individual. I know it would be very
20 extensive for an elderly person.

21 This month -- this last was my highest
22 bill of this year, and for a three-bedroom house
23 that's about 1,700 square feet, that bill for the
24 month of July was \$145 as opposed to a normal bill
25 or a typical bill of maybe 30 to 40 bucks a month.

1 So already that's a big increase. And the only
2 solution that KCP&L offers you when those high
3 times happen is to go on some kind of a payment
4 plan. Well, there are a lot of people who want to
5 pay their bill and be done paying it and don't
6 want to owe people money over a lot of period of
7 time.

8 And I think that KCPL ought to look
9 at things like that as well to not force a person
10 to be in a program if they cannot pay the full
11 amount of a bill. I know that, you know, they
12 deal with people that can't afford the utilities
13 during the winter months and I know there's
14 regulation on when they can turn power off. But I
15 still feel that it doesn't -- it shouldn't give
16 them the -- if this is a public situation I think
17 and we're supposed to have the opportunity to
18 impact the things that happen in the public, we
19 ought to be able to not only give them
20 recommendations for what we -- what the public
21 believes to be an appropriate amount of increase
22 but recommendation on how this increase is
23 gathered, how typical bills are processed and at
24 best to limit this major increase to the average
25 citizen in their bill.

1 I did -- I kind of got the brief that
2 apparently the Public Service Commission put out.
3 There's still just a lot of information I don't --
4 I mean, I know this based on this brief, this is
5 the only time that we get to speak and then after
6 that the Commission talks. But, you know, is the
7 word in here a lot, is approximately, and, you
8 know, 50 cents is a lot of money over a long
9 period of time. When we vote on tax increases and
10 the way they write them up, I mean, you're talking
11 like .05 cent increase over 20 years.

12 Something doesn't make a lot of sense
13 when you all the sudden go from those kinds of
14 increases that we vote on to one person saying 7
15 bucks extra a month, you know. It just doesn't
16 seem appropriate. I know that they're out
17 to make money and profit as well, but as we see
18 with the gas prices that people are making money
19 with no good reason and they get -- it's just
20 somebody not changing a sign on the station or
21 being slow to change the rate. So the public
22 right now in this high utility time we're in, the
23 gas prices is affecting a lot of people.

24 I mean, it's basically limiting you to
25 drive places, which what it's going to do in the

1 end means that you're going to find more ways to
2 stay at home and you're going to need more energy.
3 So, I mean, it all relates to itself. That's the
4 only comments I have. I just wish that the
5 information would be more detailed, not
6 approximated.

7 I wish that there would be a plan that
8 would be given out that unlike voting, but we
9 do have this public forum, but that we would be
10 given, you know, something to choose from that may
11 actually have an input on what the previous
12 gentleman said about different people with fixed
13 income, low income and middle class that would
14 receive all the increase. But I do thank you for
15 the time and the attention of being able to give
16 testimony and I pray that this will all happen,
17 that no one should be without utilities or power
18 in the winter or in the summer. Thank you.

19 JUDGE PRIDGIN: Mr. Allen, thank you
20 very much for your remarks. Let me see if we have
21 any questions for you. Commissioner Murray?

22 COMMISSIONER MURRAY: Thank you, Judge.
23 Mr. Allen, thank you for your testimony. You've
24 raised an interesting point and that is that these
25 cases are very complex and very difficult to

1 understand even with months of study. So I'm
2 certain from the consumer's standpoint having just
3 a small amount of information that it is extremely
4 difficult to understand, the rate increases and
5 the various things that they go for and the ways
6 that the needs are supported by the company in
7 their testimony and that sort of thing.

8 My question for you is, you
9 indicated that you would like more information.
10 And I'm wondering from the Public Commission, the
11 Commission's standpoint what could we do to
12 provide enough information that would give you a
13 better understanding but not so much information
14 that you would say, heck, I'm not going to read
15 that, that's like a book. And when would you want
16 it? Would you want it presented to you in a
17 written form at the local public hearing like
18 you're attending now?

19 Do you have a suggestion or have you
20 really had enough time to think about what
21 specifically to suggest?

22 MR. SEBASTIAN: I believe there's an
23 attempt to give information out with the internet.
24 And it can -- I just feel it should be in a format
25 whereby there is an explanation of what the terms

1 being used and what the terms actually mean in
2 dollar cost. I think that the approximates
3 shouldn't necessarily be used a lot. I think that
4 every estimate should be within a half a percent
5 of what the actual is.

6 I think, you know -- I just think that
7 that's too much leeway in how that is. And I
8 think that that's the whole key is how much extra
9 are you paying and what are you getting for the
10 extra money that you're paying. I know that
11 there's a general talk, there has been for years,
12 on environmental issues and it sounds good but it
13 doesn't always relate to action. So I would think
14 that the information would be very well known like
15 where you can go to an internet site and just
16 focus on that.

17 Don't have you go to the main page of
18 the company and the company put other catch
19 phrases to get you to look at this section and
20 that section but go directly to the section that
21 you're going to look there for. Don't link you
22 through three or four different departments to do
23 that. Also I think that KCPL ought to put whole
24 advertisements out in the newspaper that are
25 specific to a page advertisement that it's

1 explaining what they're wanting to do.

2 I think that partnering between KCPL and
3 other entities that want to have partnering is
4 appropriate, but I also think there should be a
5 citizen group partnering side of it that is
6 specific to some kind of relationship of a
7 percentage that society would agree or wouldn't
8 agree with or customers would agree and wouldn't
9 agree with. And I know people are tired of
10 different -- additional committees and commissions
11 and all that kind of stuff because it all sounds
12 heavy, but the basic thing gets down to dollars.
13 And I think that any time you're increasing
14 people's burden on dollars, I think there are
15 ought to be a whole scale system that would
16 recommend for each area that a person comes into
17 what that increase is appropriate to be because
18 everything relates everything.

19 And if they go -- if they all of the
20 sudden get 7 bucks additional a month, what's
21 going to stop MGE from getting 7 bucks a month.
22 What's going to stop the water department. Heck,
23 the water department has a law that you have to
24 pay a deposit. I don't even understand why you
25 have to pay a deposit. I think normally that

1 should be based on your credit, but if they're
2 going to check all those things.

3 But anyway, is KCPL going to come up
4 with paying deposits? I think they do for people
5 that struggle with their bills, but paying a
6 deposit is an extra burden. It's money that's
7 sitting there, you're not getting interest for
8 your money, and you have this whimsical chance
9 that you might get it back if you go somewhere
10 else. Well, how are you going to go anywhere
11 else, it's the same company.

12 So, you know, there's a lot of monies
13 being tied up that's coming from the average
14 citizen, which again I'm just trying to relay
15 comments. I'm sure there's some people out there
16 that agree with me that we just can't get hit with
17 all these big changes just like this, you know,
18 all at one time. And consideration should be
19 given to increases over a wider period of time.

20 COMMISSIONER MURRAY: Mr. Allen, I
21 assume you are aware that nationally the cost of
22 utilities overall, regardless of which industry
23 you're speaking about, have been going up
24 significantly and there are a variety of reasons
25 for that. And I'm sure you're also aware that

1 Missouri is a very low cost state comparatively in
2 terms of utility services. Do you think it would
3 be helpful if the Commission itself provided on
4 their web site or in some other fashion a general
5 kind of a premiere on what is the state of
6 utilities today in terms of national statistics
7 for infrastructure upgrade needs for the various
8 methods of supply for generation for electric
9 utilities, the things that are actual facts about
10 the things that are driving cost?

11 Do you think that would be of interest
12 and do you think people would read it if we were
13 to go to the effort to provide some sort of a
14 general overall learning process about what is
15 involved in supplying utility services and why the
16 companies have to keep up and why they have to
17 improve their infrastructures and why these things
18 cost money and why it's important that they remain
19 viable enough to the lending community that they
20 don't have to pay tremendous cost for programs,
21 which also drives up rates? I mean, all of these
22 things go into what determines rates in a rate
23 case like this. And I wonder in terms of general
24 information for what drives the cost of utilities,
25 would that be of interest?

1 MR. ALLEN: Yeah. That was a lot of
2 information, I hope I got all that.

3 COMMISSIONER MURRAY: That was very
4 little compared to what you would have to read if
5 we supplied this information, believe me.

6 MR. ALLEN: Yeah, yeah, I agree. I
7 agree there's a lot more out there that I'm not
8 seeing. But generally I think that the concern is
9 increase for profit. I mean, I think the public
10 was ripped with these gas things. You know, they
11 had different reasons.

12 They tried to say it was the cost of it,
13 and then you look up and then all the sudden in
14 the first quarter they done made this huge profit.
15 I mean, I thought we were having trouble with
16 keeping everybody rolling, not that it all went
17 into someone's pocket. And that's what I'm afraid
18 about this, is that they do say that they're going
19 to do some upgrades and some efficiency
20 energy things and affordable. Say the
21 affordability programs, I mean, what is that?

22 I'm talking about affordability from
23 what the person has to pay versus the service they
24 get. Missouri is an individual state. Thank
25 goodness we have a United States because it gives

1 us all power together. But I don't necessarily
2 buy the argument that everything should be based
3 on what another state is doing.

4 I think we have to look at the condition
5 of Missouri, the State of Missouri. That's what's
6 important. And, you know, heck, you can't compare
7 us to California, we're not in that same rate.
8 New York, we're nowhere near that. I mean, you
9 know, we're trying to hang with St. Louis and they
10 don't have as much land as we have.

11 So I think that there just still needs
12 to be some direction of what the money is going
13 to, why is that particular amount absolutely
14 needed. You know, show us some plans that says,
15 you know, this part costs this much money. And
16 then that way the citizen can look and see. You
17 know, it would almost be like the way the state
18 construction, highway construction people do or
19 even locally.

20 When there's a project going on they put
21 up a sign and it says here's your dollars working,
22 this is what's been accomplished. I mean, it
23 would be nice to drive around and see that for
24 KCPL that they're going to do these actual things.
25 I know we're not all going to drive by power

1 plants, but still there should be some billboards,
2 you know, some more television commercials. I
3 know they do some every now and then. Just things
4 that get the public out there.

5 Of course, you know, like you say, you
6 can't send me a book and think I'm going to read
7 it and understand it. In the kind of time frame
8 you guys are working in, you know, this is pretty
9 fast. I mean, you're going to October, just two
10 months. And the only time I heard about the
11 increase that I got from KCPL was just two months
12 ago. So within that, what, less than six-month
13 time frame, you know, they're increasing things.

14 And, you know, when does this increase
15 take effect? Why isn't it phased in? Those are
16 things that need to be known.

17 COMMISSIONER MURRAY: Mr. Allen, the
18 bottom line is, do you agree that if the utilities
19 can substantiate the need for an increase, that
20 you would support it, that you just need more
21 information about that the need is actually there;
22 is that what you're saying?

23 MR. ALLEN: Yeah, that's a first step.
24 I think that the thing that's here is that you
25 have a great difference, disparity between what

1 the public staff or the Commission is saying and
2 what the KCPL is saying. And I think that besides
3 giving us this approximation, just tell us what
4 money is going to what project. Where is it going
5 exactly.

6 You know, make it known, just don't
7 throw it into a big fund and they're still -- you
8 know, what if they don't invest it properly? No
9 one is perfect at making investments. So what if
10 they build something that's out of date already,
11 is it going to stay empty? Are there existing
12 buildings that are empty that they're paying for?

13 I mean, you know, if it's a project by
14 project, I think people can digest it better if
15 you know that this amount went to this and this
16 went to that. I think it's just better, it just
17 helps to know.

18 COMMISSIONER MURRAY: I know the general
19 public doesn't see all this, but these are all
20 things that we examine very closely within the
21 context of every rate case. So those things are
22 not overlooked, they are very closely examined.
23 And that's why staff makes its recommendations
24 based upon a great deal of study of each one of
25 these things and that's why the parties all differ

1 about the issues from time to time, but each have
2 their own position about what should be done and
3 exactly how it should be done. And we have to
4 weigh all of those things and balancing all of
5 these interests.

6 But I'm going to give it some thought to
7 see if we can figure out a better way to make more
8 information available to the consumer based on
9 what you said. And thank you.

10 MR. ALLEN: Okay.

11 JUDGE PRIDGIN: Commissioner Murray,
12 thank you very much. Commission Gaw?

13 COMMISSIONER GAW: No. I just thank you
14 very much for your time today. I appreciate your
15 insight. Thank you.

16 MR. ALLEN: Thank you.

17 JUDGE PRIDGIN: Commissioner Gaw, thank
18 you. Commissioner Clayton?

19 COMMISSIONER CLAYTON: Thank you, Judge.
20 Mr. Allen, I just want to introduce some of the
21 comments that you made are -- I think requires us
22 to make sure that you're aware of certain people
23 in the room. Mr. Mills, would you raise your
24 hand? This is the public counsel, he's been
25 appointed by the governor to represent you and

1 other residential customers in the state. I'm
2 sure Mr. Mills would be available to speak with
3 you after the hearing if you have any questions.

4 MR. ALLEN: Okay.

5 COMMISSIONER CLAYTON: We also have
6 staff folks who are here, I know at least one. I
7 don't know if they're available to meet with Mr.
8 Allen if he has any questions. The staff has the
9 responsibility of looking at both sides of the
10 issue and evaluating the position based on a
11 balance of interest. So I want to thank you for
12 coming also. And if you have --

13 MR. ALLEN: Where's KCPL, who's KCP&L?

14 COMMISSIONER CLAYTON: Oh, I think
15 about half the room is KCP&L. How many KCP&L
16 people do we have here today?

17 MR. ALLEN: But, I mean, KCPL
18 management?

19 COMMISSIONER CLAYTON: If you want to
20 know what the rate increase is for, look at all
21 these people. You've got a lot of people from
22 KCP&L who are here that can answer any questions.
23 I don't know if there's a particular lead person
24 who would be available, but I'm sure they would be
25 able to answer questions that you have also.

1 MR. ALLEN: Okay.

2 COMMISSIONER CLAYTON: Okay.

3 JUDGE PRIDGIN: Commissioner Clayton,
4 thank you very much. Commissioner Appling?

5 COMMISSIONER APPLING: Thank you for
6 coming. I think you've painted a pretty good
7 picture here today, so thank you for coming, okay.

8 MR. ALLEN: No problem.

9 JUDGE PRIDGIN: If there's no further
10 questions? Mr. Allen, thank you very much
11 certainly for your time and your testimony. We
12 appreciate it very much.

13 MR. ALLEN: Thank you.

14 JUDGE PRIDGIN: Thank you very much.
15 Mr. Ochoa, would you introduce the next witness,
16 please.

17 MR. OCHOA: Norma Collins.

18 JUDGE PRIDGIN: Would the witness come
19 forward to the court reporter and be sworn.

20 (Whereupon, the oath was administered.)

21 MS. COLLINS: My name is Norma J.
22 Collins, N-O-R-M-A, middle initial J.,
23 C-O-L-L-I-N-S.

24 JUDGE PRIDGIN: All right. And either
25 your personal or business address, please.

1 MS. COLLINS: My personal address is 513
2 West 101st Terrace, Kansas City, Missouri 64114.

3 JUDGE PRIDGIN: All right. And are you
4 a customer of KCP&L?

5 MS. COLLINS: Yes, I am.

6 JUDGE PRIDGIN: Do you have a statement
7 for the Commission, ma'am?

8 MS. COLLINS: I do have a statement and
9 I also would like to go on record stating that I'm
10 also a staff -- a paid staff person from AARP
11 Missouri State office. I'm a lobbyist for AARP.

12 JUDGE PRIDGIN: All right. Whenever
13 you're ready.

14 MS. COLLINS: Okay. My comments are
15 brief, but I'm here on behalf, first of all, of
16 AARP. There are 756,000 AARP members in the State
17 of Missouri, with a substantial amount of those
18 members who reside in Jackson County and are KCP&L
19 rate payers as well as myself. We're here because
20 we are concerned about a fairly huge rate increase
21 that has been proposed by KCP&L. And one of the
22 things that we want to say on record is that there
23 be fair and equitable balance given to the
24 industrial as well as personal consumers.

25 And then one of the things we did want

1 to point out is that AARP does support KCP&L's
2 proposal for equal percentage basis, so we wanted
3 to make sure we said that. But talking about the
4 members that we have here to AARP, there are many
5 elderly members who are on fixed incomes and
6 that's one of the reasons we wanted to make sure
7 that you consider having fair and equitable rate
8 increase when you consider this proposal. So my
9 comments, I did not have any written comments but
10 I just wanted to go on record to state that.

11 JUDGE PRIDGIN: Okay. Ms. Collins,
12 thank you very much. Let me see if we have any
13 questions from any of the commissioners.
14 Commissioner Murray?

15 COMMISSIONER MURRAY: Ms. Collins, thank
16 you for your testimony. It appears that your main
17 concern that you wanted to express today is rate
18 design, in other words, how various rate classes
19 are given any increase that would occur; is that
20 correct?

21 MS. COLLINS: Yes, that is.

22 COMMISSIONER MURRAY: Thank you very
23 much.

24 JUDGE PRIDGIN: Commissioner Murray,
25 thank you. Commissioner Gaw?

1 COMMISSIONER GAW: Good afternoon, Ms.
2 Collins.

3 MS. COLLINS: Good afternoon.

4 COMMISSIONER GAW: Thank you for coming.
5 Can you tell me a little bit more about your
6 concerns in regard to the rate design question and
7 what you're asking us to do in regard to insuring
8 that the interests of those that you represent are
9 protected?

10 MS. COLLINS: Well, on the rate design
11 question I stated that we do support KCP&L's
12 proposal for an equal percentage basis.

13 COMMISSIONER GAW: Okay.

14 MS. COLLINS: I'm sorry?

15 COMMISSIONER GAW: Go ahead, I'm sorry.

16 MS. COLLINS: Yeah, and that's why we
17 wanted to go on record and state that. I do have
18 with me today an attorney who is working on AARP's
19 behalf and as you know John Kaufman is here with
20 me today. We're still reviewing the proposal and
21 will have further comments later, but I just
22 wanted to go on record as a staff person for AARP
23 and as a rate payer that we do support KCP&L's
24 proposal for the equal percentage basis.

25 COMMISSIONER GAW: Okay. Now, in regard

1 to the rest of the case have you taken a position
2 in regards to the other issues in the case
3 including the increase request?

4 MS. COLLINS: We are still in the
5 process of reviewing that.

6 COMMISSIONER GAW: So we'll see that at
7 some point in the future then?

8 MS. COLLINS: That's correct.

9 COMMISSIONER GAW: All right. Thank you
10 very much for clarifying that for me.

11 COMMISSIONER CLAYTON: No questions for
12 me, Judge. Thank you for coming, Ms. Collins.

13 MS. COLLINS: Thank you.

14 JUDGE PRIDGIN: Commissioner Clayton,
15 thank you. Commissioner Gaw, thank you.
16 Commissioner Appling?

17 COMMISSIONER APPLING: No questions, but
18 good to see you again.

19 MS. COLLINS: Thank you.

20 JUDGE PRIDGIN: I don't have any
21 questions either, but Ms. Collins, thank you very
22 much for coming forward today and testifying, we
23 appreciate it.

24 MS. COLLINS: Thank you for this
25 opportunity.

1 JUDGE PRIDGIN: You're quite welcome.
2 Mr. Ochoa, if you would introduce the next
3 witness, please.

4 COMMISSIONER CLAYTON: Could somebody
5 grab Mr. Ochoa, he's right outside the window
6 there.

7 JUDGE PRIDGIN: All right. Or is there
8 somebody else?

9 COMMISSIONER CLAYTON: Do we have any
10 more witnesses, Mr. Ochoa?

11 MR. OCHOA: Yes.

12 JUDGE PRIDGIN: Mr. Ochoa, could you
13 introduce the next witness, please.

14 MR. OCHOA: Reverend Daniel Childs.

15 JUDGE PRIDGIN: Reverend, if you would
16 come forward to the court reporter and be sworn,
17 please.

18 (Whereupon, the oath was administered.)

19 JUDGE PRIDGIN: And when you're ready,
20 sir, if you would please state your name for the
21 record and spell your name for the court reporter.

22 REVEREND CHILDS: Daniel Childs,
23 D-A-N-I-E-L, C-H-I-L-D-S.

24 JUDGE PRIDGIN: And either a business or
25 personal address, please.

1 REVEREND CHILDS: 8401 Lydia, Kansas
2 City, Missouri 64131.

3 JUDGE PRIDGIN: And are you a customer of
4 Kansas City Power & Light?

5 REVEREND CHILDS: Yes.

6 JUDGE PRIDGIN: All right. Do you have
7 a statement for the Commission, sir?

8 REVEREND CHILDS: Yes, I do. First of
9 all, I am here to vehemently and ardently oppose a
10 rate increase specifically at this particular time
11 when all utilities and costs seem to be a
12 particular burden. I do have a passion and a
13 concern as a minister of the gospel for the inner
14 city and the urban core in which I live and
15 serve. Currently, and of course that's not a
16 KCP&L problem, but gasoline at the particular cost
17 that it is and other factors would only make an
18 increase a continued and added burden upon
19 indigent, poor and elderly persons at this
20 particular time.

21 In my particular ministry I come in
22 contact and deal with people on a daily basis who
23 cannot afford to pay their utilities. They
24 constantly have to make the decision to pay half
25 the bill or only pay the amount of the bill to

1 keep the service on to the next month and then
2 figure out what to do when the next month occurs.
3 And, of course, they come to the church and to
4 other social service entities and make various
5 applications for assistance to meet their need.
6 These are people with family.

7 They have jobs, but, you know, the
8 minimum wage hasn't increased. They're not making
9 any more, they're just paying more for what they
10 already get. Nextly if, in fact -- I feel that it
11 is definitely unfair if studies excluded the
12 inner city and the urban core in terms of what the
13 rate increase is based on. Part of a document
14 that I'm holding in my hand even says that part of
15 why they're asking for a rate increase has to do
16 with pension plans and fuel and transportation,
17 you know.

18 And it just appears that there is no
19 concern. When you talk about Missouri as opposed
20 to other states nationally, we are unique in the
21 fact that that's the only ball game in town for
22 the inner city when it comes to the delivery of
23 energy in our community. We know -- I know for a
24 fact that the weatherization program does not meet
25 many of the needs of the inner city in terms of

1 all of the income regulations and other
2 stipulations that you would have to have to even
3 qualify for it. I would also question, of course,
4 the minority participation in the weatherization
5 program.

6 And those are some of the things that
7 immediately come to my attention. The way we
8 currently receive service in the inner city, I
9 mean, if a good wind blows, our lights are subject
10 to blink and flash and be out. And you can call
11 that precious KCPL number if you want to, but you
12 may not get into it right away. So that would be
13 my comment.

14 JUDGE PRIDGIN: All right. Thank you
15 very much, sir, for your testimony. And let me
16 see if we have any questions from the
17 commissioners. Commissioner Murray?

18 COMMISSIONER MURRAY: Yes, thank you.
19 Do you live in an area in which you think that the
20 utility service is not as good as it is in the
21 rest of --

22 REVEREND CHILDS: Yes.

23 COMMISSIONER MURRAY: -- the Kansas City
24 area?

25 REVEREND CHILDS: Yes.

1 COMMISSIONER MURRAY: And how many
2 outages have you had about, say, in the last six
3 months?

4 REVEREND CHILDS: In the last six months
5 at least one that I can remember, but several
6 blinkages to the point where you just start
7 disconnecting things anyway.

8 COMMISSIONER MURRAY: I'm sorry, I
9 didn't quite understand your last --

10 REVEREND CHILDS: Blinkages in terms of
11 when there is no rain necessarily but thunder or
12 lightening and your power or your TV goes on and
13 off. So, I mean, you instinctively start
14 disconnecting or checking your power surge and
15 that kind of thing. I've come home several times
16 and my clock is flashing and I wasn't even aware
17 that there was a storm, you know, especially in
18 the particular area where I was.

19 COMMISSIONER MURRAY: Have you talked to
20 any representative of KCP&L after you discovered
21 something like that?

22 REVEREND CHILDS: Absolutely not. I
23 would not dare call them every time I came home
24 and my clock was blinking.

25 COMMISSIONER MURRAY: Have you talked to

1 them in general about the issue if you think that
2 you're receiving less --

3 REVEREND CHILDS: No.

4 COMMISSIONER: -- quality service than
5 other areas are receiving?

6 REVEREND CHILDS: No, I have not.

7 COMMISSIONER MURRAY: Well, I understand
8 that there are several representatives from KCP&L
9 there today and you might wish to do that while
10 you have the opportunity. And do you have any
11 specific suggestions about what we should do
12 differently in terms of weatherization programs
13 and would you please enlighten me on what you mean
14 by the question minority participation?

15 REVEREND CHILDS: Of course, when I say
16 minority participation in terms of the contractors
17 and persons who actually deliver the -- who are
18 contracted with KCP&L to actually do the
19 weatherization. I think that's where my particular
20 concern is. The other thing about weatherization,
21 especially as it relates to the inner city or
22 urban community that I live in, there are -- it
23 has no component that deals with apartments or
24 landowners. I suggest even persons who rent out
25 houses or what have you. Naturally the person who

1 live in those houses couldn't get the place
2 weatherized and just -- and then, of course, the
3 fact that KCP&L is willing to by this document
4 participate in programs to help payment.

5 I mean, that says, of course, that there
6 are people who cannot afford to pay their bill as
7 it is now. There are no -- I haven't seen
8 anything about the current -- the number of
9 persons whose service is disconnected right now.

10 COMMISSIONER MURRAY: Okay. Thank you.

11 REVEREND CHILDS: Or nothing addresses
12 the profit margin. I mean, you say revenues but,
13 you know, when you're increasing an entity's
14 profit margin and they are the only major
15 deliverer or supplier, then, you know, how does
16 this rate affect that?

17 COMMISSIONER MURRAY: All right. I
18 believe that's all the questions I have. Thank
19 you, Mr. Childs.

20 JUDGE PRIDGIN: Commissioner Murray,
21 thank you. Commissioner Gaw?

22 COMMISSIONER GAW: Good afternoon,
23 Reverend.

24 REVEREND CHILDS: Good afternoon.

25 COMMISSIONER GAW: How are you?

1 REVEREND CHILDS: I'm fine. It's just
2 difficult to talk to a voice.

3 COMMISSIONER GAW: I'm apologizing, sir.

4 REVEREND CHILDS: I'm looking at the
5 table and looking at the tripod.

6 COMMISSIONER GAW: Yes, I know. We
7 thought we were going to be able to see one
8 another. Let me ask you, how long have you been
9 pastoring that church there?

10 REVEREND CHILDS: I have been preaching
11 since 1976. I have pastored the past 10 years.

12 COMMISSIONER GAW: Been preaching since
13 you were three?

14 REVEREND CHILDS: No, no. For 30 years
15 since 1977. I have been pastoring 10 years.

16 COMMISSIONER GAW: I was just suggesting
17 you might be younger than you suggest.

18 REVEREND CHILDS: No, I'm every bit of
19 50.

20 COMMISSIONER GAW: There you go. So
21 help me out here, your church is -- you've been
22 pastoring in the Kansas City area?

23 REVEREND CHILDS: Yes, right in Kansas
24 City, Missouri. The address I gave though was
25 my own personal address.

1 COMMISSIONER GAW: All right.

2 REVEREND CHILDS: But I serve now at the
3 Prince of Peace Baptist Church, 4201 Wabash. I
4 have pastored congregations at 4201 Indiana, at
5 2103 Flora, at 5337 Bell Fountain.

6 COMMISSIONER GAW: I believe I've been
7 -- I might have been to your church, Prince of
8 Peace but it's been probably before you were
9 there.

10 REVEREND CHILDS: Yes, sir.

11 COMMISSIONER GAW: Tell me something
12 now in the regard to your experience over the
13 years in dealing with the Kansas City area and
14 your congregations there and the people that you
15 work with about how things are today in respect to
16 the amount of burden on some of your parishioners
17 and their families dealing with energy cost as
18 compared to what it's been like in the past.

19 REVEREND CHILDS: Well, one of the
20 frustrations, of course, and I guess that's just
21 due to the terminological age in which we live, but
22 there is no physical place anymore where a person
23 can go to pay their bills or actually talk to a
24 live person. And so they make -- they really, of
25 course -- and of course when they come to the

1 church, naturally they either are disconnected or
2 they have delinquent notices. And, you know, I
3 might add, although KCP&L may not be concerned,
4 they don't just bring the light bill, they bring
5 the gas bill and the water bill. And to try to
6 show, there seems to be nothing from any of the
7 utilities even in terms of income management.

8 And so some people have tried again to
9 simply pay the amount. And a lot of times they
10 come just asking for enough just to get it back
11 on. And we know that's not the solution because
12 when they just get it back on they'll be back next
13 month.

14 COMMISSIONER GAW: Do you see more
15 difficulty today or in the, say in the last year
16 or two in regards to individual families having
17 problems paying their utility bills as opposed to
18 what it's been like in the past or not?

19 REVEREND CHILDS: I honestly believe
20 that it's more difficult now, again, because of
21 the increases perhaps in other things. Also, you
22 know of course, by this perhaps being one of the
23 hottest summers that we had, that's increased use.

24 COMMISSIONER GAW: Yes, sir. Now, in
25 regard to the issue of weatherization and you

1 raised an issue that I've been concerned about for
2 quite some time and I don't know that there are
3 any clear answers out there. But if you have
4 individuals who are renting, do you sometimes see
5 a significant issue in regard to how much their
6 utility bills are in those houses or apartments
7 that they do not own?

8 REVEREND CHILDS: Yes, absolutely.
9 Because it is my belief even from being in and out
10 of some of them that they're not weatherized. I
11 mean, their concept of weatherization may be
12 nailing some plastic up to the window. And I
13 don't think we know enough in terms of the use of
14 electricity what to do to weatherize a place
15 properly. But basically they are not their places
16 so they are limited in any structural things that
17 they could do that would modify their consumption.

18 COMMISSIONER GAW: In regards to the
19 owners of those apartments or houses that are
20 rented, do you know whether there is any
21 requirement or anything that causes the landlords
22 to make improvements on the efficiencies of those
23 places?

24 REVEREND CHILDS: Well, I would just
25 have to surmise that there is not because that

1 just doesn't seem to be a concern of theirs. They
2 collect the rent. If you don't pay it, they'll
3 put you out and get someone in that will.

4 COMMISSIONER GAW: Yes, sir. Have you
5 got any ideas about how that could be addressed?
6 Have you seen anybody that -- or heard of any
7 places outside of the Kansas City area where they
8 have been able to deal with that issue?

9 REVEREND CHILDS: No, I haven't.

10 COMMISSIONER GAW: But you think it's
11 something that ought to be examined and worked on
12 if I'm understanding?

13 REVEREND CHILDS: Absolutely.

14 COMMISSIONER GAW: Okay. Is there
15 anything else that you want to say about how we
16 should look at this and view the outcome on this
17 case from the standpoint of what you see with
18 those that you work with the most?

19 REVEREND CHILDS: Well, of course, in
20 terms of the device that would control climate,
21 it's still again my understanding that that test
22 was not done in the urban or the inner city.
23 There would have to be a lot of orientation in our
24 community in terms of that being a viable
25 situation. And, again, it would help if those

1 persons who delivered weatherization was
2 reflective of the minority community. And, I
3 mean, just off the top of my head that would be my
4 concern.

5 But in the climate or in the time when
6 everything is costing more and perhaps, you know,
7 there's no -- nothing that indicates the quality
8 has improved, it's just a hardship. And I just
9 couldn't -- and somebody should speak for those
10 persons.

11 COMMISSIONER GAW: Reverend, are you a
12 member of Ministerial Alliance or some other
13 organization?

14 REVEREND CHILDS: I'm a member of the
15 Baptist Minister's Union of Kansas City, Missouri.
16 I'm a member of the Concerned Clergy of Kansas
17 City, Missouri. I'm a life member of the NAACP
18 and other organizations.

19 COMMISSIONER GAW: I suspect you may not
20 be coming today as an official spokesperson for
21 those groups, but if you are, I want you to tell
22 me that.

23 REVEREND CHILDS: No, I don't have the
24 ability to be the official spokesperson because I
25 serve a very minor office in those organizations.

1 COMMISSIONER GAW: Yes, sir. But I --

2 REVEREND CHILDS: But I would point out
3 that each of those organizations has what is known
4 as a benevolent fund that is supported by the
5 members of those organizations for the express
6 purpose of aiding and assisting people who cannot
7 pay their bills. And we have done that for
8 numerous years.

9 COMMISSIONER GAW: My question that I
10 was going to get to, and I appreciate what you
11 just said, the question is whether or not in
12 visiting with other members of those organizations
13 you believe that there is a -- that the general
14 feeling is similar to what you're expressing
15 today?

16 REVEREND CHILDS: I would go on a limb
17 and say, Yes, that would be basic feeling. Of
18 course, you know, no one of us can speak for all
19 of us and all of us have varied opinions about
20 everything.

21 COMMISSIONER GAW: Yes, I've noticed
22 that.

23 REVEREND CHILDS: We are slightly
24 opinionated.

25 COMMISSIONER GAW: Well, I really thank

1 you for coming, Reverend.

2 REVEREND CHILDS: Thank you.

3 COMMISSIONER GAW: And I appreciate
4 hearing in particular what you have to say. Thank
5 you.

6 JUDGE PRIDGIN: Commissioner Gaw, thank
7 you. Commissioner Clayton?

8 COMMISSIONER CLAYTON: No questions.

9 Thanks for coming, Reverend.

10 JUDGE PRIDGIN: All right. Thank you,
11 Commissioner. Commissioner Appling?

12 COMMISSIONER APPLING: Thank you very
13 much for coming, sir.

14 REVEREND CHILDS: Thank you.

15 COMMISSIONER APPLING: We appreciate it.

16 JUDGE PRIDGIN: All right. And I don't
17 have any questions, Reverend. Thank you very much
18 for your time and for your remarks this afternoon.

19 REVEREND CHILDS: Thank you.

20 JUDGE PRIDGIN: Thank you very much.

21 Mr. Ochoa, do we have any further witnesses?

22 MR. OCHOA: There is one more on the
23 sign-up sheet. Pastor --

24 JUDGE PRIDGIN: All right. If you would
25 introduce the next witness, please.

1 MR. OCHOA: -- Michael Brooks.

2 JUDGE PRIDGIN: And would the witness
3 come forward to the court reporter and be
4 sworn, please.

5 (Whereupon, the oath was administered.)

6 JUDGE PRIDGIN: All right. Thank you
7 very much. And when you're ready would you state
8 your name and spell it for the court reporter.

9 REVEREND BROOKS: My name is Michael
10 Brooks, M-I-C-H-A-E-L, B-R-O-O-K-S.

11 JUDGE PRIDGIN: And, Mr. Brooks, either
12 a personal or business address, please.

13 REVEREND BROOKS: 2081 Swope Parkway,
14 Kansas City, Missouri 64130.

15 JUDGE PRIDGIN: And are you a customer
16 of KCP&L?

17 REVEREND BROOKS: Yes.

18 JUDGE PRIDGIN: I'm sorry, sir, I didn't
19 get your answer.

20 REVEREND BROOKS: Yes, I am.

21 JUDGE PRIDGIN: All right, thank you
22 very much. Do you have a statement for the
23 Commission, sir?

24 REVEREND BROOKS: Yes. I'm here in
25 support of both Mr. Dias and Reverend Childs who

1 we've all spoke about the stimulation, representing
2 a number of church organizations. Well, even
3 though Reverend Childs didn't officially represent
4 the Concerned Clergy, I can as being one of the
5 vice presidents as well as one of the leaders of
6 the Metropolitan Organizations for Racial and
7 Economic Equality. Both of those groups that I've
8 spoken to, a number of the pastors are concerned
9 about this increase. Just as Reverend Childs
10 says, our concern is we're already dealing with a
11 number of people that can't afford to pay their
12 bills.

13 Just personally I know our account that
14 we use to help individuals has been drained over
15 the past six months into thousands of dollars.
16 This increase, of course, is just going to put
17 another burden on the people who already have
18 difficulty paying their bills. I understand the
19 reality that, you know, increases are needed over
20 time with the cost of living and those types of
21 things, but I would be concerned about how this
22 increase is going to be used. How the money can
23 help, and again not to be redundant, but the
24 weatherization of the houses and how that money
25 can be used to improve community so that people

1 can afford to just live at a basic level.

2 There's a number of individuals, again,
3 that we have spoken to that would be in support of
4 all the issues that Mr. Dias has already spoken to
5 you about. Again, I don't want to be redundant.
6 But it seems to me that he's done his homework and
7 really has some positive ideas on how we can go
8 forward with this. Should the increase happen, I
9 would also agree that it needs to happen over a
10 period of time.

11 11 percent just seems, you know, kind of
12 extreme for anybody to have any type of increase.
13 Whether or not that's going to happen, again,
14 that's in you all's hands. But certainly if the
15 increase is seen as something that is necessary,
16 not something that is just sprung on the public in
17 a short notice but over a period of time, I think
18 would help as well. And that would be my
19 comments.

20 JUDGE PRIDGIN: All right. Sir, thank
21 you very much for your remarks. If you'll give me
22 just a moment, let's see if we have any questions
23 from the bench. Commissioner Murray?

24 COMMISSIONER MURRAY: I don't believe I
25 have any, but thank you very much, Mr. Brooks, for

1 being here.

2 REVEREND BROOKS: All right.

3 JUDGE PRIDGIN: Commissioner Murray,
4 thank you. Commissioner Gaw?

5 COMMISSIONER GAW: How are you today,
6 sir?

7 REVEREND BROOKS: Doing fine. How are
8 you?

9 COMMISSIONER GAW: I'm all right. You
10 were cutting out when you were telling us some of
11 the organizations that you were affiliated with.
12 Would you mind saying that again?

13 REVEREND BROOKS: I'm one of the vice
14 presidents with the Concerned Clergy Coalition and
15 also chairman of the Clergy Caucus for an
16 organization called the Metropolitan Organization
17 for Racial and Economic Equality.

18 COMMISSIONER GAW: All right, sir, thank
19 you very much. Now, would you mind telling me
20 what church in particular you're affiliated with?

21 REVEREND BROOKS: I'm a pastor of the
22 Zion Grove Baptist Church.

23 COMMISSIONER GAW: Zion Grove, okay.
24 Now, in regard to your description of what you're
25 seeing over the -- seen in the last six months on

1 energy assistance, would you mind telling me how
2 you believe based upon your experience what's
3 happened in the last six months as it compares to
4 what has happened in the past, is it -- are you
5 seeing more need, less need or about the same?

6 REVEREND BROOKS: There's definitely
7 been more need. Just in the last year, I would
8 say beginning of this year up until now there's
9 definitely been more of a need, not just with the
10 electric bills but the gas bills as well. There
11 just seems to be more people that are in need of
12 help, especially in the last three or four months
13 or so.

14 COMMISSIONER GAW: Is that -- can you
15 attribute that to anything, any one factor or is
16 it a variety or multiple factors?

17 REVEREND BROOKS: I definitely think it
18 would be multiple factors. Certainly the
19 increases in gas or just the cost of living itself
20 I think has just gone up. The inability of people
21 to even hold down jobs or to keep employment and
22 even if some of them are employed, the wages that
23 they make sometimes just don't measure out to the
24 expenses that they have. And we, again, don't
25 just help people that are part of our congregation

1 but anybody in the community comes and asks, if we
2 have the funds to do it, we try to help them out.

3 COMMISSIONER GAW: Yes, sir. Would you
4 mind telling me what your title is so I'll have it
5 here?

6 REVEREND BROOKS: I'm the senior pastor
7 of Zion Grobe Baptist Church.

8 COMMISSIONER GAW: When I say -- would
9 it be appropriate to say Reverend or Doctor or?

10 REVEREND BROOKS: Reverend is fine.

11 COMMISSIONER GAW: I just want to make
12 sure to give you appropriate respect, sir.

13 REVEREND BROOKS: Oh, that's fine, no
14 problem.

15 COMMISSIONER GAW: And if you wouldn't
16 mind, tell me how long you've been pastoring
17 churches in the Kansas City area.

18 REVEREND BROOKS: In Kansas City I've
19 been pastoring six years.

20 COMMISSIONER GAW: And before that how
21 long, how long have you been doing that work?

22 REVEREND BROOKS: Pastoring 4 years but
23 I've been actually in the ministry for 21 years
24 this year.

25 COMMISSIONER GAW: 21, all right. And

1 would you tell me whether or not you view this
2 weatherization issue as an important issue and if
3 you have any particulars that you want tell us
4 about that would be helpful?

5 REVEREND BROOKS: I definitely think
6 it's appropriate especially in the urban core,
7 there's probably not going to be a whole lot of
8 demolition and/or construction in new homes. The
9 homes that are there now are old. Being from
10 Kansas City even the house that I grew up in
11 probably needs it as well. But for the people
12 that can afford to move out and buy better homes
13 and have more efficiency, that's great. But for
14 the people that don't have a choice but to live in
15 the urban core, those homes are probably going to
16 need more --

17 COMMISSIONER GAW: Do you see individuals
18 who are renting there that are significant numbers
19 of individuals who at some part are actually
20 paying more for energy than they're paying for
21 their rent?

22 REVEREND BROOKS: No doubt, because the
23 rent usually is pretty reasonable. The utility
24 bills are usually either equal or even more than
25 what they're paying for rent.

1 COMMISSIONER GAW: Do you think that
2 trying to figure out a way to get landlords
3 involved in improving those premises is important
4 to solving the issue on the efficiency of some of
5 those older homes?

6 REVEREND BROOKS: I think that certainly
7 can help. I think we still have to deal with also
8 just the people that are homeowners that still
9 live in the core. The landlords certainly would
10 have some part to play. But I think if we could
11 even just focus on the people that actually own
12 the homes. Certainly whatever help we can give
13 them would be beneficial as well.

14 COMMISSIONER GAW: Okay. Reverend,
15 thank you very, very much for your time. I
16 appreciate you coming down.

17 REVEREND BROOKS: All right. Thank you.

18 JUDGE PRIDGIN: Commissioner Gaw, thank
19 you. Commissioner Clayton?

20 COMMISSIONER CLAYTON: Thank you for
21 coming, Reverend. I have no questions.

22 REVEREND BROOKS: Thank you.

23 COMMISSIONER APPLING: No questions. I
24 know it's been a long day, but thank you for
25 coming and being patient with us.

1 REVEREND BROOKS: All right. Thank you.

2 JUDGE PRIDGIN: Have I understood
3 correctly, no questions from either Commissioners
4 Gaw -- or excuse me, Commissioner Clayton or
5 Appling?

6 COMMISSIONER CLAYTON: Correct.

7 JUDGE PRIDGIN: All right, thank you.
8 And I don't have any questions. Reverend Brooks,
9 thank you very much, sir, for attending today and
10 for testifying. Mr. Ochoa, are there any further
11 people who wish to testify?

12 MR. OCHOA: I have nobody on the list.
13 Is anyone else wishing to testify? I do not see
14 anybody, Your Honor.

15 JUDGE PRIDGIN: All right. Mr. Ochoa,
16 thank you. I will assume that nobody else wishes
17 to testify. And let me see if we have any closing
18 remarks then from any of the commissioners.
19 Commissioner Murray?

20 COMMISSIONER MURRAY: Just for those of
21 you who participated, took the time from your
22 schedules to come and make your remarks, we
23 appreciate it.

24 JUDGE PRIDGIN: Commissioner Murray,
25 thank you. Commissioner Gaw?

1 COMMISSIONER GAW: I want to act on
2 that. It's really helpful for us to be able to
3 hear from you and I get a lot out of being able to
4 hear what's going on, how these things affect
5 individual people out there. And I'm really -- I
6 know it's sometimes difficult to get away to do
7 this, but it's very meaningful to me and I thank
8 you.

9 JUDGE PRIDGIN: Commissioner Gaw, thank
10 you. Commissioner Clayton?

11 COMMISSIONER CLAYTON: All I'll add is
12 that we'll be back here again tonight starting at
13 5:30 for informational session, 6:00 o'clock. If
14 anyone has heard where others have an interest in
15 participating, please get the word out. We'll be
16 back at this same location starting about 5:30
17 tonight. Are you going to be here?

18 COMMISSIONER APPLING: Uh-huh.

19 COMMISSIONER CLAYTON: We'll be here.
20 I'm not sure who else will be here but we'll be
21 here. Thank you.

22 JUDGE PRIDGIN: Commissioner Clayton,
23 thank you. Commissioner Appling?

24 COMMISSIONER APPLING: No further
25 questions or comments.

1 JUDGE PRIDGIN: Commissioner Appling,
2 thank you. And I also want to thank everyone who
3 came and testified as well as those who did not
4 testify but simply attended the hearing for their
5 information. We always appreciate public comments
6 and we thank you for taking time out of your busy
7 schedules to come testify. If there's nothing
8 further from the bench or from the parties?
9 Hearing nothing further this will conclude this
10 afternoon's local public hearing in Case Number
11 ER20060314. Thank you very much. We are off the
12 record.

13 (Whereupon, the proceedings concluded at
14 2:00 p.m.)
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