

0001

1

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

2

TRANSCRIPT OF PROCEEDINGS

3

PUBLIC HEARING

4

JANUARY 24, 2007

5

ST. JOSEPH, MISSOURI

6

VOLUME 4

7

In the Matter of the Tariffs of Aquila,)
8 Inc. d/b/a Aquila Networks - MPS)
and Aquila Networks - L&P Increasing) CASE NO.
9 Electric Rates for the Services Provided) ER-2007-
to Customers in the Aquila Networks -) 0004
10 MPS and Aquila Networks - L&P Service)
Area)

11

12 CHERLYN D. VOSS, Presiding
DEPUTY CHIEF REGULATORY LAW JUDGE

13 CONNIE MURRAY

STEVE GAW

14 LINWARD "LIN" APPLING

COMMISSIONERS

15

16

17

REPORTED BY: APRIL AUGUSTYN-O'DELL

18

19

20

21

22

23

24

25

0002

1 A P P E A R A N C E S:
2 GREGG OCHOA, Public Information Coordinator
3 BRYDON, SWEARENGEN & ENGLAND, PC
4 BY: PAUL A. BOUDREAU, ESQ.
5 312 East Capital Avenue, PO Box 456
6 Jefferson City, MO
7 Attorneys for Aquila, Incorporated
8
9 RENEE PARSONS, ESQ.
10 20 West 9th Street
11 Kansas City, MO 64105
12 Senior Counsel for Aquila, Incorporated
13
14 BLANE BAKER, ESQ.
15 PO Box 360
16 Jefferson City, MO 65102
17 Attorney for Missouri Public Service Commission
18
19 LEWIS R. MILLS, JR., ESQ.
20 Governor Office Building Suite 650
21 200 Madison Street, PO Box 2230
22 Jefferson City, MO 65102
23 Missouri Public Counsel
24
25 FINNEGAN, CONRAD & PETERSON, LC
26 BY: STUART W. CONRAD, ESQ.
27 1209 Penntower Office Center
28 3100 Broadway
29 Kansas City, MO 64111
30 Attorneys for Ag Processing and Sedalia
31 Industrial Energy User's Association
32
33
34
35

JUDGE VOSS: I know that Deputy Commissioner Murray and Gaw are right here and should be right back, so I'm going to go ahead and get the preliminaries done.

First I'll say good evening. It is the 24th of January, 2007. The Missouri Public Service Commission has set this time for local public hearing in Case Number ER-2007-0004 in which Aquila, Inc. seeks to implement a rate increase to its electric services.

The Commission regulates rates charged by investor-owned utility companies in Missouri to ensure that those rates are just and reasonable.

The Commission also regulates the quality of service and safety of operations of investor-owned utilities.

The Commission is made up of five Commissioners, at least two of whom will be with us tonight.

I'm Cherlyn Voss, Regulatory Law Judge, that will preside over tonight's hearing. I'll introduce the Commissioners when they come in.

This is the official hearing in the

1 Missouri Public Service Commission, and the
2 statements and testimony of witnesses will be
3 recorded by a court reporter and must be given
4 under oath.

5 Although not all the Commissioners are
6 able to be here tonight, all the Commissioners
7 will have an opportunity to read -- treat every
8 witness's remarks.

9 The purpose of this hearing tonight is to
10 hear from you on the subject of the proposed rate
11 increase.

12 Tonight is your opportunity to testify,
13 and your remarks will be part of the official
14 records in Aquila's rate case.

15 If you're unable to testify tonight for
16 any reason, there are flyers to pick up at your
17 location. There'll be a space for any of your
18 comments and include both the Commissioners'
19 mailing address and fax number.

20 You can fill out the form tonight and give
21 it to a staff member, or fill them out later and
22 then mail them in to the Commission.

23 You can also enter comments directly on
24 the Commission's Web site. The Commission's Web
25 site is located on the back page of the

1 information flyer that you should have received
2 on this evening.

3 Whether received tonight in writing or
4 through the Commission's Web site, all testimony
5 will be made a part of the official file and case
6 provided to the Commissioners and given equal
7 consideration.

8 For the witnesses who wish to testify
9 live, I will call the name of each witness who
10 has signed up to speak in the order in which they
11 signed up.

12 When your name is called, please come
13 forward and sit in the witness chair. I'll then
14 ask you some preliminary questions, such as
15 spelling your name for the court reporter and
16 whether you're a customer of Aquila. Then you'll
17 be able to give your comments.

18 Please don't leave the chair until the
19 Commissioners and potentially attorneys have had
20 a chance to ask you questions, because we want to
21 make sure all of your testimony is preserved for
22 the record.

23 We will also say that because the court
24 reporter can only hear one person at a time,
25 please do not make comments from the floor, but

0006

1 reserve them for your opportunity to speak at the
2 witness stand.

3 Does anybody have any questions about the
4 proceeding this evening?

5 I will introduce the Commissioners at this
6 time.

7 We have Commissioner Connie Murray.

8 COMMISSIONER MURRAY: Hello.

9 JUDGE VOSS: Commissioner Steven Gaw and
10 Commissioner Lin Appling.

11 Then we will now begin the public hearing
12 in the matter of the tariffs of Aquila, Inc.
13 d/b/a Aquila Networks - MPS and Aquila Networks -
14 L&P increasing electric rates for the services
15 provided to customers in the Aquila Networks -
16 MPS and L&P service areas, Case Number
17 ER-2007-0004.

18 We'll begin with taking entries of
19 appearance for counsel beginning with Aquila.

20 MR. BOUDREAU: Thank you. My name, let the
21 record reflect, Paul A. Boudreau, Brydon,
22 Swearngen & England, 312 East Capital Avenue, PO
23 Box 456, Jefferson City, Missouri, appearing on
24 behalf of Aquila, Incorporated.

25 Also appearing on behalf of the company

0007

1 this evening is Renee Parsons with Aquila. She's
2 senior counsel. Her address is 20 West 9th
3 Street, Kansas City, Missouri, 64105.

4 JUDGE VOSS: Could you hear the
5 appearances?

6 I'm not sure if I'm hearing you in the
7 room or on the mic.

8 MR. MILLS: We heard that fine.

9 JUDGE VOSS: Next we'll take under
10 appearance from Commission staff.

11 MR. BAKER: I'm Blane Baker. I'm attorney
12 on behalf of the Missouri Public Service
13 Commission, PO Box 360, Jefferson City, Missouri,
14 65102.

15 JUDGE VOSS: The office of the public
16 counsel?

17 MR. MILLS: On behalf of the public counsel
18 and the public, my name is Lewis Mills. My
19 address is PO Box 2230, Jefferson City, Missouri,
20 65102.

21 JUDGE VOSS: I will now ask, are there any
22 other parties represented by counsel this
23 evening?

24 MR. CONRAD: There are.

25 JUDGE VOSS: Could you please come forward

0008

1 and make your appearance?

2 MR. CONRAD: Stuart W. Conrad, law firm of
3 Finnegan, Conrad & Peterson, 3100 Broadway,
4 Kansas City, Missouri, on behalf of AG Processing
5 and Sedalia Industrial Energy User's Association.

6 JUDGE VOSS: Are there any other parties
7 represented by counsel?

8 Okay. Then we will begin -- do the
9 Commissioners have any opening remarks? No.

10 Okay. Will we please call the first
11 witness.

12 MR. OCHOA: Sure, Jackie Stevens.

13

14 JACQUELINE STEVENS

15 called as a witness herein, being first duly
16 sworn, testified on her oath as follows:

17

18 JUDGE VOSS: Could you please spell your
19 name for the court reporter?

20 MS. STEVENS: Jacqueline,
21 J-A-C-Q-U-E-L-I-N-E, Stevens, S-T-E-V-E-N-S.

22 JUDGE VOSS: Now I'm having trouble hearing
23 the witness. Is there a mic on her?

24 MS. STEVENS: I can sit closer.

25 MR. OCHOA: They won't be able to see you,

0009

1 but if you want to go ahead and do that.

2 MS. STEVENS: Do you want me to spell my
3 name again?

4 JUDGE VOSS: Yes, please.

5 MS. STEVENS: J-A-C-Q-U-E-L-I-N-E, Stevens,
6 S-T-E-V-E-N-S.

7 JUDGE VOSS: Are you currently a customer
8 of Aquila?

9 MS. STEVENS: I didn't hear.

10 JUDGE VOSS: Are you currently a customer
11 of Aquila?

12 MS. STEVENS: Yes, I am.

13 JUDGE VOSS: Do you have comments you'd
14 like to make this evening?

15 MS. STEVENS: Yes, I do.

16 I would like to say that I'm opposed to
17 allowing the rate increase for Aquila. I believe
18 that increased demand should be met by an
19 increased use of wind.

20 Instead, Aquila has opted to purchase a
21 piece of Iatan, a coal-fired power plant under
22 construction in Weston, Missouri.

23 This billion dollar endeavor is already
24 over budget and will continue to cause an
25 increase in electricity costs for customers.

1 On the other hand, wind farms have become
2 increasingly cost effective and are just
3 beginning to realize economies of scale.

4 Wind obviously will not be subjected to
5 demand-related price increases as coal
6 undoubtedly will.

7 And northwest Missouri is in a unique
8 position as it is one of the windiest areas in
9 the nation.

10 Aquila and all utilities utilizing
11 coal-fired electric plants should be well aware
12 that carbon toxin is likely in the future.

13 Carbon dioxide levels in the atmosphere
14 have increased over 38 percent from the
15 pre-industrial revolution, as intensive of most
16 fuels, producing two times the amount of carbon
17 dioxide per unit of energy that natural gas
18 plants put out.

19 I believe it is the responsibility of
20 Aquila and all utilities to look toward the
21 future and make changes now so the consumers will
22 not be burdened by soaring costs.

23 The real cost of energy, environmental
24 destruction, nuclear energy, global warming,
25 should not be borne by consumers.

0011

1 There is a time as an environmentalist you
2 would have to come to a utility and say please
3 don't pollute the environment.

4 This is a unique period where
5 environmental awareness and use of wind instead
6 of coal is actually going to benefit the company
7 financially.

8 That's all.

9 JUDGE VOSS: Do you have any questions,
10 Commissioner Murray?

11 COMMISSIONER MURRAY: No questions.

12 Thank you for your testimony.

13 JUDGE VOSS: Commissioner Gaw?

14 COMMISSIONER GAW: I don't believe I have
15 any questions, Mrs. Stevens, but thank you very
16 much for your time in coming tonight, appreciate
17 your input.

18 JUDGE VOSS: Commissioner Appling?

19 Does counsel have any questions for this
20 witness?

21 MR. MILLS: No questions.

22 MR. CONRAD: No questions.

23 JUDGE VOSS: Then you may be excused.

24 MS. STEVENS: Thank you.

25 JUDGE VOSS: Please call the second

0012

1 witness.

2 MR. OCHOA: Fran Brothers?

3 MS. BROTHERS: I'll pass at this time. I

4 made my comments online.

5 MR. OCHOA: Okay. Jerome Williams.

6 You have a loud voice. You can sit there

7 and I'll move the camera over.

8 JUDGE VOSS: The loud voice may not help

9 us.

10 MR. WILLIAMS: We will see.

11 How is that? Can you hear me?

12 JUDGE VOSS: Okay, just one moment.

13

14 JEROME WILLIAMS

15 called as a witness herein, being first duly

16 sworn, testified on his oath as follows:

17

18 JUDGE VOSS: Could you please spell your

19 name for the court reporter?

20 MR. WILLIAMS: Jerome, J-E-R-O-M-E,

21 Williams, W-I-L-L-I-A-M-S.

22 JUDGE VOSS: And are you currently a

23 customer of Aquila?

24 MR. WILLIAMS: I am.

25 JUDGE VOSS: Please make your comments.

1 MR. WILLIAMS: Seeing how we're not taking
2 questions that can't be asked at this time, I'll
3 make a brief statement, if I am allowed to.

4 I hope to make sense at what I'm about to
5 say to the Public Commission.

6 22 percent is a lot for the customers of
7 Aquila. But the water company also is going to be
8 requesting for 24 percent, but that's for a later
9 date.

10 The 22 percent increase may or may -- may
11 or may not be passed by the Commission, but I
12 have not ever seen or heard that not getting --
13 that they do not get an increase of some kind.

14 22 percent for St. Joseph, a larger
15 percentage for another place and a larger
16 percentage for someplace else, it has to be to
17 the point where we have to take the public into
18 consideration because we can't afford, with
19 everything else that's going on in our lives, we
20 can't afford any more increases.

21 As a customer and your Public Service
22 Commission, we have one young lady talk about
23 will you please keep the public informed of what
24 you're planning on doing and please put the
25 public foremost in your mind when you make this

0014

1 decision.

2 That's pretty much it.

3 JUDGE VOSS: Do you have any questions,

4 Commissioner Murray?

5 COMMISSIONER MURRAY: No.

6 Thank you, sir, for your input.

7 JUDGE VOSS: Commissioner Gaw?

8 COMMISSIONER GAW: Mr. Williams, Mr.

9 Williams, can you hear me?

10 MR. WILLIAMS: Yes, loudly.

11 COMMISSIONER GAW: Okay, sorry.

12 Just give a little bit of an idea about
13 how you think that the increase will impact
14 people that you know and in a little bit of
15 detail, if you could.

16 MR. WILLIAMS: Well, just by talking from
17 different people that I've talked to, 22 percent
18 is going to make a hardship on people that have
19 to buy medication, food.

20 And then if you -- if the water company
21 wants a percentage, then the gas company wants a
22 percentage, somewhere along the line we're going
23 to have to stop getting our medicine or getting
24 our food just to pay our bills.

25 Like another person in the audience, I had

0015

1 just retired. I'm on a fixed income. I'm still
2 able to work, and most likely I'll have to go to
3 work, which I'm thinking about doing very
4 seriously.

5 But there are people that cannot, cannot
6 go back to work, and they're going to be on a
7 fixed income.

8 We have to have some way to supplement the
9 people that can't afford higher prices.

10 I know that they have a right to make
11 money for their stockholders, but the public
12 should come first.

13 I hope I'm not loud, if I'm yelling.

14 COMMISSIONER GAW: You're fine, Mr.
15 Williams.

16 MR. WILLIAMS: Okay.

17 Would you please, please take in
18 consideration what the public, the people on
19 fixed income, what we have to go through
20 before -- I know they need their money, but we
21 need our money also.

22 We've worked hard, being retired, we've
23 worked hard for the money that we're getting and
24 we hate to see it dwindle away any more than it
25 is already.

0016

1 That's just about it.

2 COMMISSIONER GAW: All right. Sir, thank
3 you very much for coming down this evening.

4 MR. WILLIAMS: You're welcome.

5 JUDGE VOSS: Mr. Appling?

6 COMMISSIONER APPLING: Mr. Williams, give
7 me a little bit of background.

8 You just retired. Who did you retire
9 from?

10 MR. WILLIAMS: I used to work for the
11 MoDOT, Missouri Department of Transportation. I
12 worked for them for 29 and a half years.

13 I had enough time with my age and my time
14 served, service, to retire with full benefits.

15 COMMISSIONER APPLING: Are you living in
16 the City of St. Joe or are you living outside of
17 St. Joe?

18 MR. WILLIAMS: Oh, I'm living in the city.

19 COMMISSIONER APPLING: Living in the city?

20 MR. WILLIAMS: Yes.

21 COMMISSIONER APPLING: What's the size of
22 your family?

23 MR. WILLIAMS: According to my wife, I have
24 me, me and my daughter, my four grandchildren --

25 COMMISSIONER APPLING: Well, we won't take

0017

1 that any further.

2 Thank you for testifying, and I'll move on
3 to another subject. Sir, thank you for coming
4 in.

5 MR. WILLIAMS: Thank you.

6 JUDGE VOSS: Please call the next witness.

7 MR. OCHOA: Brad Lau.

8

9 BRAD LAU

10 called as a witness herein, being first duly
11 sworn, testified on his oath as follows:

12

13 JUDGE VOSS: Could you please spell your
14 name for the court reporter?

15 MR. LAU: Yes, it's Brad, B-R-A-D, Lau,
16 L-A-U.

17 JUDGE VOSS: And are you currently a
18 customer of Aquila?

19 MR. LAU: Actually I'm representing the St.
20 Joseph Area Chamber of Commerce.

21 JUDGE VOSS: Okay. But are you also a
22 customer of Aquila or --

23 MR. LAU: Yes.

24 JUDGE VOSS: -- a member -- okay.

25 Please make your comments.

1 MR. LAU: Okay. As the St. Joseph Area
2 Chamber of Commerce, we have had some area
3 businesses that are heavy users of electricity
4 express their concern that a rate increase of
5 this magnitude could have a significant impact on
6 their ability to remain competitive and, as such,
7 we would express the hope that a fair and
8 equitable determination could be reached for all
9 impacted parties.

10 That's the end of our comments. Thank you.

11 JUDGE VOSS: Does that conclude your
12 comments?

13 MR. LAU: Yes, it does.

14 JUDGE VOSS: Okay. Are there any questions,
15 Commissioner Murray?

16 COMMISSIONER MURRAY: No questions. Thank
17 you.

18 JUDGE VOSS: Commissioner Gaw?

19 COMMISSIONER GAW: Just real quick, is that
20 statement a resolution that the chamber has
21 passed?

22 MR. LAU: No, it has not been passed by the
23 board of directors.

24 COMMISSIONER GAW: Okay. Do you think it's
25 supported by the chamber?

0019

1 Have you surveyed the people around?

2 MR. LAU: We have not done a survey.

3 It's based on my discussions as the vice
4 president of business relations and development
5 with area businesses and some of their concerns
6 from the standpoint of the impact that such an
7 increase would have on their utility usage.

8 COMMISSIONER GAW: Okay. All right. Thank
9 you very much, Brad, appreciate it.

10 JUDGE VOSS: Commissioner Appling?

11 COMMISSIONER APPLING: I have no questions,
12 Judge. Thank you.

13 JUDGE VOSS: Are there any questions from
14 counsel?

15 MR. CONRAD: I have one, your Honor.

16 MR. OCHOA: There's one question.

17 JUDGE VOSS: Okay, please proceed.

18 MR. CONRAD: Mr. Lau, is Aquila a member of
19 the Chamber of Commerce?

20 MR. LAU: Yes, they are.

21 MR. CONRAD: Thank you.

22 JUDGE VOSS: Hearing no further questions,
23 the witness is excused.

24 MR. OCHOA: The next witness is Patt Lilly.

25

1 PATT LILLY

2 called as a witness herein, being first duly
3 sworn, testified on his oath as follows:

4

5 JUDGE VOSS: Could you please spell your
6 name for the court reporter?

7 MR. LILLY: Patt, P-A-T-T, Lilly,
8 L-I-L-L-Y.

9 JUDGE VOSS: And are you currently a
10 customer of Aquila?

11 MR. LILLY: Yes, I am.

12 JUDGE VOSS: Please proceed with your
13 comments.

14 MR. LILLY: Thank you.

15 I'm here tonight representing Triumph
16 Foods as its chief administrative officer.
17 Triumph Foods is located at 5302 Stockyard
18 Expressway here in St. Joseph.

19 And we're here to express concerns about
20 the proposed rate increase asked for by Aquila.

21 Triumph Foods is a producer-owned hog
22 processing company headquartered in St. Joseph,
23 Missouri.

24 The company just recently opened a hundred
25 and fifty million dollar processing facility here

0021

1 in St. Joseph.

2 Currently we process between 15 to 16,000
3 hogs a day, operating two eight-hour shifts.

4 We currently employ 2,300 residents in the
5 community with a local payroll of over \$50
6 million.

7 In addition, we contract out for services
8 about \$4 million worth of work. And for 2006 the
9 company paid almost \$2.3 million in property
10 taxes.

11 Electricity is used extensively in our
12 process in terms of operating equipment,
13 lighting, refrigeration and et cetera.

14 Triumph Foods sells its product nationally
15 and internationally. And as an ag-related
16 business, we work on narrow margins and face
17 stiff competition in our industry.

18 Increases in cost such as electricity has
19 the impact of potentially making us less
20 competitive in a very competitive marketplace
21 today.

22 I appreciate and understand the need for
23 utilities to seek rate increases, but this
24 potential increase drives up the cost of doing
25 business for those both large and small.

0022

1 I hope the Commission will keep in mind
2 the impact on business that this proposed
3 increase would have.

4 Thank you for the opportunity to testify.

5 JUDGE VOSS: Are there any questions,
6 Commissioner Murray?

7 COMMISSIONER MURRAY: No questions. Thank
8 you.

9 JUDGE VOSS: Commissioner Gaw?

10 COMMISSIONER GAW: Yes, I have two
11 questions.

12 Mr. Lilly, first of all, good evening.
13 It's good to see you.

14 MR. LILLY: Thank you.

15 COMMISSIONER GAW: I want to just ask a few
16 questions generally.

17 And if I get into areas where you feel
18 uncomfortable in answering them because they
19 amount to things that are business secrets, just
20 say that you'd rather not.

21 I don't mind that at all.

22 MR. LILLY: Okay.

23 COMMISSIONER GAW: I'm interested in
24 knowing if you have any idea about how much of an
25 impact this could have on your particular

1 business, this proposed increase?

2 Have you made that analysis?

3 MR. LILLY: Well, the reality is, if you
4 look at the increase as proposed, a major part of
5 our expense relates to utilities. For example,
6 in 2006 our electric bill for the year was over
7 \$2 million.

8 And so obviously an increase from a
9 percentage standpoint has a direct impact on the
10 company in terms of our ability to sell our
11 product.

12 COMMISSIONER GAW: Yes, sir. Do you have
13 any idea what percentage of your expenses are
14 related to electric?

15 MR. LILLY: I don't right offhand.

16 COMMISSIONER GAW: Okay. Are you
17 represented in this case as a part of the
18 industrial group?

19 MR. LILLY: Yes, we are part of the --

20 COMMISSIONER GAW: Okay. So that
21 information may come in later.

22 Is that correct?

23 MR. LILLY: Yes.

24 COMMISSIONER GAW: It could possibly.

25 I'm also interested in particularly in

1 regard to Triumph Foods.

2 Do you all have a 24/7 operation?

3 MR. LILLY: Well, for all intents and

4 purposes we do.

5 We do operate two production shifts, but

6 our third shift is a cleanup shift.

7 COMMISSIONER GAW: Okay. And what happens

8 on the cleanup shift?

9 Does the rest of the plant shut down just

10 so that you can clean the equipment and

11 everything out?

12 MR. LILLY: That is correct.

13 The production line closes down so that we

14 can clean the equipment.

15 COMMISSIONER GAW: So during that time does

16 your electric usage slow down significantly?

17 MR. LILLY: Well, it would slow down some,

18 but again, with the refrigeration, the lighting,

19 much of the electricity used would continue.

20 COMMISSIONER GAW: I see.

21 Okay. Do you all have a backup system for

22 electric?

23 MR. LILLY: No, we do not.

24 COMMISSIONER GAW: Okay. Do you know

25 whether or not you are on any kind of a tariff

0025

1 currently that allows for you to get a lower rate
2 because you're willing to be interrupted?

3 MR. LILLY: I don't know.

4 COMMISSIONER GAW: Okay. Do you know
5 whether Triumph has ever been engaged in any
6 demand response programs of any kind?

7 MR. LILLY: I'm not familiar with that.

8 COMMISSIONER GAW: All right. Is Triumph --
9 Triumph is a part of a larger -- this is not the
10 only plant that Triumph owns.

11 MR. LILLY: It is the only plant.

12 COMMISSIONER GAW: Is it -- is the investor
13 for Triumph, the investors of St. Joe investors
14 or is it a larger --

15 MR. LILLY: Our investors represent hog
16 producers across the country, most of those
17 located in the Midwest.

18 COMMISSIONER GAW: All right. Do you know
19 if you're providing a witness at the main
20 hearings of this case?

21 MR. LILLY: Yes.

22 COMMISSIONER GAW: Okay. Well, perhaps I
23 might be able to ask some questions along this
24 line during the hearings.

25 And I'm not really expecting that you

1 would know the answers to these tonight, but part
2 of the way that I'll get to know whether I might
3 get some answers is by asking you ahead of time.

4 So I apologize for using you in that
5 fashion.

6 MR. LILLY: That's fine.

7 COMMISSIONER GAW: Anyway, anything else,
8 Mr. Lilly, that you'd like to add?

9 MR. LILLY: No.

10 COMMISSIONER GAW: Okay. Thank you very
11 much for your time.

12 JUDGE VOSS: Are there -- seeing questions
13 from Aquila.

14 MR. BOUDREAU: I don't have a question,
15 just as a point of order.

16 Since Triumph Foods is, in fact, a party
17 to the case, I'd like to reserve the opportunity
18 for my clients to file some supplemental
19 rebuttal, if necessary, with respect to the
20 testimony inasmuch as they're a party and there's
21 a procedural schedule for filing prepared
22 testimony with respect to the matters at hand,
23 I'd like to reserve that.

24 JUDGE VOSS: You can file something with
25 the motion.

1 The Commission will consider whether to
2 accept that supplemental testimony if you file
3 it.

4 MR. BOUDREAU: Thank you.

5 JUDGE VOSS: But no guarantees.

6 Are there any other questions from
7 counsel?

8 MS. PARSONS: This is Renee Parsons with
9 Aquila.

10 I also have, in addition to Paul
11 Boudreau's comments, I have reason to believe
12 there are other witnesses here that are also
13 represented in the case by Mr. Conrad.

14 And so I would object, because I don't
15 know who those witnesses are, but I have reason
16 to believe that they are here.

17 I would object to their testimony on the
18 basis that, again, they have the opportunity to
19 file written testimony and haven't done so.

20 And if the Commission denies that
21 objection, then, again, I would preserve Aquila's
22 right to rebut the testimony and file testimony
23 in accordance with the schedule.

24 MR. CONRAD: Your Honor, please, I'll speak
25 to that.

1 The party here in this proceeding is Ag
2 Processing. Triumph has not intervened. The only
3 party that is here tonight is Ag Processing.

4 I think I mentioned that I'm also
5 representing the Sedalia Group.

6 Triumph is part of a group of companies
7 that have, shall we say, lined up behind the AGP
8 intervention in support of that. They have not,
9 however, sought to intervene.

10 I filed a pleading, I believe it was on
11 Thursday, with the Commission advising your Honor
12 and the Commissioners of their involvement in the
13 case and the level to which that involvement
14 occurs simply because I did not want your Honor
15 or Commissioners or counsel to be surprised by
16 that, but they have not sought to intervene.

17 There's approximately 14 or 15 companies
18 that we've listed.

19 JUDGE VOSS: I will say, I don't want to
20 delay anyone having the opportunity to speak by
21 dealing with this now.

22 If counsel has an objection to the
23 testimony of the specific witness, they may file
24 a motion to have it stricken.

25 And same with any rebuttal testimony that

1 you want to file in response can be filed with
2 the motion to accept and the Commission will take
3 it up at that time, because I don't want to have
4 every single witness that comes up being objected
5 to and delaying the rest of the witnesses having
6 an opportunity to speak this evening.

7 So are there any other counsel questions
8 for this witness?

9 MR. MILLS: No questions.

10 MS. PARSONS: No questions.

11 JUDGE VOSS: Okay. Then you may be excused.

12 MR. OCHOA: The next witness is Gary
13 Oteken. Excuse me if I mispronounce your name.

14 MR. OTEKEN: That's fine.

15

16 GARY OTEKEN

17 called as a witness herein, being first duly
18 sworn, testified on his oath as follows:

19

20 JUDGE VOSS: Are you currently a customer
21 of Aquila?

22 MR. OTEKEN: Not personally, but I'm on
23 behalf of Ag Processing, Inc., also known as AGP.

24 MS. PARSONS: Again, your Honor, I would
25 just like to renew my objection to this witness's

1 testimony.

2 JUDGE VOSS: As I previously stated, I'm
3 not going to entertain objections to specific
4 witness's testimony and delay the proceeding.

5 Any witness you have an objection to may
6 be filed in writing.

7 You're, of course, also welcome to
8 cross-examine any of these witnesses.

9 MR. BOUDREAU: I understand the ruling, but
10 let me make a point.

11 If we don't make the objection for the
12 record, it can be deemed waived.

13 So as a matter of just accommodation of
14 the party, I think that we ought to be at least
15 allowed to make the objection for the record at
16 the time that the witness testifies.

17 JUDGE VOSS: And I'm going to declare to
18 ruling on the objection and let the witness
19 proceed.

20 Please proceed, Mr. Oteken.

21 MR. OTEKEN: My name is Gary, G-A-R-Y,
22 Oteken, O-T-E-K-E-N. I'm an energy purchasing
23 agent with Ag Processing.

24 I'll tell you a little bit about AGP. We
25 have soybean processing plants and soybean

0031

1 refining facilities in the states of Minnesota,
2 Nebraska, Iowa, and then a facility here in St.
3 Joe.

4 AGP is a cooperative that's owned by local
5 and regional co-ops which in turn are owned by
6 over 200,000 farmers of which there are some of
7 the farmers are here in the State of Missouri.

8 And AGP serves these owners through the
9 acquisition, processing and marketing of their
10 agricultural products. And these products are
11 sold throughout the United States and other
12 countries.

13 Here in St. Joe we have both a soybean
14 refinery and also a soybean processing facility.

15 We employ approximately a hundred
16 fifty-seven employees in the city with a payroll
17 of about \$7 million. And we spend about a half
18 million dollars on property and real estate
19 taxes.

20 As a Light & Power customer, we are at 24
21 hour/seven days a week operation and purchase
22 over 50 million kilowatt hours a year from Light
23 & Power. And we're a high load factor customer
24 within their system.

25 Energy is a major part of our cost of

1 processing, and we need to manage those costs.

2 And it's critical that we do such.

3 The concerns we have is because we are in
4 the commodity business. We do not have the
5 opportunity to just to pass those costs on to
6 customers.

7 Higher electric rates, therefore, either
8 reduce our dividends to our farmers, or it forces
9 us to move our production to other plants that
10 have lower cost.

11 A 22 percent increase to us based upon our
12 usage is over \$450,000.00 a year increase. And
13 this is a major cost component that we would have
14 to absorb in our operations.

15 And also it is important that only prudent
16 costs are recovered through -- by the utility and
17 the resulting rates hopefully are established
18 such that those who cause the cost are the ones
19 who pay for the increased cost.

20 We want to pay our fair share of the cost
21 related to us and not subsidize other
22 ratepayers. And in turn, we don't want them to
23 be subdividing the cost that we incur on the
24 system.

25 We think fair and equitable rates are

0033

1 needed in order to expand industry in the state.

2 Also, I know there's a fuel adjustment
3 clause --

4 JUDGE VOSS: Excuse me, because the witness
5 is not close to the microphone, we really need to
6 keep the background conversations to a minimum.

7 I'm hearing almost as much other
8 discussion in the room as I am with what the
9 witness is trying to say.

10 Please proceed.

11 MR. OTEKEN: Do I need to repeat any of
12 this?

13 JUDGE VOSS: No, I can hear you, but it was
14 getting gradually louder and we were on the verge
15 of not being able to hear you.

16 MR. OTEKEN: Okay.

17 I know there is a fuel adjustment clause
18 that's being looked at in this rate case, and
19 that also is a concern for AGP.

20 By allowing the automatically flow-threw
21 of fuel and fuel related cost and other charges,
22 this becomes a concern in that we have the
23 concern about the utility's incentive to try and
24 minimize those costs since they can flow it
25 directly to the customer.

0034

1 We think incentives are required to
2 maintain fair and reasonable rates.

3 And I know it would be a question I guess
4 we have of the utilities. It would be nice to
5 see what that fuel adjustment clause impact would
6 have been over the last couple of years if such
7 was in operation as they have filed over the last
8 two years.

9 I'd be kind of curious about the impact it
10 would have on us as a customer of St. Joe.

11 That concludes my comments.

12 JUDGE VOSS: Commissioner Murray, do you
13 have any questions?

14 COMMISSIONER MURRAY: No questions. Thank
15 you.

16 JUDGE VOSS: Commissioner Gaw?

17 COMMISSIONER GAW: Just real quick.

18 Mr. Oteken, is Ag Processing a 24/7
19 business?

20 MR. OTEKEN: Yes, it is.

21 COMMISSIONER GAW: Yeah, okay.

22 Do you ever shut down except for --

23 MR. OTEKEN: Scheduled maintenance, which
24 might be a week at the most.

25 COMMISSIONER GAW: Okay. And do you have

1 any backup system for electricity?

2 MR. OTEKEN: No, we do not.

3 COMMISSIONER GAW: All right. And do you
4 know if you have any arrangement for -- to be
5 interruptible at any point?

6 MR. OTEKEN: Well, that may be available,
7 but since we're 24/7, I'm not sure we --

8 COMMISSIONER GAW: Yes, I --

9 MR. OTEKEN: The deal for interruption is
10 to move it off peak.

11 But we're operating 24/7, so there's no
12 way for us to make up lost production.

13 COMMISSIONER GAW: That's what I was
14 assuming, but I just wanted to check.

15 Okay. And I think that's -- are your
16 facilities fairly new or are they older?

17 MR. OTEKEN: The one in St. Joe is fairly
18 old. I'm not sure of the exact year.

19 COMMISSIONER GAW: And the electricity's
20 used for the most part for what purpose?

21 MR. OTEKEN: Most of what's used, we have a
22 lot of electrical motors and conveyer systems
23 that we use electricity for.

24 COMMISSIONER GAW: All right. Thank you
25 very much for being here.

1 JUDGE VOSS: Commissioner Appling?

2 Are there any questions from counsel?

3 MS. PARSONS: No questions.

4 MR. MILLS: No questions.

5 JUDGE VOSS: This witness may be excused.

6 Please call the next witness.

7 MR. OCHOA: Harlan Wood.

8

9 HARLAN WOOD

10 called as a witness herein, being first duly

11 sworn, testified on his oath as follows:

12

13 JUDGE VOSS: Could you please spell your

14 name for the court reporter?

15 MR. WOOD: Harlan, H-A-R-L-A-N, Wood,

16 W-O-O-D.

17 JUDGE VOSS: And are you currently a

18 customer of Aquila?

19 MR. WOOD: Yes, ma'am.

20 JUDGE VOSS: Do you have comments you'd

21 like to make this evening?

22 MR. WOOD: Yes.

23 I'd like the Commission to consider on

24 this rate increase exactly what the bottom line

25 is that Aquila needs to operate with.

1 You always have bottom line of what you
2 really need and then what your wants are.

3 I'm concerned about the impact on the
4 community and myself as recently retired on a
5 fixed income.

6 The school district didn't provide any pay
7 raises here to speak of, I think two and a half
8 percent.

9 City of St. Joseph provided no cost of
10 living or longevity raises. Buchanan County as an
11 employer hasn't provided any pay raises as of yet
12 for their employees.

13 Bear in mind that here in the city we're a
14 minimum wage to \$10.00 an hour working
15 environment.

16 And please just remember, the public here,
17 that a lot of us are not going to be able to
18 afford rate increase after rate increase, because
19 Aquila will take an increase, MGE will be taking
20 an increase, Missouri Gas Energy, American Water
21 is going to be looking for a rate increase. And
22 we still have to live on our fixed income.

23 Thank you.

24 JUDGE VOSS: Commissioner Murray, any
25 questions?

0038

1 Commissioner Gaw?

2 COMMISSIONER GAW: No.

3 Thank you very much for coming tonight,

4 sir.

5 JUDGE VOSS: Commissioner Applling?

6 The witness may be excused.

7 Please call the next witness.

8 MR. OCHOA: Stephen Holdenried.

9

10 STEPHEN HOLDENRIED

11 called as a witness herein, being first duly

12 sworn, testified on his oath as follows:

13

14 JUDGE VOSS: Is it Stephen?

15 MR. HOLDENRIED: Yes, it is. And my last

16 name is H-O-L-D-E-N-R-I-E-D.

17 JUDGE VOSS: And how do you spell Stephen?

18 There are several spellings of that as well.

19 MR. HOLDENRIED: S-T-E-P-H-E-N.

20 JUDGE VOSS: Are you currently a customer

21 of Aquila?

22 MR. HOLDENRIED: Yes, I am.

23 JUDGE VOSS: Do you have comments you'd

24 like to make this evening?

25 MR. HOLDENRIED: Well, I got a new one,

1 besides the one I wanted to say when I came.

2 I came here, but I'm just a man on the
3 street. I'm not a lawyer, thank God maybe.

4 But you know, this information that -- I
5 kind of object to the objection of having Patt
6 Lilly, the other gentleman from Ag not being able
7 to speak their mind.

8 You're smart enough I guess as judges to
9 understand that there is such a thing as freedom
10 of speech.

11 And maybe there's a lot more to it, but
12 the man on the street, I'm thinking the man's got
13 something to say in the company, especially like
14 Triumph Food, one of our largest and most
15 beneficial organizations and companies in our
16 city, to go ahead, not let them say something
17 now, that seemed a little bit ridiculous.

18 So if I could object to the objection, I'd
19 like to do that.

20 I also -- and I listened to Jacqueline
21 Stevens who was up here earlier, and I think she
22 had some good comments about wind.

23 And listening to all this, I don't know
24 where it's all going to lead to.

25 Hopefully you'll be understanding that

1 just a rate hike is just, just terrible for a lot
2 of families.

3 Thank God that I was able to retire with a
4 good enough pension and things that I -- I don't
5 have as much of a problem, but it's still a
6 problem.

7 But I know I work with people in the City
8 of St. Joseph who have a hard time sometimes
9 thinking about whether or not they're going to
10 put gas in their car or put food on their plate.

11 Paying their electric bill, paying their
12 gas bill, you know, this is really serious.

13 And I know you know that, but I just want
14 you -- I want to drive it home just a little bit
15 more.

16 But I asked the question originally about
17 the idea of doing weatherization.

18 And I'm going to talk to a Judy Nest when
19 I'm done here, but I think that's something that
20 I would really like Aquila and the state to get
21 involved with because the people can't afford it,
22 period.

23 And I know -- I saw people -- there's a
24 lady back here said that she knows somebody,
25 two-story house, gas, I think she was paying

0041

1 \$450.00 a month. You know, that's real. That
2 stuff is real.

3 And if Judy Nest and Aquila wants to do
4 something about, you know, driving -- and
5 stopping this use of energy, then I would say
6 work with the people, especially the elderly and
7 especially the poor, and work with neighborhood
8 organizations and cities and get with this
9 weatherization program.

10 That can be something I would wish you --
11 looking the wrong way -- anyway, I wish you would
12 keep their feet to the fire and say, well, you
13 know, you said you can do this, then do it.
14 Okay?

15 Any questions?

16 JUDGE VOSS: Commissioner Murray?

17 Commissioner Gaw?

18 COMMISSIONER GAW: I think, first of all, I
19 suspect your objections have been noted.

20 MR. HOLDENRIED: Okay, good.

21 COMMISSIONER GAW: And secondly, I
22 appreciate your comments on the weatherization
23 things and your other comments as well.

24 Do you have anything in particular that
25 you want to point to as points us to in regard to

1 weatherization program that you think is
2 successful or just want us to make sure we look
3 into it?

4 MR. HOLDENRIED: Well, you know, especially
5 the windows, and when I look around St. Joseph --
6 and I work with a program called Neighborhood
7 Pride.

8 And we worked on nine homes this last year
9 in an area, and we're going to be working on some
10 homes in the midtown area as well, hopefully
11 north and the south area.

12 And one of those things we really would
13 like to do is do weatherization, because we're
14 working with the poor and the elderly that can't
15 afford to help clean up and fix up their homes.

16 If I, you know, if I was real -- and I'm
17 not good at this, if I knew exactly what I could
18 do and the cheapest way I could do it, I could
19 get volunteers to come in and help weatherize
20 homes.

21 You know, we can get kids to do that. We
22 can get people to do that.

23 And if that's one way of averting people
24 not being able to pay their bills and still be
25 able to eat, you know, let's do that. Let's put

0043

1 a push on it.

2 I think that's really important.

3 COMMISSIONER GAW: Yes, sir. I appreciate

4 the fact that you're talking about it, sir.

5 Thank you again for coming tonight.

6 MR. HOLDENRIED: All right. Thank you.

7 JUDGE VOSS: Commissioner Appling?

8 COMMISSIONER APPLING: Thank you very much

9 for coming, sir. I appreciate your comments on

10 the weatherization.

11 MR. HOLDENRIED: Thank you very much,

12 appreciate it.

13 JUDGE VOSS: Any questions from counsel?

14 MR. OCHOA: There's one.

15 MR. CONRAD: Just one.

16 AGP, Mr. Holdenried, would join in your

17 objection to the objection.

18 MR. HOLDENRIED: Whatever that means. That

19 sounds good to me.

20 JUDGE VOSS: Thank you. The witness is

21 excused.

22 Please call the next witness.

23 MR. OCHOA: Your Honor, at this time there

24 are no other persons signed up on the sheet.

25 There is some one else that wants to

1 testify.

2 JUDGE VOSS: And who is the witness?

3 MR. BROWN: My name is Drew Brown, 2213

4 Berkshire Drive, citizen of St. Joseph.

5 I am a customer of Aquila.

6

7 DREW BROWN

8 called as a witness herein, being first duly

9 sworn, testified on his oath as follows:

10

11 JUDGE VOSS: Please proceed with your

12 comments.

13 MR. BROWN: In the previous testimonies

14 this evening, much has been said about people on

15 fixed income.

16 But I would like the Commission to take

17 note of the fact that within the school district

18 of St. Joseph, 51 percent of the children qualify

19 for free and reduced lunches.

20 Most of the people that have children in

21 school are working age. They're not on fixed and

22 reduced incomes.

23 This tells us that a significant number of

24 parents in this community have trouble putting

25 food on the table, feeding their children.

1 A 22 percent increase in their electricity
2 rates will just increase the poverty level,
3 increase the misery level in this community.

4 That's all.

5 JUDGE VOSS: Okay. I had a question real
6 quick.

7 Where did you get your numbers from, just
8 for the record, documentation-wise?

9 MR. BROWN: From the superintendent of
10 schools, Melony Smith, just last week in fact.

11 JUDGE VOSS: Do you work for the school?

12 MR. BROWN: No, I do not.

13 JUDGE VOSS: Just curious.

14 Commissioner Murray, do you have any
15 questions for this witness?

16 COMMISSIONER MURRAY: No questions.

17 Thank you, sir.

18 JUDGE VOSS: Commissioner Gaw?

19 COMMISSIONER GAW: Just a couple.

20 How long have you been in the area?

21 MR. BROWN: I've lived in St. Joseph 13
22 years.

23 COMMISSIONER GAW: 13 years. So you're
24 pretty familiar with the way things are, aren't
25 you?

1 MR. BROWN: Yes.

2 COMMISSIONER GAW: Would you say that that
3 figure that you gave regarding those who qualify
4 for free/reduced lunches is a figure that was
5 representative of individuals who might -- of the
6 number of individuals who might be in a position
7 where rate increase would have a larger adverse
8 impact than what some other communities might
9 face?

10 MR. BROWN: Most certainly, most certainly,
11 sir.

12 COMMISSIONER GAW: Is there anything that
13 you can tell me about the community itself that
14 you want to put in for the record in regard to
15 the impact that the increase might have that you
16 haven't already said?

17 MR. BROWN: No, because I can't speak with
18 any expertise.

19 The cost of living here is a little lower.

20 COMMISSIONER GAW: Yes, sir.

21 MR. BROWN: Lower wage base.

22 Many people have to get on the highway to
23 travel to places like Kansas City for better
24 wages, but that's about all I could add.

25 COMMISSIONER GAW: So in other words,

1 you're saying the wages are a little lower.

2 Is that what you mean?

3 MR. BROWN: Yes, sir.

4 COMMISSIONER GAW: In the area, okay.

5 All right. Thank you very much for coming
6 up and testifying, sir.

7 JUDGE VOSS: Commissioner Appling?

8 COMMISSIONER APPLING: Judge, I have no
9 questions of this witness.

10 Thank you very much, sir, for coming down.

11 JUDGE VOSS: Any questions from counsel?

12 Hearing none, this witness is excused.

13 Thank you for your testimony.

14 MR. OCHOA: We have another witness, your
15 Honor.

16 JUDGE VOSS: Okay.

17 MR. STEHR: Good evening, your Honor, John
18 P. Stehr, St. Joseph, Missouri.

19 And I just --

20 JUDGE VOSS: One moment please.

21 Could you state your name a little slower
22 and spell it?

23 MR. STEHR: John P. Stehr, S-T-E-H-R.

24

25 JOHN P. STEHR

1 called as a witness herein, being first duly
2 sworn, testified on his oath as follows:

3

4 JUDGE VOSS: Thank you.

5 Please proceed with your comments.

6 MR. STEHR: Okay. I've taught school in
7 just about every school in the City of St.
8 Joseph.

9 And the ones that are going to be most
10 affected by this are probably the Humboldt-Neely
11 midtown area. Other areas of town will probably
12 be fine.

13 I personally put a heat pump in this year,
14 and Aquila gave me a discount on my lights
15 because I did that. It ran close to \$4,000.00.

16 People that can afford to do that would
17 probably be able to get away from some of this
18 increase.

19 Also I -- Aquila has plans to build
20 another power plant called Iatan 2. It's
21 scheduled to go online in 2010 I believe.

22 I don't see anywhere where any of this
23 money is scheduled for that plant. I believe that
24 they can't pre-bill people for a new plant.

25 But this is 2007, so in three years we're

0049

1 looking at at least another increase of this
2 size.

3 So just take that into consideration.

4 That's all.

5 JUDGE VOSS: Commissioner Murray, do you
6 have any questions?

7 COMMISSIONER MURRAY: No questions. Thank
8 you.

9 JUDGE VOSS: Commissioner Gaw?

10 COMMISSIONER GAW: Mr. Stehr, thank you for
11 coming tonight.

12 The heat pump that you got, did you do
13 that with your own resources?

14 Did you put it in yourself?

15 MR. STEHR: Yes, I did.

16 Aquila offers a program where they will
17 give us six months financing or help you get a
18 financing program, but you have to have, you
19 know, reasonably good credit to do that.

20 COMMISSIONER GAW: Okay. How is the
21 financing done with that program, do you know?

22 Is it done through Aquila or something
23 else?

24 MR. STEHR: It's -- yeah, it's done
25 through -- here in town it's done through Home

0050

1 Depot.

2 They're the ones that came out and give me
3 a bid.

4 COMMISSIONER GAW: Okay.

5 MR. STEHR: I went and had a bid done
6 through Sears, and Sears gave me a larger -- two
7 and a half tons versus a two ton, 3,800 versus
8 3,400 and a better warranty.

9 And --

10 COMMISSIONER GAW: Okay. And so did that
11 qualify for the financing or not?

12 MR. STEHR: I personally did not qualify
13 for it.

14 It would have qualified if I went through
15 Home Depot, probably not through Sears.

16 And I did get the reduced rate.

17 COMMISSIONER GAW: Okay. So you got a
18 reduction in the rate?

19 MR. STEHR: Yes.

20 COMMISSIONER GAW: Okay. And how much of a
21 reduction, do you know about?

22 MR. STEHR: It's substantial.

23 COMMISSIONER GAW: Okay. So the amount that
24 you're paying through your electricity is
25 actually less per kilowatt hours than it was

0051

1 before?

2 MR. STEHR: Yes.

3 COMMISSIONER GAW: Okay. And is that -- how
4 were you made aware of that program?

5 MR. STEHR: Aquila sent mailers out in
6 their mail.

7 COMMISSIONER GAW: Okay.

8 MR. STEHR: And they have energy assistant
9 mailers that's included in the bill.

10 And then the locals can, if they want to
11 donate a percentage on their bill -- not to the
12 bill, but on top of the bill, they can help with
13 the lower income, pay their light bill too.

14 COMMISSIONER GAW: Okay. Is there -- do you
15 know what the financing, if you would have
16 qualified for it, do you know if it was a
17 particularly good rate or was it --

18 MR. STEHR: It was probably about 10
19 percent, you know, nothing really fantastic.

20 COMMISSIONER GAW: Okay.

21 MR. STEHR: But it will pay for itself, you
22 know, versus --

23 COMMISSIONER GAW: How long did you say the
24 financing was supposed to be for?

25 MR. STEHR: 48 months.

0052

1 COMMISSIONER GAW: 48 months, okay. All
2 right.

3 Okay. Do you know of anybody else that
4 took advantage of that program?

5 MR. STEHR: That installed a heat pump in
6 the city?

7 COMMISSIONER GAW: Yes.

8 MR. STEHR: Yes, one of my ex-coworkers who
9 works for Aquila, Frank Barton.

10 COMMISSIONER GAW: Okay. I don't
11 necessarily need to know names, just interested
12 in whether or not the program was successful.

13 MR. STEHR: Yes.

14 I don't know what percentage, you know,
15 but just my personal experience.

16 COMMISSIONER GAW: That's fine.

17 Do you think the program is a good
18 program?

19 MR. STEHR: Yes, I do.

20 COMMISSIONER GAW: Okay. Now, you mentioned
21 that those individuals who might have difficulty
22 paying for this because of their income levels
23 might not be able to take advantage of it.

24 Is that part of your concern?

25 MR. STEHR: Yes.

1 COMMISSIONER GAW: Okay. All right. And do
2 you know if the program is still available?

3 I can find that out, but if you're aware
4 of.

5 MR. STEHR: Yes, it is.

6 COMMISSIONER GAW: Okay. And was there any
7 discount on the appliance itself?

8 Was there a rebate or any kind of an
9 amount offered?

10 MR. STEHR: I got 10 percent through Sears.

11 COMMISSIONER GAW: 10 percent. Was that
12 because of the program with Aquila or was that --
13 or do you know?

14 MR. STEHR: That was my personal
15 salesman -- no, there was no deal.

16 COMMISSIONER GAW: Okay. I'm just looking
17 for things that would be available because of
18 Aquila having some offer right now.

19 So was there anything else that Aquila
20 offered that you're aware of?

21 MR. STEHR: No.

22 COMMISSIONER GAW: Okay.

23 MR. STEHR: But besides that, Aquila has
24 had problems in the past with their management
25 concerning stocks and just the general business

1 market itself, in my opinion.

2 COMMISSIONER GAW: Is that a concern that
3 you have?

4 MR. STEHR: Looking into the future, yes.

5 COMMISSIONER GAW: Okay. All right. Is
6 there anything else you want to say before you
7 go?

8 MR. STEHR: No.

9 Have a good evening.

10 COMMISSIONER GAW: Thank you very much,
11 sir.

12 I didn't mean to try to get you to say
13 thank you, I just appreciate the fact that you
14 came.

15 I'll pass it to the Judge.

16 JUDGE VOSS: Do you have any questions?

17 MR. STEHR: But anyway, back to the point,
18 if we're looking at 22 percent now and then three
19 years from now we're looking at least 25 percent
20 more, so you need to take that into account.

21 Thank you.

22 JUDGE VOSS: Thank you.

23 The witness is excused.

24 MR. OCHOA: Your Honor, I think Mr.
25 Williams, who testified earlier, has some

1 additional comments.

2 JUDGE VOSS: Okay.

3 MR. WILLIAMS: If you don't mind.

4 JUDGE VOSS: Mr. Williams, I will remind
5 you you're still under oath.

6 MR. WILLIAMS: Yes.

7 While we were talking, I just remembered,
8 there's a fuel adjustment clause. Would you
9 please look into that?

10 We have never had a fuel adjustment clause
11 that we have to pay when they -- when the fuel
12 goes up for them, we have to pay. The customers
13 have to pay. Would you please look in on that?

14 And as for our meeting, we have a very
15 good crowd here, but we could have had a larger
16 crowd that probably wouldn't fit in this room if
17 we had some notice and some kind of a mailings
18 coming into, like, for Aquila to put into their
19 bill or -- was it?

20 I never did receive one. Some people
21 received it, some people didn't, okay.

22 But that would be more participation from
23 the community to let them know exactly how they
24 felt.

25 That's pretty much it. Thank you for your

0056

1 time. I know that you're busy, so I won't stay
2 long.

3 COMMISSIONER GAW: Mr. Williams, can you
4 hear me?

5 MR. WILLIAMS: Yes.

6 COMMISSIONER GAW: This is Steve Gaw. I
7 just wanted to say if -- I think there is some
8 comment sheets available there.

9 If there are those who maybe didn't get a
10 chance to come tonight, if you think they want to
11 file comments.

12 Correct me if I'm wrong.

13 MR. WILLIAMS: Yeah, I did pick up one.

14 COMMISSIONER GAW: Okay. Thank you again.

15 JUDGE VOSS: If you have several friends
16 who want to comment, you can photocopy it and
17 send them on in.

18 MR. WILLIAMS: Excellent.

19 JUDGE VOSS: We'd love to hear them.

20 MR. WILLIAMS: Anything more?

21 JUDGE VOSS: I think that's it. I think
22 you're excused.

23 MR. MILLS: Judge, just one thing.

24 I don't have any questions, but I just
25 want to note for the record that because Mr.

1 Williams has testified twice tonight, he's now
2 testified three times within the last year about
3 Aquila, makes him practically a professional
4 witness.

5 And I want to thank him for all his
6 efforts.

7 MR. WILLIAMS: I just want to make sure
8 that I have been heard and maybe some of the
9 people that talked to me, I'm just relaying some
10 of what they said.

11 And I really would like for you to take a
12 look at it if you would and keep the public in
13 mind please.

14 JUDGE VOSS: Thank you.

15 COMMISSIONER GAW: Thank you, sir. Thank
16 you for your public service.

17 MR. OCHOA: Is there anyone else that wants
18 to testify?

19 Your Honor, we have no other witnesses.

20 JUDGE VOSS: Okay. I just want to remind
21 counsel for Aquila that made objections earlier,
22 if there are any objections, based on what the
23 witness said, need to be made in writing, please
24 feel free to file those. And any surrebuttal
25 testimony supplemental in a motion.

1 But if you do need to do that, keep in
2 mind that time, procedure schedule we're under in
3 this case, and any motion to be obtained to
4 accept such testimony, it would have to fit into
5 the procedural schedule.

6 Thank you. This concludes the public
7 hearing in this case tonight. Thank you.

8

9 (Hearing concluded at 7:00 p.m.)

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

0059

1

I N D E X

2

3

WITNESS

PAGE

4

5

Jacqueline Stevens

8

6

7

Jerome Williams

12, 55

8

9

Brad Lau

17

10

11

Patt Lilly

20

12

13

Gary Oteken

29

14

15

Harlan Wood

36

16

17

Stephen Holdenried

38

18

19

Drew Brown

44

20

21

John P. Stehr

47

22

23

24

25

0060

1

E X H I B I T S

2

3

Marked

Read

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25