

424

NANCY DIPPELL, Presiding  
SENIOR REGULATORY LAW JUDGE  
CONNIE MURRAY  
COMMISSIONER

REPORTED BY: JILL A. NEWMAN, C.C.R.  
Holliday Reporting Service, Inc.

APPEARANCES

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65102

(ph.) - phonetic  
(sic) - exactly as spoken

1 BY JUDGE DIPPELL:

2 Thank you very much. I would like  
3 to welcome everyone here this  
4 evening. If we're ready we can go  
5 ahead and get started and go on the  
6 record. This is the Missouri Public  
7 Service Commission local public  
8 hearing.

9 BY UNIDENTIFIED SPEAKER:

10 Can't hear you. Bring your mike up  
11 a little.

12 BY JUDGE DIPPELL: All

13 right. Thank you. This is the  
14 Missouri Public Service Commission's  
15 hearing in Case Number ER 2002-424  
16 in which The Empire District  
17 Electric Company seeks a general  
18 electric rate increase. The  
19 Missouri Public Service Commission  
20 regulates the rates charged by  
21 investor owned utility companies in  
22 Missouri to ensure that those rates  
23 are just and reasonable. The  
24 Commission also regulates the  
25 quality of service and safety of

1 operations of investor owned  
2 utilities. The Commission is made  
3 up of five commissioners. One of  
4 those commissioners, Commissioner  
5 Connie Murray, is here with me this  
6 evening. The commissioners are  
7 appointed by the governor and  
8 confirmed by the senate. The  
9 Commission employs also a staff of  
10 engineers, accountants, attorneys,  
11 financial analysts, and other  
12 specialists in the field of utility  
13 regulation, and I think if any of  
14 you came for the informational  
15 meeting earlier you probably had an  
16 opportunity to meet some of those  
17 staff members who are here with us.  
18 My name is Nancy Dippell, and I'm a  
19 regulatory law judge assigned to  
20 this case, and I'm going to be  
21 presiding over this evening's  
22 hearing. And also present at the  
23 counsel table to my right is Mr.  
24 Franson who is staff, and in the  
25 front row is Mr. John Coffman, who

1 is here with the Office of the  
2 Public Counsel. And I have Dean  
3 Cooper who is here representing The  
4 Empire District Electric Company.  
5 And we also have other staff  
6 members with us. Mr. Wood, Warren  
7 Wood, and Mr. Ocho, who is with our  
8 public information office. He is  
9 back in the back. And Mr. Bob  
10 Berlin who is with our staff also.  
11 Basically this is an official  
12 hearing of the Public Service  
13 Commission, and the statements and  
14 testimony that you give this evening  
15 will be recorded by the court  
16 reporter, and they must be taken  
17 under oath so that we can include  
18 them in the official record of this  
19 case. All of the commissioners will  
20 read these remarks, and they will be  
21 considered when they make their  
22 final decision in this matter. In  
23 addition to the local public hearing  
24 tonight there will be a trial type  
25 evidentiary hearing which will be

1 held on October 28th, or beginning  
2 on October 28th at 8:30 a.m. in the  
3 Commission's offices in Jefferson  
4 City. At that hearing the company  
5 will have the burden of showing that  
6 the proposed rate increase is  
7 necessary. The various parties will  
8 present their witnesses for and  
9 against the proposed increase at  
10 that time. The purpose of the  
11 hearing tonight though is to hear  
12 from you and the subject - on the  
13 subject of the proposed rate  
14 increase. The company will not be  
15 presenting any witnesses tonight,  
16 and will not be answering any  
17 questions during this part of the  
18 hearing. Tonight is your  
19 opportunity to testify and give the  
20 Commission your remarks and comments  
21 on the official record. So what I  
22 will do is I will call the name of  
23 each of you that has signed up, and  
24 when your name is called I will ask  
25 you if you would please come

1 forward, and if it's all right, sit  
2 in the witness chair, I'll swear you  
3 in, or you can take an affirmation  
4 if you don't want to swear under  
5 oath, and then I'll ask you if  
6 you'll spell your name for the court  
7 reporter. I'll ask you to give  
8 your name and address, and then we  
9 may have some questions for you  
10 from some of the attorneys. You  
11 can give your comments at that  
12 time, and then I will ask if any of  
13 the attorneys have any clarifying  
14 questions for you. So I would ask  
15 if you would remain at the witness  
16 chair until I have excused you. In  
17 order to make as many of you - or  
18 to make the record as clear as  
19 possible I would ask that you allow  
20 only the person that is testifying  
21 to speak. We can't take down  
22 comments from the general audience  
23 and so forth. So I would ask if  
24 you would speak one person at a  
25 time, and only when you're in the

1 witness chair, or until I call on  
2 you. We're going to begin. First,  
3 I'm going to let the attorneys make  
4 their entries of appearance. Mr.  
5 Franson, would you like to start?

6 BY MR. FRANSON: Thank  
7 you, Your Honor. Robert Franson  
8 and Robert Berlin, attorneys  
9 representing the staff of the Public  
10 Service Commission, P.O. Box 360,  
11 Jefferson City, Missouri, 65102.

12 BY JUDGE DIPPELL:  
13 Thank you. Mr. Coffman.

14 BY MR. COFFMAN: Thank  
15 you. Appearing on behalf of the  
16 Office of the Public Counsel and  
17 the rate payers, John B. Coffman,  
18 P.O. Box 7800, Jefferson City,  
19 Missouri, 65102.

20 BY JUDGE DIPPELL: Mr.  
21 Cooper.

22 BY MR. COOPER: Dean L.  
23 Cooper from the law firm of Brydon,  
24 Swearngen & England, P.C., P.O. Box  
25 456, Jefferson City, Missouri,



1                   65102, appearing on behalf of The  
2                   Empire District Electric Company.

3                               BY JUDGE DIPPELL:  Is  
4                   there anyone - any other attorneys  
5                   present wishing to make an entry?  
6                   All right then.  One gentleman has  
7                   requested that he be allowed to  
8                   testify first, and I have agreed to  
9                   accommodate that, so if we could  
10                  just go ahead and get started then.  
11                  Mr. Rudy Farber.

12                               RUDOLPH FARBER

13       Having been first duly sworn and examined,  
14       testified as follows:

15                               BY JUDGE DIPPELL:  
16                   Would you please spell your name for  
17                   the court reporter?

18                               BY RUDOLPH FARBER:  
19                   Rudolph, R-U-D-O-L-P-H, Farber,  
20                   F-A-R-B-E-R.

21                               BY JUDGE DIPPELL:  
22                   Thanks.  You can go ahead and begin  
23                   your comments when you're ready.  
24                   Or if you would give your address  
25                   first that would be helpful.

1 BY RUDOLPH FARBER:

2 Yes. I live at 17594 Hereford  
3 Road, Neosho, Missouri, 64850. My  
4 purpose in appearing before this  
5 hearing is to support the rate  
6 increase that is being asked by  
7 Empire District. My reasons for  
8 doing this are two fold. First, I  
9 feel that the request for a rate  
10 increase is reasonable given the  
11 current rate structure as I  
12 understand it. Secondly, in my  
13 capacity as an economic developer in  
14 Neosho I'm a member - or actually  
15 chairman of Neosho Land Development,  
16 Inc. This is a not for profit  
17 corporation which has been serving  
18 the Neosho industrial area for  
19 approximately fifty years. I have  
20 been associated with it for over  
21 thirty. During this time Empire has  
22 played a major role in helping our  
23 industrial development new growth in  
24 Neosho, and we have been quite  
25 successful and quite pleased with

1 Empire's responsiveness and rate  
2 structure. When the industrial and  
3 commercial customers come to us in  
4 our capacity to help them relocate  
5 or expand I have found over the  
6 years that the accommodation that  
7 Empire has made as far as the  
8 ability to service our industrial  
9 needs has been excellent. And  
10 secondly, we have never had a  
11 problem in terms of rate cost per  
12 kilowatt hour. It has always been  
13 favorable. The other part of my  
14 remarks have to do with the  
15 corporate citizenship. And I can  
16 tell you that it has been in my  
17 opinion excellent. I would like to  
18 give you three examples of that  
19 which I think show their commitment  
20 to industrial development and to  
21 improvement in the community. The  
22 first would be we did a downtown  
23 project in Neosho having to do with  
24 the renovation of the lighting in  
25 the Neosho Square, and it was a

1           rather major project which was  
2           really done without any governmental  
3           funding, and so it was necessary to  
4           ask various business interests to  
5           come forward and help with the  
6           project, \$250,000.00 to \$300,000.00  
7           project. Empire was very helpful  
8           in getting the electrical  
9           underground at an extremely  
10          reasonable cost, and they were very  
11          easy to work with. A second  
12          example would be when it came time  
13          to build our YMCA. Empire was a  
14          player in that, and not only were  
15          they helpful in building design so  
16          that it could be done in a  
17          expeditious and very cost effective  
18          matter, as far as the use of  
19          electricity was concerned, but they  
20          also were willing after the fact to  
21          perform an audit for us to help us  
22          further reduce our electrical  
23          consumption. The third point that  
24          I would like to make showing what I  
25          believe to be their commitment to

1 community service, the Neosho Land  
2 Development Group has approximately  
3 five hundred acres of industrial  
4 land in Neosho, and one piece of  
5 this land was one that was really  
6 too small to use, but fortunately  
7 Empire had some land adjacent to  
8 this which if we could have put it  
9 together would have made an  
10 excellent building tract. We went  
11 to them and asked them if they  
12 would donate this to our not for  
13 profit corporation, and the answer  
14 was yes, and very recently that  
15 transaction took place. We were  
16 very appreciative because I think  
17 that will be very helpful in our  
18 industrial development. I think in  
19 summary I've got to say that I  
20 believe they do an excellent job in  
21 cost control, and in bringing  
22 reasonable rates to our area, and  
23 in being what I consider to be in  
24 this time and place very important,  
25 and that is excellent corporate

1 citizen. That concludes my remarks.

2 If there are questions I would be  
3 happy to try to field them.

4 BY JUDGE DIPPELL:

5 Thank you. Commissioner Murray, did  
6 you have questions?

7 BY COMMISSIONER MURRAY:

8 No, but thank you for being here.

9 BY JUDGE DIPPELL: Are  
10 there any questions from counsel?  
11 Mr. Coffman?

12 BY MR. COFFMAN: Yes.

13 EXAMINATION BY MR. COFFMAN:

14 Q. To clarify, the companies I guess that you  
15 are affiliated with are industrial electric  
16 customers of The Empire District Electric?

17 A. Well, actually, what we do is when prospects  
18 are brought to us either through our  
19 prospecting or through the Department of  
20 Economic Development of the State of  
21 Missouri, our job is to try to locate those  
22 people in our industrial tract if we can  
23 make a fit. So that's basically - that's  
24 one of my functions. I make my living at a  
25 local bank.

1 Q. You're not - you're not affiliated with any  
2 business that actually pays these industrial  
3 rates, other than I guess your job as the  
4 bank - as a customer?

5 A. I also own property in Neosho and pay a  
6 commercial rate on property there.

7 Q. And you testified that you support the rate  
8 increase?

9 A. That is correct.

10 Q. Do you support the entire eight to nine  
11 percent rate increase?

12 A. Yes, I do.

13 Q. You don't think that that would be a  
14 problem for businesses you work with to  
15 pay, or--

16 A. No, I--

17 Q. --they can absorb that cost?

18 A. I believe that. Yes, sir.

19 Q. Okay. That's all I have. Thanks.

20 BY JUDGE DIPPELL: Are  
21 there any other questions from  
22 counsel?

23 BY MR. FRANSON: No,  
24 Your Honor.

25 BY RUDOLPH FARBER:

1 Thank you.

2 BY JUDGE DIPPELL:

3 Thank you. The next witness is Mr.  
4 Jim Higley. And I apologize if I  
5 mispronounce anyone's name.

6 JIM HIGLEY

7 Having been first dully sworn and examined,  
8 testified as follows:

9 BY JUDGE DIPPELL:

10 Would you just spell your name for  
11 the court reporter.

12 BY JIM HIGLEY: Jim,  
13 J-I-M, Higley, H-I-G-L-E-Y.

14 BY JUDGE DIPPELL: You  
15 can sit down. If you could give us  
16 your address, and then start with  
17 your comments.

18 BY JIM HIGLEY: My  
19 address is 4269 North Black Cat  
20 Road, Joplin, 64801. Empire is a  
21 good company, in my opinion, but I  
22 think a nine percent increase is  
23 wrong. I am a retired fire  
24 fighter, I have a fixed pension, I  
25 have worked for the ambulance



1 service here. If I'm, you know,  
2 lucky when we have a pay increase  
3 it's only three percent. Three  
4 percent is not very much. There's  
5 a lot of folks out there that we  
6 deal with on a daily basis that are  
7 low income people. And, you know,  
8 people can't afford to keep paying  
9 these increases all the time, and  
10 it's hard on everybody. Water  
11 company, for example, here awhile  
12 back where I live, we wound up  
13 paying a twenty-one percent  
14 increase. You know, we just don't  
15 make that kind of money to be going  
16 out and taking care of the utility  
17 companies, the oil companies.  
18 Everybody is going backwards. I  
19 mean, you know, I can't get ahead.  
20 So every time we start getting all  
21 of these increases my paychecks is  
22 not covering much, and I just don't  
23 see where that's the American way  
24 doing that. We should be able to  
25 try to get ahead a little bit. I'm

1           just tired of going backwards. On  
2           the low rider income in there,  
3           they're talking about us  
4           subsidizing, you know, low income  
5           people, and it doesn't say anything  
6           whether it's voluntary or it's going  
7           to be mandatory. There's another  
8           chunk of money that's going to be  
9           coming out of my paycheck to  
10          subsidize other folks. I don't  
11          mind helping people, I have done it  
12          for years, but we just keep, you  
13          know, taking a chunk out of my  
14          paycheck. You know, I've got a  
15          family to take care of, you know,  
16          grandkids, and, you know, I would  
17          like to enjoy them, too, but, you  
18          know, we can't be doing this and  
19          then paying out all of our paychecks  
20          every month to the utilities and  
21          whoever. So - and then there's one  
22          more thing about - you know, Empire  
23          has done a good job. I have worked  
24          with them for years out on  
25          emergencies at night when I was a

1 fire fighter. They was always out  
2 there doing their job. I commend  
3 them for that, but on my own  
4 personal part of it, when I'm at  
5 home, when there's a power outage,  
6 you can't get through. Now,  
7 whether their lines are busy or  
8 whether they take it off the hook,  
9 that's the way it seems to me, you  
10 know, but you can't get through to  
11 them. And eventually you can, but,  
12 you know, it might be - it might  
13 take an hour to get through to  
14 them. So - but the bottom line is  
15 on the way I feel about it, I think  
16 nine percent is ridiculous to give  
17 to Empire for a rate increase.  
18 Most folks don't get a nine percent  
19 increase in their paychecks at the  
20 year when they're supposed to -  
21 trying to get an increase every  
22 year. That's all I've got to say.

23 BY JUDGE DIPPELL:

24 Thank you. Commissioner Murray, do  
25 you have any questions?

1 BY COMMISSIONER MURRAY:

2 Just one. Thank you. Did I  
3 understand you to say that as to  
4 the low income portion that you  
5 wouldn't mind paying a subsidy for  
6 low income so long as it was  
7 voluntary and not--

8 BY JIM HIGLEY: Well, I  
9 think they ought to give you an  
10 opportunity to say whether it's  
11 voluntary or mandatory. According  
12 to what I have read right here it  
13 looks like you don't have a choice.  
14 And I don't know why, if they're  
15 going to take care of the - if  
16 they're interested in taking care of  
17 the low income why don't they just  
18 give them a little bit of a discount.

19 BY COMMISSIONER MURRAY:

20 That's all I have. Thank you.

21 BY JUDGE DIPPELL: Are  
22 there any counsel questions? You  
23 may be excused, sir. Thank you  
24 very much. Connie Meier.

25 CONNIE MEIER

1     Having been first dully sworn and examined,  
2     testified as follows:

3                                 BY JUDGE DIPPELL:

4                 Would you please spell your name for  
5                 the court reporter, and then give  
6                 us your address.

7                                 BY CONNIE MEIER:   It's  
8                 Connie, C-O-N-N-I-E, and it's Meier,  
9                 M-E-I-E-R.   I live at 7107 West  
10                Bell Center Road, Joplin, 64801.

11                                BY JUDGE DIPPELL:

12                Thank you.

13                               BY CONNIE MEIER:   As  
14                far as Empire, we think Empire is a  
15                very good company.   We have  
16                relatives that live in other parts  
17                of the country, and will say that we  
18                have very good service compared to  
19                some of the ones that we have  
20                talked to that live in different  
21                states.   They have supported many  
22                good positive community service  
23                projects through the years, they do  
24                many good things, but I believe  
25                that the community as a large

1 cannot support a nine percent  
2 increase. Joplin is not a well off  
3 community. There are a lot of  
4 lower income persons that live in  
5 this area. They simply do not have  
6 the monies to support that type of  
7 an increase. In an article in The  
8 Joplin Globe dated 19, September,  
9 Mr. Bill Gibson is quoted as stating  
10 that the additional revenue would  
11 allow Empire to retire short term  
12 debt in to long as a result of the  
13 proposed acquisition by Unicorp,  
14 which later fell through. My  
15 question is why should the consumers  
16 or rate payers have to pay for this  
17 expense. The buyout would pay the  
18 stockholders in the upper twenties  
19 per share of stock, and before this  
20 the stock was selling in the upper  
21 teens. The stockholders would have  
22 made a profit of ten dollars plus  
23 per share. Since the deal fell  
24 through it only seems proper that  
25 they should have to absorb the loss

1 of the action since it had gone  
2 through - since if it had gone  
3 through they only would have made  
4 the profit. The consumer should  
5 not have to pay for their actions.  
6 The Board of Directors could lower  
7 the dividend paid to the stock -  
8 paid on stock to recover this loss.  
9 Very few places are there today  
10 which can earn a return of six to  
11 seven percent like you can on  
12 Empire stock today. It is time for  
13 the consumers to get a break  
14 instead of just Empire raising their  
15 rates. Thank you.

16 BY JUDGE DIPPELL:  
17 Thank you. Commissioner Murray, are  
18 there any questions?

19 BY COMMISSIONER MURRAY:  
20 No questions. Thank you for being  
21 here.

22 BY JUDGE DIPPELL: Are  
23 there any counsel questions?

24 BY MR. FRANSON: No  
25 questions, Your Honor.

1 BY JUDGE DIPPELL:

2 Thank you, ma'am. Jane Daniels.

3 JANE DANIELS

4 Having been first dully sworn and examined,

5 testified as follows:

6 BY JUDGE DIPPELL:

7 Could you spell your name for the

8 court reporter and give us your

9 address?

10 BY JANE DANIELS:

11 J-A-N-E, D-A-N-I-E-L-S. I live at

12 1815 South Picher, Joplin.

13 BY JUDGE DIPPELL:

14 Thank you.

15 BY JANE DANIELS: I,

16 too, don't believe Empire has horns

17 and a fork--

18 BY UNIDENTIFIED SPEAKER:

19 Jane, we can't hear you. Pull your

20 mike up.

21 BY JUDGE DIPPELL:

22 Speak in to the mike a little bit.

23 BY JANE DANIELS: I

24 believe Empire also is a good

25 company, but I also think that like



1 any company, or any business, or  
2 any citizen, they need to be  
3 fiscally responsible. I have some  
4 things here that - they received a  
5 one time tax benefit of 2.3 million,  
6 quote, "from their previously  
7 incurred merger costs", which was  
8 Utilicorp. They got to take that  
9 off their taxes. And then you go  
10 over on the next page and they're  
11 asking - or saying that they lost  
12 money to the same - it negatively  
13 impacted them. Well, I believe that  
14 their own employees helped defeat  
15 that because they were concerned  
16 with their livelihood if that merger  
17 had gone through. Also, it talks  
18 about the cost of - I'm sorry. I  
19 have to keep looking at this here.  
20 They had high cost for maintenance  
21 contracts they signed. In June  
22 2001 our combustion turbine and  
23 combined cycle units increased  
24 operations and maintenance costs.  
25 Didn't they know when you all built

1           that that you were going to have to  
2           maintain them? Yeah. This stands  
3           to reason to me that if you're  
4           going to build a power plant  
5           somebody is going to have to take  
6           care of it. If your people can't  
7           take care of it those costs should  
8           have been figured in to it. I  
9           don't think I should have to pay  
10          for that either. Everybody just  
11          said, and this is true, this is -  
12          you know, if you make \$30,000.00 in  
13          Joplin, Missouri you're making a lot  
14          of money. Most people don't make  
15          that. My mother sitting back there  
16          beside me, if she didn't live with  
17          me - about \$9,600.00 a year, her  
18          social security. This is a large -  
19          that's a large part of Joplin,  
20          Missouri. We have an older  
21          population. We're even being asked  
22          to support Empire on an act of God.  
23          We had a mild winter so now we have  
24          to subsidize them because our  
25          electric bills weren't that high.

1 My question is, if you give them  
2 the rate increase and we have  
3 another mild winter are you guys  
4 going to give it back to us? It's  
5 just - here they bought - went in  
6 with some other people and they  
7 bought Eagle Picher, their Precision  
8 Products. They need - instead of  
9 sitting back and thinking building  
10 this, building that, we'll jump the  
11 rates, they need to figure let's do  
12 the best we can do here. I  
13 personally would like to see you  
14 guys, or the Public Service  
15 Commission, freeze the rates for  
16 three years. Let them see if they  
17 could learn to live within a  
18 budget, like the rest of us do.  
19 And then if they prove themselves  
20 fiscally responsibly, and not have  
21 to keep coming back every year  
22 wanting a rate increase, then give  
23 them what is the cost of living  
24 increase. I'm finished.

25 BY JUDGE DIPPELL:

1                   Thank you. Commissioner Murray, do  
2                   you have any questions?

3                                   BY COMMISSIONER MURRAY:

4                   I have no questions. Thank you.

5                                   BY JUDGE DIPPELL: Are  
6                   there any questions from counsel?

7                                   BY MR. FRANSON: No,  
8                   Your Honor.

9                                   BY JUDGE DIPPELL:  
10                  Thank you, Ms. Daniels. You may be  
11                  excused.

12                                  BY JANE DANIELS: Thank  
13                  you very much.

14                                  BY JUDGE DIPPELL: Mary  
15                  Jane Simrell. I'm not sure if I'm  
16                  pronouncing that correctly.

17                                  BY MARY ANN SIMRELL:  
18                  Mary Ann Simrell.

19                                  BY JUDGE DIPPELL:  
20                  That's it. I apologize.

21    MAY ANN SIMRELL

22                  Having been first dully sworn and examined,  
23                  testified as follows:

24    BY JUDGE DIPPELL:

25                  Thank you.

1 BY MARY ANN SIMRELL: I

2 am one of the--

3 BY JUDGE DIPPELL: Wait

4 just a moment. Would you spell

5 your name for the court reporter?

6 BY MARY ANN SIMRELL:

7 It's Mary Ann S-I-M-R-E-L-L.

8 BY JUDGE DIPPELL:

9 Thank you. And can you give us

10 your address?

11 BY MARY ANN SIMRELL: I

12 live at 708 P-A-R-R, Sarcoxie,

13 Missouri. I am on a fixed income,

14 there's no way I can afford nearly

15 a nine percent raise on my electric

16 rate. I turned my air-conditioner

17 off this last month to cut down on

18 my electric bill, which was still

19 \$100.00, and I just can't afford

20 it, but I can't understand why

21 Empire bought - a number of years

22 ago they bought, I think about a

23 section of ground over there on

24 Spring River, and because the

25 farmers increased the rate on what

1           they wanted for their farms, well,  
2           they quit buying. Well, now, they  
3           have purt-near got a building  
4           finished over there, and you can go  
5           see for yourself. Now, do they  
6           expect us to pay for that building  
7           and all their - all their work  
8           that's being done? I think that's  
9           why they want this rate increase,  
10          and I don't think it's right for us  
11          people that's - especially us people  
12          that's on fixed incomes. And we  
13          pay our bills. So I hope they  
14          don't get the rate increase, because  
15          we can't afford it. No way. No  
16          way in this world. So I hope that  
17          they will not let them have it,  
18          because they had the money to buy  
19          all that ground up, and they had -  
20          they're having all of these - this  
21          building built. I understand  
22          they're going to be hiring a bunch  
23          of people over there eventually.  
24          That's what the intentions are.  
25          You might check it out. That's all

1 I have to say.

2 BY JUDGE DIPPELL:

3 Thank you. Hang on just one  
4 moment. Are there any questions?  
5 Commissioner Murray?

6 BY COMMISSIONER MURRAY:

7 I have none. Thank you.

8 BY JUDGE DIPPELL:

9 Counsel?

10 BY MR. FRANSON: No,

11 Your Honor.

12 BY JUDGE DIPPELL: All

13 right. You may be excused then.

14 Thank you, Ms. Simrell. Darby

15 Marcum.

16 DARBY MARCUM

17 Having been first dully sworn and examined,

18 testified as follows:

19 BY JUDGE DIPPELL: When

20 you get situated if you would spell

21 your name.

22 BY DARBY MARCUM: Okay.

23 Darby, D-A-R-B-Y, Marcum,

24 M-A-R-C-U-M. My address is 2114

25 East Laurel.

1 BY JUDGE DIPPELL:

2 Thank you. Go ahead.

3 BY DARBY MARCUM: I'm a  
4 little nervous. This is my first  
5 testimony before a microphone.

6 BY JUDGE DIPPELL: Take  
7 your time.

8 BY DARBY MARCUM: Okay.  
9 I think that the grass roots people  
10 with Empire District, the men and  
11 women who come out and give us back  
12 our power, are hardworking, decent  
13 human beings. So I think in many  
14 respects what constitutes Empire  
15 District, the people, is very good.  
16 Administratively I think that  
17 there's probably some good people  
18 there, public service - or customer  
19 service is very lacking and can be  
20 very demeaning to people when they  
21 call, and they seem to take some  
22 relish in giving them a hard time.  
23 That said, I would like to - during  
24 this may I ask Empire questions?

25 BY JUDGE DIPPELL: Not



1                   really. This is just your  
2                   opportunity to--

3                                   BY DARBY MARCUM: Okay.

4                                   BY JUDGE DIPPELL:  
5                   --give the Commission your comments.

6                                   BY DARBY MARCUM: All  
7                   rightly. There are some things  
8                   about this that I honestly do not  
9                   understand. Number one, if they  
10                  want to raise my electric bill nine  
11                  percent that takes twenty-five  
12                  percent of the increase I have  
13                  received on social security  
14                  disability the first of this year.  
15                  Twenty-five percent would go  
16                  directly to Empire District because  
17                  of the rate increase. And then, of  
18                  course, food has gone up, water is  
19                  going up, gas is going up. What's  
20                  left? Nothing. The cost of living  
21                  that people who are disabled - and  
22                  this is a low income area. I  
23                  worked hard all my life. I worked  
24                  my way through college, and worked  
25                  my way through graduate school, and

1                   worked hard all my life, became ill  
2                   in 1998. My income dropped seventy  
3                   percent. Okay. But I'm not the  
4                   only one in that situation. They  
5                   say that they want to help a  
6                   thousand people in this area. What  
7                   is the population of their service  
8                   area? A thousand people. A  
9                   thousand people who could probably  
10                  if they had fair rates and could  
11                  live within their means, and  
12                  struggling to do so, could plant  
13                  gardens so they could have  
14                  vegetables, even though their health  
15                  restricts them from extreme heat and  
16                  extreme cold they try everything  
17                  they possibly can do to keep their  
18                  utility rates down, they would still  
19                  much rather live independently of  
20                  any charity. Okay. And what is a  
21                  thousand people in their customer  
22                  base? What is that? What  
23                  percentage. I find that when a  
24                  statement is made the Empire  
25                  District Electric Company stated in

1           its filing on March 8, 2002 that  
2           the rate request was needed to  
3           recover new operating costs, and  
4           obligations, and reflect the actual  
5           proposed changes in Empire's capital  
6           structure. Well, I hope someone can  
7           explain to me exactly what that  
8           vague statement means. I also  
9           notice that they made reference to  
10          additional security cost relating to  
11          the 2, September, 2001 (sic)  
12          terrorist attacks. And then it goes  
13          on to say in this case Empire also  
14          seeks to change the current  
15          summer/winter rate differential for  
16          residential customers. What does  
17          that mean? What differential?  
18          What does it mean? How does it  
19          affect us? Is it just the nine  
20          percent? Where is the ceiling?  
21          Where does it stop? If I get  
22          \$20.00 a month more on social  
23          security disability, okay, why  
24          should Empire District get  
25          twenty-five percent of it? It's

1           just not practical and reasonable  
2           for this area. I do know that  
3           prior to September 11, 2001 the  
4           Empire District's per share was  
5           \$20.05, as of today, and it went  
6           down ten cents today, it is now  
7           \$16.91. In my honest opinion, I  
8           believe Empire District is trying to  
9           recoup extraordinary costs to make  
10          up for their loss. We have  
11          experienced tragedy beyond 2001 as  
12          American people. We have  
13          experienced the tragedy of large  
14          corporations which are affecting us  
15          all very negatively. It is my hope  
16          that this Commission will take a  
17          serious look at this, and how it  
18          affects the people of this area,  
19          what's happening to us, what's  
20          happening not only to our  
21          pocketbooks, but to our  
22          independence, maintaining self  
23          respect, and the cost has to stop.  
24          The cost rises has to stop  
25          somewhere, sometime. Thank you.

1 BY JUDGE DIPPELL:

2 Thank you. Commissioner Murray, do  
3 you have any questions?

4 BY COMMISSIONER MURRAY:

5 I have no questions, but thank you.

6 BY JUDGE DIPPELL: Any  
7 counsel questions? Mr. Franson?

8 BY MR. FRANSON: I have  
9 no questions, but I would encourage  
10 Ms. Marcum - first of all, one of  
11 our staff members, Mr. Williams,  
12 would be happy to give you our 800  
13 customer service number if you or  
14 anyone else has any questions about  
15 that. And also, there are some  
16 representatives from Empire if you  
17 want to talk to them about your  
18 questions.

19 BY DARBY MARCUM: Well,  
20 I've been fairly unsuccessful in  
21 getting any kind of response from  
22 Empire. I would much rather have  
23 your response.

24 BY MR. FRANSON: Mr.  
25 Williams can certainly talk to you.

1 I would encourage you to do that.

2 BY DARBY MARCUM: Thank  
3 you very much.

4 BY JUDGE DIPPELL:  
5 Thank you.

6 BY MR. FRANSON: Or Mr.  
7 Wood, also.

8 BY JUDGE DIPPELL: Wes  
9 Braman.

10 WES BRAMAN

11 Having been first dully sworn and examined,  
12 testified as follows:

13 BY JUDGE DIPPELL: If  
14 you would spell your name for the  
15 court reporter, and give us your  
16 address.

17 BY WES BRAMAN: My name  
18 is Wes, W-E-S, Braman, B-R-A-M-A-N.  
19 I have a residence at 1739 Warren  
20 Drive, Neosho, Missouri, zip code  
21 64850. Thank you for the  
22 opportunity to speak. They say if  
23 you live long enough you'll hear  
24 just about anything, but what I  
25 don't hear is how important this

1 company is to our community and to  
2 the enrichment of our community.  
3 Empire has been in business since  
4 1909 in Joplin, Missouri and in  
5 southwest Missouri. They have  
6 demonstrated to be an excellent  
7 financial steward of their  
8 resources. I don't think you're  
9 going to find any Enron or Worldcom  
10 executives when you walk through  
11 their doors. I think what you're  
12 going to find are prudent people  
13 trying to make reasonable decisions  
14 to make an investment that's going  
15 to better our community. What I  
16 think you will find is a local  
17 company who believes in some very  
18 basic principals, that they provide  
19 value to their stockholders, that  
20 they provide exceptional customer  
21 service to their - to their people  
22 to use their power source. And  
23 number three, although I could not  
24 find it written anywhere, I believe  
25 they feel a real commitment to

1           their communities that they are a  
2           part of. I have personally seen  
3           their volunteers from their Empire  
4           family involved in numerous school  
5           activities and programs promoting  
6           ethics, mentoring, teaching  
7           excellence, and more. They work  
8           with local schools to improve  
9           learning conditions. The Empire  
10          family gets involved in many civic  
11          organizations, like rotary, kiwanis,  
12          surroptimist, and many others in our  
13          towns to make them a better place  
14          to be. Empire has brought through  
15          their combined efforts with other  
16          community leaders many new jobs to  
17          this reason that affect and employ  
18          thousands of people, and given many  
19          of these families opportunities that  
20          they would not normally have. This  
21          past week I had the chance to look  
22          at a letter to the editor here in  
23          our Joplin paper that was basically  
24          a say no letter to Empire, and it  
25          was mentioning the cost of the five



1 to ten dollars that an average  
2 household was going to have to pay,  
3 this additional cost, and I don't  
4 underestimate the financial  
5 importance of that to an individual  
6 on a monthly basis. However, I  
7 truly wonder if that individual  
8 considered the cost and the  
9 consideration of not having Empire  
10 in our community, and what it would  
11 mean to this town. I believe it  
12 would cost us a lot more than five  
13 to ten dollars a month on the  
14 average consumer. I think it would  
15 cost us hundreds of good paying  
16 jobs, people that support Empire not  
17 because they worked for Empire, but  
18 because they have - they have  
19 businesses that are suppliers to  
20 Empire. I think it would cost us.  
21 I think it would mean less  
22 involvement in our schools. I  
23 think it would mean less involvement  
24 in our civic organizations, in our  
25 community. And I think it would be

1 a great loss to our community of a  
2 great economic partnership of this  
3 company and their efforts to bring  
4 new industry to our area. I'll  
5 finish my comments with these  
6 thoughts. We shouldn't want Empire  
7 to be a struggling company. We  
8 shouldn't want Empire to squeak by.  
9 We should want them to be a strong  
10 and capable company handling our  
11 electrical needs today and in the  
12 future. For almost one hundred  
13 years they have proven themselves to  
14 be a company of integrity and  
15 commitment. Not just to their  
16 stockholders, but to their  
17 employees, and to - that they call  
18 their family, and to the many  
19 communities of southwest Missouri.  
20 I want to thank you for your time  
21 for allowing me to express my  
22 personal views of this company. I  
23 want to thank Empire for their  
24 community leadership. And I  
25 respectfully ask that you grant the

1 approval of their request.

2 BY JUDGE DIPPELL:

3 Thank you. Commissioner Murray, do  
4 you have any questions?

5 BY COMMISSIONER MURRAY:

6 No questions. Thank you.

7 BY JUDGE DIPPELL:

8 Questions from counsel? Mr. Coffman?

9 EXAMINATION BY MR. COFFMAN:

10 Q. Can you tell me if you have any financial  
11 relationship with Empire Company, or have  
12 had any financial relationship?

13 A. No, I have no financial interest in their  
14 company other than paying my electric bill.

15 Q. You come here today as just a residential  
16 consumer--

17 A. Correct.

18 Q. --or representing any businesses?

19 A. No, sir.

20 Q. Okay. Thank you.

21 A. Thank you.

22 BY JUDGE DIPPELL:

23 Anything else?

24 BY MR. FRANSON: No,

25 Your Honor.

1 BY JUDGE DIPPELL:

2 Thank you, sir. Jenny Wardley.

3 I'm sorry. I can't read the last  
4 name.

5 BY JERRY WOOLSEY: Jerry  
6 Woolsey.

7 BY JUDGE DIPPELL:

8 Jerry. I'm sorry. I butchered  
9 that one about as bad as I can.

10 BY JERRY WOOLSEY:

11 Don't worry about it.

12 JERRY WOOLSEY

13 Having been first dully sworn and examined,  
14 testified as follows:

15 BY JUDGE DIPPELL:

16 Would you please spell your name for  
17 the court reporter?

18 BY JERRY WOOLSEY:

19 J-E-R-R-Y, middle name L-E-E, last  
20 name W-O-O-L-S as in sugar, E-Y.

21 BY JUDGE DIPPELL:

22 Thank you. Could you give us your  
23 address?

24 BY JERRY WOOLSEY: 3220  
25 McConnell, M-C-C-O-N-N-E-L-L,

1 Avenue, Joplin, Missouri, 64804.

2 BY JUDGE DIPPELL: Go  
3 ahead.

4 BY JERRY WOOLSEY:  
5 First off, I'm retired military, and  
6 I was born in 1935 in this area,  
7 and I have lived in this area all  
8 of my life except for my military  
9 career. There are a lot of low  
10 income people in this area. There  
11 are a lot of elderly people in this  
12 area. Empire District is a good  
13 company. I have no qualms about  
14 that. But they are also a  
15 monopoly. There's no place for  
16 anybody else to go to get  
17 electrical power. Now, if they  
18 want to go to Honda and buy a  
19 generator that will supply part of  
20 their power, but it won't supply all  
21 of their needs, because that's just  
22 a back up supply, and I understand  
23 that. This is a stock company, and  
24 I'm against the rate increase  
25 because of this fact, that they are

1 a stock company. Now, if they need  
2 more money, the people in this area,  
3 lot of them, I would say over  
4 seventy-five percent of their  
5 customers cannot afford this  
6 increase, but they can afford to  
7 sell some more stock if they need  
8 the money. Now, if you put that -  
9 pardon me. If you say no to their  
10 rate increase then they have no  
11 alternative but to sell more stock,  
12 if they really need the money. If  
13 they don't - now, I'm sure there  
14 are a lot of people in this area  
15 that have the better jobs, work for  
16 the city, work for the government,  
17 work for the state, you know, that  
18 have money. If they want to sell  
19 more stock give the people an  
20 opportunity to buy stock, not take  
21 it from the people who cannot  
22 afford it. And that's about all I  
23 have to say.

24 BY JUDGE DIPPELL:

25 Thank you. Commissioner Murray, do

1                   you have any questions?

2                               BY COMMISSIONER MURRAY:

3                   No questions. Thank you.

4                               BY JUDGE DIPPELL: Are

5                   there any questions from counsel?

6                               BY MR. FRANSON: No,

7                   Your Honor.

8                               BY JUDGE DIPPELL:

9                   Thank you. Thank you, sir. You

10                  may be excused. Dale Cardwell.

11                               DALE CARDWELL

12       Having been first dully sworn and examined,

13       testified as follows:

14                               BY JUDGE DIPPELL: If

15                  you would please spell your name.

16                               BY DALE CARDWELL:

17                  Dale, D-A-L-E, Cardwell,

18                  C-A-R-D-W-E-L-L. I live at 3724

19                  County Road 130, Carthage, 64836.

20                  For twenty years I was a

21                  self-employed, I owned my own

22                  business, over-the-road equipment.

23                  When I decided to purchase new

24                  equipment, upgrade, expand, I footed

25                  the bill myself. I didn't go out

1                   and charge my customers an extra  
2                   ten, fifteen dollars an hour  
3                   surcharge in order to recover the  
4                   cost of my investment. That was  
5                   figured in whenever I, you know,  
6                   did the work. If I couldn't afford  
7                   to expand then I didn't. Sometime  
8                   back they opened the new Stateline  
9                   plant over here. Months ago. They  
10                  received an interim increase for  
11                  that. This is a public owned  
12                  company, shareholders. Always in  
13                  the past, you know, your capital  
14                  expenditures came out of the  
15                  profits. If there was no profits  
16                  the shareholders - you know, they  
17                  had to ride it out for that year.  
18                  What they're wanting to do right  
19                  now is for me and the other  
20                  customers, both businesses,  
21                  residential, everything, to pay for  
22                  their equipment. Before, you know,  
23                  they actually use it all. I do  
24                  work for a power company, you know,  
25                  I understand a little bit about



1                   what goes on, but this is not - this  
2                   is not good. Because they lost  
3                   money on a business deal - you  
4                   know, I didn't - I wasn't involved  
5                   in the business deal. I mean, no  
6                   profit off of it, lost no money off  
7                   of it. I would not have made any  
8                   money off of it. I should not have  
9                   to pay for their indiscretions, you  
10                  know. If they - if their  
11                  shareholders, you know, are having  
12                  problems with the profits they're  
13                  making then the shareholders need to  
14                  get in with their meeting and say,  
15                  hey, we may need new management.  
16                  That's all I've got.

17                                   BY JUDGE DIPPELL:  
18                   Commissioner Murray, do you have any  
19                   questions?

20                                   BY COMMISSIONER MURRAY:  
21                   NO questions.

22                                   BY JUDGE DIPPELL: Any  
23                   questions from counsel?

24                                   BY MR. FRANSON: None,  
25                   Your Honor.

1 BY JUDGE DIPPELL:

2 Thank you. Kobi, Watford.

3 KOBI WATFORD

4 Having been first dully sworn and examined,

5 testified as follows:

6 BY JUDGE DIPPELL:

7 Would you please spell your name for  
8 the court reporter?

9 BY KOBI WATFORD:

10 K-O-B-I, W-A-T-F-O-R-D.

11 BY JUDGE DIPPELL: Go

12 ahead. If you would give us your  
13 address we would appreciate it.

14 BY KOBI WATFORD: I'm

15 here representing the American Red  
16 Cross. We're at 410 Jackson in  
17 Joplin, Missouri, 64801. My purpose  
18 here today is just to share with  
19 you what I believe Empire's  
20 commitment to our community is in  
21 helping to provide energy assistance  
22 for the elderly and the disabled.  
23 For over twenty years Empire  
24 District and the American Red Cross  
25 have had a strong partnership in

1 operating a program called Project  
2 Help. That program is an energy  
3 assistance program that is created  
4 to meet the emergency energy related  
5 expenses of elderly and/or disabled  
6 residents in Empire's service area.  
7 This program was first introduced in  
8 February of 1982 based on the  
9 principal of neighbors helping  
10 neighbors, and has continued to  
11 embody that spirit through the  
12 years, and continues to today. All  
13 contributions that are received  
14 through Empire are given monthly to  
15 the Red Cross, and a hundred  
16 percent of those contributions go  
17 back in to the community to provide  
18 energy assistance. Eligibility for  
19 assistance from Project Help is  
20 based on need. Applicants must be  
21 fifty-five years of age or older,  
22 and disabled to the extent that they  
23 cannot be economically self  
24 sufficient, and have no other  
25 resource available. Through a

1 screening process the American Red  
2 Cross determines when emergency  
3 needs exist, and administers the use  
4 of available funds to meet those  
5 needs. It is not intended to  
6 provide an ongoing means of support,  
7 but is intended to provide a  
8 temporary assistance for those  
9 persons in crisis situations. This  
10 has truly been a successful  
11 partnership in our community. It  
12 meets an often desperate situation,  
13 and sometimes it's means life and  
14 death to some individuals. As the  
15 director of the American Red Cross  
16 I believe it is vital to Project  
17 Help, as well as the elderly and  
18 disabled members of our community  
19 for this program to continue to be  
20 in existence. Empire and Red Cross  
21 will continue to work together to  
22 ensure the ongoing support of this  
23 program, and to meet as many needs  
24 as possible. Last year we served  
25 as many as seven hundred and

1                   forty-eight residents of our  
2                   community in providing assistance  
3                   for their emergency energy needs.  
4                   That's about all I have to say.

5                               BY JUDGE DIPPELL:  
6                   Thank you. Let me ask you just a  
7                   couple of clarifying things.

8                               BY KOBİ WATFORD: Okay.

9                               BY JUDGE DIPPELL: You  
10                  said you were the executive director  
11                  of the Red Cross,--

12                              BY KOBİ WATFORD:  
13                  Uh-huh.

14                              BY JUDGE DIPPELL:  
15                  --the local chapter, is that correct?

16                              BY KOBİ WATFORD: Yes.

17                              BY JUDGE DIPPELL: You  
18                  said when you first sat down that  
19                  you were here representing them, but  
20                  you are representing the opinion as  
21                  executive director of the Red Cross,  
22                  is that correct? You're not  
23                  actually representing them as an  
24                  attorney?

25                              BY KOBİ WATFORD: No.

1 No.

2 BY JUDGE DIPPELL: I  
3 just wanted to clarify that.

4 BY KOBI WATFORD: Yes.

5 BY JUDGE DIPPELL: WE  
6 have special rules for that.

7 BY KOBI WATFORD: I  
8 guess I used wrong lingo there.

9 BY JUDGE DIPPELL:  
10 That's all right. Are you an  
11 Empire customer yourself personally?

12 BY KOBI WATFORD: Yes,  
13 we are. And personally, too.

14 BY JUDGE DIPPELL: All  
15 right. Thank you. Are there any  
16 questions, Commissioner Murray?

17 BY COMMISSIONER MURRAY:  
18 No questions. Thank you.

19 BY JUDGE DIPPELL: Any  
20 counsel questions?

21 BY MR. FRANSON: No,  
22 Your Honor.

23 BY JUDGE DIPPELL:  
24 Thank you. Kathy Tucker.

25 KATHLEEN TUCKER

1     Having been first dully sworn and examined,  
2     testified as follows:

3                                 BY JUDGE DIPPELL:

4                     Thank you.   Would you please spell  
5                     your name for the court reporter?

6                                 BY KATHLEEN TUCKER:   My  
7                     name is Kathleen, so I'll just -  
8                     it's K-A-T-H-L-E-E-N, Tucker,  
9                     T-U-C-K-E-R.   Post Office Box 41,  
10                    Duenweg.   Is that it?

11                                BY JUDGE DIPPELL:   Yes.

12                               BY KATHLEEN TUCKER:  
13                     I'm not prepared probably as most  
14                     of these people.   I'm probably here  
15                     just stating that I don't think  
16                     that we should have an increase.  
17                     We are on a fixed income.   I think  
18                     everybody in this day and age is on  
19                     a fixed income.   And I'm nervous.

20                               BY JUDGE DIPPELL:

21                     That's fine.   Just take your time.

22                               BY KATHLEEN TUCKER:   I  
23                     came from Barry Electric Coop about  
24                     three years ago, and fortunately  
25                     they send me \$96.00 a year.   They

1 are a non-profit organization. I  
2 kind of like that. And I'm not  
3 even with them any longer. So, I  
4 don't know. I think this carries  
5 over from maybe the electricity we  
6 bought in to at that time. I'm not  
7 educated in that field, so I don't  
8 know. I do know that nine percent  
9 is a lot of money. I can  
10 understand when milk goes up five  
11 cents on the gal., or ten, now it's  
12 fifteen, now it's twenty. I can  
13 understand that bread has doubled in  
14 the last year. I can understand  
15 that a lot of people died in the  
16 9-11 of this last year. I  
17 understand all of those things. I  
18 don't understand where is the money  
19 coming from. There are a lot of  
20 people I'm sure that work for  
21 Empire Electric that make an  
22 excellent wage, and I'm really glad  
23 that they can. It's not about the  
24 wage that the people at Empire  
25 Electric make, it's about the wage



1                   that's here in Joplin, Missouri.  
2                   There are no wages to speak of.  
3                   It's a low income community. The  
4                   people here in Joplin do not - if  
5                   you read the papers or study it,  
6                   the people in Joplin, Missouri don't  
7                   have that kind of income. We're  
8                   one of the lowest paid incomes in  
9                   the United States. We have great  
10                  hospitals, we have a lot of great  
11                  things in Joplin, but, you know,  
12                  let - let someone take a look at  
13                  this, really take a deep hard look  
14                  before you make any decisions. You  
15                  know, I mean, really study this.  
16                  Can the people take this weight? I  
17                  know this last - this last month -  
18                  and I have talked to several  
19                  people. I'm not one to go out and  
20                  want to argue with anybody, or  
21                  voice my opinion. I talked to  
22                  several people, and I said, you  
23                  know, did your bill come up with  
24                  Empire, yeah. I said, well, how  
25                  much. I have a mother-in-law,

1 she's eighty-four, she can't be  
2 here, she's not able to be here.  
3 She said, well, it about doubled.  
4 I said, oh. I said, well, ours  
5 came up seventy dollars more than  
6 usual. I have a daughter that it  
7 came up a considerable amount. I  
8 don't know exactly how much, but,  
9 you know - and ask Empire how many  
10 people maybe went to them and said  
11 I can't pay my bill this month.  
12 Well, they probably said just pay us  
13 half, and then in two weeks pay us  
14 half. And that might be on pretty  
15 good for awhile, but what they're  
16 going to do is rob Peter and pay  
17 Paul, and it can't - you just can't  
18 keep doing it. I guess that's all  
19 I have to say.

20 BY JUDGE DIPPELL:  
21 Thank you. Commissioner Murray, did  
22 you have any questions?

23 BY COMMISSIONER MURRAY:  
24 No questions.

25 BY JUDGE DIPPELL: Any

1 questions from counsel?

2 BY MR. FRANSON: No,  
3 Your Honor.

4 BY JUDGE DIPPELL:  
5 Thank you. Richard Bourne.

6 RICHARD BOURNE  
7 Having been first dully sworn and examined,  
8 testified as follows:

9 BY JUDGE DIPPELL:  
10 Would you spell your name for the  
11 court reporter?

12 BY RICHARD BOURNE: It's  
13 Richard, R-I-C-H-A-R-D, Bourne,  
14 B-O-U-R-N-E. I've been in this area  
15 since 1958.

16 BY JUDGE DIPPELL: Hold  
17 on just one moment. Can you give  
18 us your address?

19 BY RICHARD BOURNE: 144  
20 Red Oak Drive, Carl Junction,  
21 Missouri.

22 BY JUDGE DIPPELL:  
23 Thank you very much. Now go ahead.

24 BY RICHARD BOURNE:  
25 Been there twenty - over twenty

1 years. I'm just a - I'm a working  
2 individual. That's basically - I  
3 make a living. I can't go to my  
4 boss every year and say I want a  
5 three dollar raise. I only get a  
6 two percent raise, you know. Three  
7 dollars, that's a lot of money. I  
8 mean, when you're making - this area  
9 is a low income. They don't pay no  
10 big wages anymore. When they used  
11 to have Vickers, Teledyne,  
12 Rocketdyne, all these places paid  
13 good wages. They don't have them.  
14 They're gone. You look in the  
15 paper, they start about eight bucks.  
16 It's mostly service industry.  
17 You've lost your - it's  
18 unbelievable. When I came here in  
19 '58 there was a lot of - like  
20 Vickers paid good money. We don't  
21 have it like we used to have  
22 because they pulled it out. And  
23 you've got to realize that people  
24 are on a fixed income. It's just  
25 un - it just blows my mind because

1 I'm going to be fifty years old,  
2 and this is - it's unbelievable how  
3 everything goes up. Your water,  
4 electricity, everything. Gasoline,  
5 taxes. When is it going to stop?  
6 People are getting fed up. I know  
7 we've got to have electricity and  
8 stuff, but let's get realistic.  
9 Let's have - I know Empire needs to  
10 make money. Yes, I know that, but  
11 let's not - let's make it even so  
12 people who are making decent money,  
13 you know, can make a living and pay  
14 their bills, like everybody wants to  
15 pay their bills. I don't think  
16 nobody wants to - don't want to be  
17 a bum. But they make - they keep  
18 jacking the prices up. You go to  
19 the grocery store, any place, it's  
20 always going up. When is it going  
21 to stop? And it's sad. I don't  
22 know - when I retire will I be able  
23 to afford to pay electricity, make  
24 the decision? I mean, this is - I  
25 mean, this is strange. I mean, what

1                   happened? I mean, this is - you  
2                   know, this is a country - it's the  
3                   best country in the world. Then  
4                   you start wondering what happened.  
5                   I think it's greed. That's all.  
6                   That's plain and simple. Everybody  
7                   is out to stick it to everybody.  
8                   It's wrong. That's all I can say.  
9                   I am jus a working individual.

10                                   BY JUDGE DIPPELL:

11                   Thank you. Commissioner Murray, do  
12                   you have any questions?

13                                   BY COMMISSIONER MURRAY:

14                   No questions. Thank you.

15                                   BY JUDGE DIPPELL: Any  
16                   questions from counsel?

17                                   BY MR. FRANSON: No,  
18                   Your Honor.

19                                   BY JUDGE DIPPELL:

20                   Thank you, Mr. Bourne.

21                                   BY RICHARD BOURNE:

22                   Thank you.

23                                   BY JUDGE DIPPELL: We  
24                   have reached the end of the sign in  
25                   sheet names. Was there anyone else

1                   that wanted to testify that didn't  
2                   get a chance to sign in, who have  
3                   changed their mind, and decided they  
4                   wanted to speak? Ma'am, would you  
5                   like to come down?

6                   MARILYN TAYLOR

7    Having been first dully sworn and examined,  
8    testified as follows:

9                   BY JUDGE DIPPELL:

10                  Would you please state your name  
11                  and spell it for the court reporter?

12                  BY MARILYN TAYLOR: It's  
13                  Marilyn, M-A-R-I-L-Y-N, Taylor,  
14                  T-A-Y-L-O-R.

15                  BY JUDGE DIPPELL:

16                  Would you give us your address?

17                  BY MARILYN TAYLOR: And  
18                  I live at 910 Rustic Ridge in  
19                  Joplin, 64804.

20                  BY JUDGE DIPPELL:

21                  Thank you. Go ahead.

22                  BY MARILYN TAYLOR: I  
23                  seem to see quite a discrepancy  
24                  between those that testified for and  
25                  those that testified against. For

1           seemed to be wearing suits, they  
2           obviously seem to be well healed.  
3           Those that were against were  
4           hardworking individuals, and I feel  
5           for their needs, and I think that  
6           that should be taken into  
7           consideration. There has been a  
8           lot of testimony about Empire's  
9           contribution to the community, and I  
10          believe that can be seen through  
11          the years. Thousands upon thousands  
12          of money has been contributed by  
13          this company to the community.  
14          Well, if they're having a budget  
15          crunch perhaps they should look into  
16          the amount of money that they are  
17          contributing, because I wouldn't  
18          want to see a rate increase being  
19          used to support the community in  
20          this way. What we would be saying  
21          would be that the community is then  
22          paying for what Empire is taking  
23          credit for.

24                                   BY JUDGE DIPPELL:

25          Please hold your applause. Thank



1                   you.

2                                   BY MARILYN TAYLOR: I  
3                   have seen Empire at air fests. I  
4                   have seen them at other community  
5                   and civic events. They have their  
6                   own tent. Their executives seem to  
7                   have privileges that the average  
8                   gate payer doesn't have. Now,  
9                   where is the money coming from that  
10                  represents the contributions that  
11                  this company is making? Hopefully  
12                  not from the poor people that spoke  
13                  up today who said they couldn't  
14                  afford a nine percent increase.  
15                  Thank you.

16                               BY JUDGE DIPPELL:  
17                  Thank you. Wait just one moment,  
18                  and let's see if there are any  
19                  questions. Commissioner Murray?

20                               BY COMMISSIONER MURRAY:  
21                  No questions.

22                               BY JUDGE DIPPELL: Any  
23                  questions from counsel?

24                               BY MR. FRANSON: No,  
25                  Your Honor.

1 BY JUDGE DIPPELL:

2 Thank you. Was there anyone else  
3 who wanted to speak? Sir?

4 BY GLENN RHOADS: I  
5 would like to.

6 BY JUDGE DIPPELL: Come  
7 on up.

8 GLENN RHOADS

9 Having been first dully sworn and examined,  
10 testified as follows:

11 BY JUDGE DIPPELL:

12 Thank you. Would you please state  
13 your name and then--

14 BY GLENN RHOADS: My  
15 name is Glenn Rhoads. G-L-E-N-N-,  
16 R-H-O-A-D-S.

17 BY JUDGE DIPPELL: Can  
18 you give us your address?

19 BY GLENN RHOADS: 2407  
20 Kansas, Joplin, 64804.

21 BY JUDGE DIPPELL: Go  
22 ahead with your comments.

23 BY GLENN RHOADS: Well,  
24 I'm a retired Empire employee. I'm  
25 against the increase on these rates

1                   totally. I mean, zero. I think  
2                   the company could save money by  
3                   using their own people to do their  
4                   work instead of these contractors  
5                   that they have. And my wife for  
6                   years has added a dollar to her  
7                   electric bill, which I have no  
8                   problem with, to help people, but I  
9                   don't think that they should impose  
10                  a rule of any kind with the  
11                  Commission or the state legislature  
12                  to where it's mandatory to give  
13                  anything to help these people pay  
14                  their energy bills. What could  
15                  really help them is for some of the  
16                  officials to reduce their salary,  
17                  and put that in to a fund, because  
18                  they are guilty of feathering their  
19                  nests. This merger thing cost  
20                  Empire a lot of money. They -  
21                  there were five officials that had  
22                  a tremendous golden parachute, and  
23                  they have took advantage of every  
24                  bit of it. I thank you for  
25                  allowing me to speak.

1 BY JUDGE DIPPELL:

2 Thank you. Commissioner Murray, do  
3 you have any questions?

4 BY COMMISSIONER MURRAY:

5 No questions. Thank you.

6 BY JUDGE DIPPELL: I  
7 just have one question. You said  
8 that you were a retired employee.

9 BY GLENN RHOADS: Yes.

10 BY JUDGE DIPPELL: What  
11 position did you have? What kind  
12 of a job did you do?

13 BY GLENN RHOADS: I  
14 looked for a home for thirty-five  
15 years with Empire. I mean, I  
16 worked - I was a line foreman,  
17 lineman, electrician, electrician  
18 foreman, relay tester.

19 BY JUDGE DIPPELL:  
20 Thank you. Is there questions from  
21 counsel?

22 BY MR. FRANSON: No,  
23 Your Honor.

24 BY JUDGE DIPPELL:  
25 Thank you, sir. You may be excused.

1 BY GLENN RHOADS: Thank  
2 you.

3 BY JUDGE DIPPELL: Is  
4 there anyone else who wanted to  
5 comment that -

6 BY KATHLEEN TUCKER:  
7 Can we make one other statement if  
8 we have already spoke?

9 BY JUDGE DIPPELL: Sure.  
10 Could you go ahead and come down  
11 front?

12 BY KATHLEEN TUCKER:  
13 Sure.

14 BY JUDGE DIPPELL:  
15 Would you give us your name again?

16 BY KATHLEEN TUCKER:  
17 Kathy Tucker.

18 BY JUDGE DIPPELL: Ms.  
19 Tucker, I think I have to ask you -  
20 you gave us your address earlier,  
21 but you didn't tell me what city.  
22 Is that Joplin?

23 BY KATHLEEN TUCKER:  
24 Yeah. Well, Duenweg is our postal  
25 address. Our physical address is

1 Buckeye Lane.

2 BY JUDGE DIPPELL:

3 Okay. Go ahead.

4 BY KATHLEEN TUCKER: I

5 had called Jefferson City, and I  
6 talked with - my understanding was  
7 the rate increase was not okayed.  
8 It came out in an envelope that  
9 they - it was okayed that we get a  
10 rate increase. My understanding,  
11 that was not - was not okayed, and  
12 they went ahead and increased it  
13 anyhow. Is anybody aware of this  
14 as far as the -

15 BY JUDGE DIPPELL: I'm  
16 not aware of that, and that would  
17 sound like a proper inquiry and  
18 complaint that I would ask you if  
19 you would call our consumer services.

20 BY KATHLEEN TUCKER: I  
21 already did, and they sent me a -  
22 to fill it out. That's who I  
23 talked with. I talked with their  
24 attorney out of there, out of Jeff  
25 City.

1 BY JUDGE DIPPELL:

2 Right.

3 BY KATHLEEN TUCKER:

4 And he said at this point that they  
5 could not increase monies, and they  
6 already had, and I - I wondered how  
7 that came about. The other thing  
8 that was stated was in turn, also,  
9 that they're not going to get their  
10 eight or nine percent, we already  
11 know this, but they're going to  
12 gouge - not gouge. I didn't want  
13 to use that word. That was a wrong  
14 - they're going to take or get a  
15 small percent, maybe one, two, three  
16 percent, maybe four, but little by  
17 little they'll chip the ice off of  
18 the iceberg. And I think the  
19 Titanic did, but they sank. So  
20 that's all I have to say.

21 BY JUDGE DIPPELL:

22 Thank you. Any further comments?  
23 Please state your name. You can  
24 stay there if you would like.

25 BY DARBY MARCUM: Darby

1           Marcum. Is it standard procedure  
2           if you're on a fixed income  
3           disability that in order to get your  
4           electricity turned on in to a home  
5           that you have to give a copy to  
6           Empire of your Deed of Trust?

7                           BY JUDGE DIPPELL: I  
8           cannot answer that question for you.  
9           I would have to refer you again to  
10          our consumer services.

11                          BY DARBY MARCUM: Okay.

12                          BY JUDGE DIPPELL: And  
13          they can - they can answer that.  
14          Make sure that you get a - have you  
15          gotten their 800 number?

16                          BY DARBY MARCUM: I -

17                          BY JUDGE DIPPELL:  
18          We'll make sure you get that.  
19          Thank you. Are there any other  
20          comments about the proposed rate  
21          increase? All right. I don't see  
22          any other comments, so I'm going to  
23          go ahead and conclude this hearing.  
24          I appreciate very much your coming  
25          out this evening. The weather is



1 not great, and I appreciate all of  
2 the comments. It's obvious that  
3 you all are very concerned citizens,  
4 and are willing to do your civic  
5 duty, so thank you again. And this  
6 will conclude the on record portion  
7 of the hearing. You can go off the  
8 record.

9

10

11

12

13 (HEARING CONCLUDED)

## REPORTER'S CERTIFICATE

STATE OF MISSOURI )

) ss.

COUNTY OF NEWTON )

I, JILL A. NEWMAN, Certified Court Reporter

and a

Notary Public in and for the County of Newton and

State of

Missouri, do certify that the foregoing is a true and accurate transcription of the testimony given, at the Missouri Southern State College, Matthews Hall, in

the City

of Joplin, in Jasper County and said State.

office

GIVEN under my hand and notarial seal at my

day of

in Newton County, and State of Missouri, this \_\_\_\_\_

\_\_\_\_\_, 2002.

My commission expires:

2/18/2005

Reporter's costs to be  
paid by\_\_\_\_\_  
Notary Public within and for  
Newton County, Missouri.

