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IN THE STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION

LOCAL PUBLIC HEARING  
FEBRUARY 4, 2020  
BRANSON, MISSOURI  
VOLUME 5

IN THE MATTER OF THE )  
EMPIRE DISTRICT ELECTRIC )  
COMPANY'S REQUEST FOR )  
AUTHORITY TO FILE TARIFFS )  
INCREASING RATES FOR ) FILE NO. ER-2019-0374  
ELECTRIC SERVICE PROVIDED )  
TO CUSTOMERS IN ITS )  
MISSOURI SERVICE AREA )  
)  
)

JOHN T. CLARK, Presiding  
Regulatory Law Judge  
Scott T. Rupp, Commissioner

REPORTED BY: Jennifer Norman, CCR, State of Arkansas,  
License No. 768

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1           JUDGE CLARK: Good afternoon. We'll go on the  
2 record. Today is February 4th of 2020, and it is  
3 currently 12:42 p.m. We're in Branson, Missouri.

4           The Missouri Public Service Commission has  
5 set aside this time for a local hearing in File Number  
6 ER-2019-0374, which is a general rate case captioned as:  
7 In the Matter of the Empire District Electric Company's  
8 Request For Authority to File Tariffs Increasing Rates  
9 For Electric Service Provided to Customers in Its  
10 Missouri Service Area.

11           My name is John Clark. I'm the regulatory  
12 law judge that will be overseeing this hearing. The  
13 Missouri Public Service Commission regulates the rates  
14 charged by investor-owned utility companies in Missouri  
15 to ensure that those rates are just and reasonable. The  
16 Commission also regulates the quality of service and the  
17 safety of operations of investor-owned utilities.

18           The Commission is made up of five  
19 commissioners, and with me today is  
20 Commissioner Scott Rupp.

21           Commissioner, do you have any opening  
22 statement you want to make.

23           COMMISSIONER RUPP: Welcome. Thank you for  
24 coming.

25           JUDGE CLARK: The court reporter to my right is

1 transcribing everything that's said so that the other  
2 commissioners will have an opportunity to read it.

3           Now, before I get to the portion where I  
4 ask people to give comments, I'm going to begin by  
5 asking counsel to enter their appearance for the record,  
6 starting with the Empire District Electric Company.

7           MS. CARTER: Diana Carter for the Empire  
8 District Electric Company.

9           JUDGE CLARK: Thank you.

10           On behalf of the Commission staff?

11           MS. PAYNE: Whitney Payne on behalf of the  
12 staff of the Public Commission.

13           JUDGE CLARK: Thank you, Ms. Payne.

14           And for the Office of Public Counsel?

15           MR. WILLIAMS: Nathan Williams.

16           JUDGE CLARK: Thank you, Mr. Williams.

17           Are there any intervenors present?

18           I see no one.

19           Now, for those who would like to provide  
20 comments today, there was a comment sign-up sheet, and  
21 I'm going to call the names on the sheet in the order  
22 they appear. When I call your name, I'm going to ask  
23 that you come up to the podium. At that time, I'll  
24 place you under oath. I'll ask you to state your full  
25 name and spell your last name for the court reporter,

1 and then you can offer your comments to the Commission.

2 Now, it appears there have been a number of  
3 people that have signed up to speak, so I'm going to ask  
4 that, out of courtesy, so that everybody gets an  
5 opportunity to speak, that you limit your comments to a  
6 reasonable amount of time.

7 Also, after you've completed making your  
8 comments to the Commission, please remain at the podium  
9 until you've been excused, because the Commission,  
10 myself, or one of the attorneys present may have a  
11 question for you. And the attorneys will let me know if  
12 they have a question.

13 The Commission will not be able to answer any  
14 of your questions today; that's what the previous  
15 question-and-answer session was for. And if you have  
16 additional questions, I invite you to stay after the end  
17 and have those answered by speaking to representatives  
18 of the Company, the Commission staff, or the Office of  
19 Public Counsel.

20 But the Commission has to -- can't answer  
21 questions today because they have to remain impartial  
22 until after the evidentiary hearing; and the evidentiary  
23 hearing is currently scheduled hearing in which the  
24 various parties will present evidence for the Commission  
25 hearing; and that's currently scheduled for April

1 the 14th through the 22nd, I believe.

2           The only other thing I ask is please be  
3 polite and courteous to everybody who is speaking today  
4 and just treat them as you would like to be treated.  
5 With that in mind, I'll call the first name on the list:  
6 Jim Whitman. Mr. Whitman.

7           MR. WHITMAN: My question was asked and  
8 answered in the previous segment.

9           JUDGE CLARK: Okay. Thank you for letting me  
10 know.

11                   Doyle Childers?

12           MR. CHILDERS: Childers, and my question was  
13 also answered in the previous session.

14           JUDGE CLARK: Thank you, Mr. Childers. I'm  
15 sorry I butchered your name.

16                   Teresa Stell?

17           MS. STELL: Mine was answered, too.

18           JUDGE CLARK: Denise Bart?

19           MS. BART: Yes, here. I'll speak.

20           JUDGE CLARK: If you want to come down to the  
21 podium.

22                   Ms. Bart, would you state your full name  
23 and spell your last name for the court reporter?

24           MS. BART: Denise Bart, B-a-r-t.

25                                   /////

1 DENISE BART,  
2 having been first duly sworn, testified as follows:

3 JUDGE CLARK: Thank you. What would you like  
4 to tell the Commission today?

5 MS. BART: I wrote a letter also, and we sent  
6 it, but I also would like to read it to be on the  
7 record, if that's all right.

8 JUDGE CLARK: Please.

9 MS. BART: Okay. Again, I'm Denise Bart, and I  
10 manage Holiday Hills Condo Association. We have 244  
11 owners there. Most of them are senior citizens that are  
12 on a fixed income, so we are very concerned about the  
13 increase. So that is why we wrote our letter. So,  
14 again, our concern is the 5.8 increase by Liberty  
15 Utilities. Again, we have 244 owners that are retired  
16 and on a fixed income. With this rate increase, that  
17 will affect many of our owners financially.

18 The Holiday Hills Condo Association asks  
19 that the commissioners take in consideration this, and  
20 then also, if there is a rate that should be increased,  
21 that it would only be on the CPIU increase, which is the  
22 customer price index for all urban. So we ask that you  
23 look into that and then only increase it based upon  
24 that. That is all that I have to say.

25 JUDGE CLARK: Okay, Ms. Bart. Thank you for

1 your comments.

2 MS. BART: Thank you. Thank you.

3 JUDGE CLARK: Richard Macintosh?

4 MR. MACINTOSH: I have no further questions.

5 JUDGE CLARK: Thank you, Mr. Macintosh.

6 Kelly Slabach?

7 MS. SLABACH: Thank you, sir.

8 JUDGE CLARK: Would you please state your full  
9 name and spell your last name for the court reporter.

10 MS. SLABACH: My name is Kelly Kathleen  
11 Slabach, S-l-a-b-a-c-h.

12 KELLY SLABACH,  
13 having been first duly sworn, testified as follows:

14 JUDGE CLARK: What would you like to tell the  
15 Commission today?

16 MS. SLABACH: I'm coming here as a concerned  
17 citizen. As many have pointed out, the majority of our  
18 area lives on a fixed income, and the rest of us, it's a  
19 tourist town. Our wages are very inconsistent, and yet  
20 people do everything they can to scrape by. I know all  
21 of us make sacrifices on our choices on how we live in  
22 order just to afford bills.

23 But I can tell you right now that I have  
24 had months where my electric bill costs more than my  
25 food budget for my family of five. My husband makes, on



1 average, a little more than most people do here. We're  
2 very blessed with that, and yet we still live paycheck  
3 to paycheck, and there have been months where I have  
4 really had to pray and decide what bills can I pay in  
5 order to make sure my electricity doesn't get shut off.

6           On top of that, I have senior-citizen  
7 grandparents who live on a fixed income. And a  
8 gentleman pointed out that his Social Security check,  
9 they get a 3 percent cost-of-living increase.  
10 Meanwhile, Liberty alone, just the one section of their  
11 bills, wants almost double that for an increase. That's  
12 a problem.

13           Also, I need to address the fact that they  
14 say on average it will be an \$8 increase for their bill.  
15 My bill for last month, which we all agree was a pretty  
16 mild winter for Missouri, a pretty mild month. A  
17 5.8 percent increase on last month's bill would be \$16,  
18 twice what they're telling you would be an average  
19 increase. If you figure that up, if that's the  
20 average -- and we know that it was mild; we know in the  
21 summer bills will be a lot higher -- we're looking at  
22 least an extra month's worth of utility costs just in  
23 the increase.

24           If you multiply that \$16 by 12, you're  
25 going to get \$202. And that's a mild month for our

1 power. I also do have a big issue with how the Company  
2 operates regarding the fact that all of us agree that  
3 there is a severe abuse of estimating utilities. Not  
4 once have I seen the meter-reader get out of his truck.  
5 I see the truck drive through the neighborhood. Not  
6 once does he get out.

7                   My parents lived in the condo for a time.  
8 They still own it. My dad worked from there. His  
9 office, with the window right where he could see the  
10 meter, and not once did he see the meter-reader come and  
11 read; and they discussed it with their condo board and  
12 discovered that it had been estimated. That's a  
13 problem, guys.

14                   So, Commissioner, I -- I'm concerned  
15 because Branson is what it is, and it's a wonderful  
16 place for people to raise families and retire. But if  
17 we keep having to scrape by and if we are making power  
18 and energy payments that are -- mine, some months, is  
19 nearly 40 percent of what my mortgage payment is. That  
20 makes it really hard on young families, on senior  
21 citizens; it makes it hard on everybody living here.

22                   And they can't answer for how that money is  
23 going to be spent or why it's needed. They just say,  
24 "Well, because we're adding new stuff." That's not open  
25 and that's not honest and that's not looking after the

1 customer's best interest. That's looking out for their  
2 shareholders; that's looking out for their investors.  
3 And it's sketchy to me. That's all I had to say.

4 COMMISSIONER RUPP: I have a question. Thank  
5 you for your testimony. You stated you had one month  
6 that your electric bill was five times what your food  
7 bill was.

8 MS. SLABACH: Twice.

9 COMMISSIONER RUPP: Or twice.

10 MS. SLABACH: For my family of five.

11 COMMISSIONER RUPP: Twice for your family of  
12 five. Is your home 100 percent electric?

13 MS. SLABACH: Yes.

14 COMMISSIONER RUPP: Are you seeing wild swings  
15 in your monthly bill?

16 MS. SLABACH: Within \$50 or so, usually.  
17 Summer, it's drastically different from spring to fall  
18 by several hundred dollars. I do understand because  
19 air-conditioning; we all like it.

20 COMMISSIONER RUPP: Right.

21 MS. SLABACH: But it shouldn't be that much  
22 because we keep the lights off when we're not there; we  
23 are very careful about how we set our thermostats. So  
24 it is not -- it's not where we're just, like, firing up  
25 all the lights in the house and having a party all day.

1           COMMISSIONER RUPP: And the month you were  
2 talking about that it was more than double what your  
3 food budget was, was that during the winter or the  
4 summer?

5           MS. SLABACH: It's during the summer and some  
6 months during the winter. November it was much higher.

7           COMMISSIONER RUPP: All right. Thank you.

8           JUDGE CLARK: Thank you for your comments.

9                     Duane Roesch? Mr. Roesch, did I say your  
10 name correctly?

11           MR. ROESCH: It's Roesch.

12           JUDGE CLARK: Roesch?

13           MR. ROESCH: R-o-e-s-c-h.

14                     DUANE ROESCH,  
15 having been first duly sworn, testified as follows:

16           JUDGE CLARK: And would you state your full  
17 name and spell your last name for the court reporter.

18           MR. ROESCH: Duane A. Roesch, R-o-e-s-c-h.

19           JUDGE CLARK: And, Mr. Roesch, what would you  
20 like to tell the Commission today?

21           MR. ROESCH: Well, I'll try to make this as  
22 brief as I can. I think I'm here basically as a  
23 consumer. I got to looking into a lot of this. I've  
24 always watched my electricity bill very closely. We  
25 also sit here and talk about the basic minimum is going

1 to go up. How much is it going to increase our bill? I  
2 know that's bottom line. But I always looked at the  
3 actual cost of a kilowatt, and I don't understand, with  
4 all the electricity generated in this area by water, a  
5 lot by solar panels -- we do have a few wind-chargers  
6 creeping up around. That's got to affect everybody,  
7 including the power companies, on the cost of a  
8 kilowatt-hour.

9 I don't know what the profit margin would be.  
10 Where I come from, they come shoot out a flat "This is  
11 what it's going to cost you per kilowatt-hour." I had  
12 my bill last month, which was total \$266. The first 600  
13 kilowatts cost me 13 -- a little over \$0.13 a kilowatt.  
14 The next 1,800 kilowatts were \$0.10, ten-and-a-half  
15 cents.

16 I have visited with the ladies at the office on  
17 several occasions, and they've told me there's a -- some  
18 things in the works for lowering the price of  
19 electricity in the winter to help people get through and  
20 raising it in the summer. Well, my summer bills are  
21 higher than my winter bills.

22 But to back up a little. When this  
23 Canadian company acquired Empire -- and most of these  
24 numbers I'm going to give you I got off the internet --  
25 Empire was -- this was purchased for \$2.4 billion,

1 including assumption of 900 million debt. And this  
2 company, as near as I've been able to figure has only  
3 been in business for about 9, 10 years -- no, 11, I  
4 think. It came in at 2009.

5           They've paid dividends to their investors  
6 every year. It's gotten a little less all along. And  
7 I'm wondering if maybe the debt-to-equity ratio was one  
8 reason that they picked up Empire. Right at present  
9 time, they're at 101.4 percent debt-equity ratio, which  
10 is a real concern to me, because I don't know what  
11 happens if an electric utility goes belly up, especially  
12 an out-of-country one.

13           I'm sure that the Commission looked into  
14 this when they were presented with this "accuation" --  
15 accu- -- well, whatever you call it. Anyway. It really  
16 is a concern to me there. And, in essence, it not only  
17 puts them at risk; it puts us at somewhat of a risk,  
18 too, because where would we be without electricity.  
19 What are we going to do? My wife can't even brush her  
20 teeth.

21           And so that was one of my concerns there.  
22 The fuel adjustment issue has just really been a burr  
23 under my saddle. I brought that up when I paid my bill  
24 one week, and the lady told me that -- I said, "Well,  
25 you know, price of fuel is way down now. Why are we

1 paying this?"

2                   And she said, "Well, because we can." And  
3 I said, "Just because you can doesn't mean you should."

4                   Now, on my last bill, I had a \$3.60 credit  
5 for fuel charge, and I also had a credit for tax cuts  
6 and job cut tax, which I had no clue what those were  
7 about. You can bet this was a credit that few people  
8 see. Most of the time it would probably be a charge.

9                   I read the other day 16 percent of Taney  
10 County kids go to bed hungry every night. I wonder how  
11 many of those kids are cold, too? You know, it affects  
12 a lot more than just what you see on paper and what you  
13 pay in a checkbook.

14                   I know at my house I'm retired, my wife and  
15 I both get Social Security, and my Social Security went  
16 up one and a half percent, and this is just the  
17 beginning of more to come. The other utilities I've  
18 dealt with over the years, a lot of them, they hope --  
19 they ask for 5 percent and hope for half that.

20                   And I hope this commission is a little  
21 wiser in what they do here, especially with what's  
22 happened in the last couple months. And I think all of  
23 us are here to make a better world, or try to; and if --  
24 if we can do it through -- and I understand they have to  
25 make a profit. But this is an area where it's going to

1 be tough to make a profit and really do the people  
2 justice. Thank you for your time.

3 COMMISSIONER RUPP: I have a question, sir.  
4 Could you repeat what you said, your first 600 kilowatts  
5 based on your bill? I didn't write it down quick  
6 enough.

7 MR. ROESCH: My first -- my customer charge was  
8 \$13. My usage charge is what they call it, 600  
9 kilowatts, were .13006, and that was \$78.04. And right  
10 under that, my usage charge was 1,800 kilowatt-hours  
11 times .01574, and that was \$190.33. And then I have an  
12 Energy Efficiency Program cost, 2,400 kilowatt-hours,  
13 and that was .00039 at 94 cents [sic].

14 COMMISSIONER RUPP: Great. Thank you.

15 And also, I would recommend you stop by the  
16 table outside and talk to the Missouri Public Service  
17 Commission staff and have them explain what a fuel  
18 adjustment clause is and some other things, and maybe  
19 that would help you understand what it actually is.

20 MR. ROESCH: Okay. Thank you. I appreciate  
21 it.

22 JUDGE CLARK: Thank you for your comments,  
23 Mr. Roesch.

24 MR. ROESCH: You're very welcome.

25 JUDGE CLARK: Pat Newsom?



1 MS. NEWSOM: I decline. My questions have  
2 already been answered.

3 JUDGE CLARK: Thank you. And I apologize; I'm  
4 having a hard time reading this next one. Is it  
5 Jim Lowery? And did I say your name correctly? Did I  
6 say your name correctly?

7 MR. LOWE: No. It's Lowe, L-o-w-e, as in  
8 Lowe's hardware. No relation.

9 JUDGE CLARK: Sorry. I misread that.

10 Mr. Lowe, would you please state and spell  
11 your last name, although you've already spelled it.

12 MR. LOWE: My first name is Jim; last name is  
13 Lowe, L-o-w-e.

14 JIM LOWE,  
15 having been first duly sworn, testified as follows:

16 JUDGE CLARK: What would you like to tell the  
17 Commission?

18 MR. LOWE: Well, just a statement, because I  
19 didn't -- I didn't understand how this process worked,  
20 really, people bringing their bill, and what have you.  
21 I just happened to be watching TV, and I seen the thing  
22 was going to happen today. And I was doing the income  
23 taxes, and I had all my bills lined up there. I should  
24 have brought them, because they're outrageous.

25 My average bill for this past year has been

1 in excess of \$250 a month. I don't know if some of  
2 those are estimated or not until I get home and find  
3 out, but I just think it's a shame that a foreign entity  
4 can come into this country and buy into another company,  
5 American company, and make this kind of profit that  
6 they're making, when we as Americans can't go into  
7 Canada and even live there unless we put up money to  
8 live there. They ban us automatically.

9           But I just think the people of Missouri --  
10 myself, I'm retired. My wife works, but she works from  
11 home. And we use computers, low-voltage computers. We  
12 don't use high-tech stuff. My barn has got a meter on  
13 it. 30-by-40. It's its own separate meter on it, and  
14 that is flush up and down. It can jump from \$25 to  
15 \$150. And I'm not in it, especially during the  
16 wintertime.

17           I just had open-heart surgery, so I haven't  
18 been in that barn in four months now. The house  
19 fluctuates up and down, and we -- I do know, and I will  
20 be honest to say that we do have some problems with  
21 certain areas of our house for heat. My house is  
22 totally electric. I have a fireplace. I bought  
23 firewood. I cannot haul firewood anymore, so I'm going  
24 to have to depend on that electricity to keep me warm,  
25 or I'm going to have to change everything in the house,

1 hot water heater, stove, the oven, everything, to gas  
2 and go to propane, because I can't afford -- I don't use  
3 that much propane. And I got to -- I put about \$600  
4 worth of propane in my tank, and I can use it for a year  
5 and a half, two years, because it doesn't run during the  
6 summertime, period. The electricity runs.

7                   So -- but I just changed all the lights in  
8 the building to LEDs, low voltage; that didn't seem to  
9 help do anything. I put LED lights in the overheads in  
10 the house thinking that that would bring down the  
11 electric bill; it hasn't done anything.

12                   And yet, when the guys come up to read the  
13 meter, they drive up in a little truck with binoculars  
14 and go, "Oh, gee, I think it's 26 -- we'll say 74." You  
15 know, but they don't get out of the vehicle to check the  
16 meter. And all they've got to do is pull in either  
17 place; there's a driveway behind the barn, and the barn  
18 meter is right there on the wall where they can see it,  
19 and I keep it trimmed so the bushes don't grow up around  
20 it.

21                   The other is on my house on a brick wall  
22 right next to the garage door. And if the garage door  
23 is open, I'm home. So if they can't read it, come up  
24 and knock on the door, and I'll come out and show them  
25 right where it is. But I see them just buzzing up the

1 street in a pickup truck.

2 I've had four changes in rates since 2004,  
3 and each time it's gone up when Empire had it. I've had  
4 five -- no -- excuse me -- four -- four transformers  
5 just up and blow out, and it takes them a full day, day  
6 and a half to get somebody out there to fix the  
7 transformer.

8 I think the people from Canada has come  
9 down here and they've bought into a package that  
10 somebody has already bled all the money out of it and  
11 put it in debt because they have not changed anything to  
12 make it a better service.

13 I mentioned earlier tonight about Smallin  
14 Cave. I live out close to them, north of them. But  
15 between my house and them is the area -- you get a map.  
16 I went and got a map, and it showed right where the  
17 sinkholes are. Two times those sinkholes have fallen,  
18 and the poles have gone all the way down. Five days  
19 without electricity. Had to buy a generator, gasoline  
20 generator sat outside the garage to give me some  
21 electricity to keep my food cold and to be able to cook.  
22 And you can only do one at a time on one of those  
23 gasoline generators. You can't run refrigerator, a  
24 freezer, a gas range -- I mean an electric range and  
25 oven on that generator at the same time. You've got to

1 pick which one you're going to use first. If you're  
2 going to eat, you better charge everything up and take  
3 the refrigerator and freezer off.

4           But the quality of their service, the  
5 quality of their equipment needs to be addressed. And  
6 that's not our part. We shouldn't have to pay for that.  
7 That's part of being a business. When I had my  
8 business, if my business broke and my machine broke or  
9 something, I had -- to keep the business, I've got to  
10 get it fixed ASAP. I can't wait two weeks. All right?  
11 Either that, or I've got to go rent a piece of equipment  
12 to keep me in business while I'm doing that.

13           I just think it's ridiculous that we have  
14 to go through these kind of meetings to get somebody to  
15 look into this, why the rate is going up. If they're  
16 not -- if people from Canada is not real happy, pack  
17 your bags. I'll show you to where you can get back.

18           COMMISSIONER RUPP: I have a question, sir.

19           You talk about how your barn has a separate  
20 meter and how it drastically fluctuated in your bill and  
21 you hadn't been out there in four months. Do you just  
22 have electric light service out there, or what other  
23 services --

24           MR. LOWE: All I have out there is -- let me  
25 think. I've got 12 two-burner fluorescent LED lights

1 and two sewing machines and a -- and a air compressor.  
2 That's all I have in there electric. The lights are  
3 wired to when I walk out the door of my shop and I flip  
4 that switch, everything goes off. Sewing machines,  
5 everything, including the compressors. There's one  
6 switch. Kick it, and everything goes off.

7                   Now, I'll be honest. There has been a  
8 couple times that I've gone somewhere at 5:00 at night  
9 and left those lights on. But when I come home at night  
10 and they're still on, I just flip them off. But I'm  
11 trying to change things to LEDs, low voltage.

12                   COMMISSIONER RUPP: And then a separate  
13 question. What year, to the best of your knowledge, was  
14 it when you had the sinkholes that swallowed the  
15 electric poles and you had outages for five days?

16                   MR. LOWE: Give me that one more time, because  
17 my hearing --

18                   JUDGE CLARK: What year, approximately, do you  
19 remember it being when the sinkholes swallowed the  
20 electric poles?

21                   MR. LOWE: I'm going to estimate it was seven  
22 years ago.

23                   COMMISSIONER RUPP: Great. Thank you.

24                   MR. LOWE: I'm going to estimate that.

25                   COMMISSIONER RUPP: Great.

1 MR. LOWE: Thank you for your time.

2 MS. PAYNE: Mr. Lowe, can I ask you a question?  
3 You referenced the transformer being blown four  
4 different times. Do you know over what time period that  
5 has happened?

6 MR. LOWE: No. I'd have to go through -- I  
7 keep all my income tax stuff by year filed in the  
8 garage. I can go back eight years and pull out -- I  
9 could go back eight years and pull out every bill I paid  
10 the electric company.

11 MS. PAYNE: But it's been in the last eight  
12 years the transformer has --

13 MR. LOWE: It's been in the last 17 years. I  
14 moved here 17 years ago.

15 MS. PAYNE: Okay.

16 MR. LOWE: And they -- even put some sort of  
17 electric -- I don't know if the Empire did it, but  
18 out -- when you come up our street off of Pheasant Road,  
19 there's a generator of sorts. It's all fenced in,  
20 barbed wire around the top. I don't know. Somebody  
21 said it's an electric source for somebody, but nobody  
22 knows who it's the electrical source for. But we never  
23 see Empire coming to repair it when we have lights out.

24 When we had this here not long ago when we  
25 had that storm, the first storm come through and brought

1 the snow and everything, it come through with a force  
2 blowing, and electricity went out. So first thing I  
3 thought what I'd do is -- I usually call my neighbor,  
4 Jack. "Your lights out?"

5 "Yeah."

6 "Have you called the electric company?"

7 "I'm just getting ready to."

8 "Okay. I'll call them."

9 So then we get all the neighbors to call  
10 them to try to get somebody out there, and it's not  
11 happening that night. It's happening the next day.

12 MS. CLARK: Okay. Thank you very much. I  
13 wanted to take that down.

14 MR. LOWE: Okay. Thank you.

15 JUDGE CLARK: Mr. Lowe, how often would you say  
16 that your electricity goes off?

17 MR. LOWE: Pardon me?

18 JUDGE CLARK: How often would you say your  
19 electricity goes off?

20 MR. LOWE: Well, if we have a serious storm,  
21 like what's coming up, I look for the electric to go  
22 off. But if it's just a high-wind issue, 50-50. I  
23 mean, it's not like it's every time we have a storm.  
24 Some storms come through and lay down a drizzle of rain  
25 and there's no wind and no problem. Or if there's no



1 ice.

2                   But when we had the ice storm years ago,  
3 the ice storm came in and took some lines down. I can  
4 expect the power to go off then when they took the lines  
5 down. But the situation with the sinkhole deal, I could  
6 take you over there right now and tell you that -- let's  
7 just say this is my house, Pheasant Road is down here in  
8 Ozark, and across this open field, there's a bunch of  
9 homes over there. And I don't know if that's city or  
10 county. I'm county.

11                   So the line comes across the back of their  
12 property, and they cut a thru-cut. You can drive back  
13 there to put the poles in to bring them over to the back  
14 of Smallin Cave, and then they brought them up to our  
15 property. Those -- three of those poles actually fell,  
16 however tall a telephone pole is. You couldn't see  
17 them, and they broke the lines. It took them three days  
18 just to get the point where they could get the lines in  
19 there and get their vehicles in there.

20                   So what did they do? They went and dug  
21 holes and put poles right back through the same area.  
22 And you can get a county map, and you can tell -- it  
23 will show right where the sinkholes are. And if they  
24 had brought them up this side of the property line --  
25 there's two open fields here -- and then brought them in

1 the back of my street and then associated everybody,  
2 they would have no sinkholes back here. It's on the  
3 map. There's no sinkholes.

4           When they told me about the sinkholes --  
5 when I bought here, nobody informed me about sinkholes.  
6 The only hole they thought is where I came from. "He's  
7 got a freight truck and he needs someplace to bury one  
8 in the backyard because he's got so much money."

9           So I don't know how to tell you how often  
10 does it happen, but it happens quite a bit. Because  
11 every time we get an ice storm, we're going to lose  
12 power sometime, a short period of time, one-day time.  
13 The worse was the big one that came through here. We  
14 lost power for three days, and I had to rush out and  
15 find someplace that had a gasoline generator. And I got  
16 it all out of the box, got it all put together, put the  
17 gas in it, turned the key on, started it up, and it  
18 stopped icing. The storm had passed through.

19           So I got a generator that right now just  
20 sits in my garage with a battery charger on it to keep  
21 the battery charged. Hasn't been used in four years. I  
22 mean, I have no use to use it. But I had to go out 600  
23 bucks later to get it. Well, my wife is a little fed up  
24 with it. When the storm breaks, we lose all power, and  
25 you can't get the weather report, only on

1 battery-operated radio to find out where the power is  
2 out. This is in Ozark, now. This is not Branson.

3           When the tornado come through here at  
4 Branson, we lost -- of all places, we lost power up  
5 there. Short period of time, they were out to fix it.  
6 Most of the guys that come out sympathize with us. I've  
7 got a light -- I've got a light that's on a pole where  
8 the transformer is, and I have blown two transformers up  
9 there; and when the second one went off, it took the  
10 light -- part of the pole off. They come out and put a  
11 new pole in and put a new transformer up and put a new  
12 light up. I paid extra for that light. And that's the  
13 only thing that burns all night is that light, because I  
14 put a gravel driveway down the side of my property that  
15 circles around to my cement driveway, my asphalt  
16 driveway.

17           But nothing comes on and nothing is on at  
18 night. And, like I say, I got a couple issues that I  
19 have to address. After hearing some people here talk  
20 about them, I'm going to go home and address them. But  
21 it's going to be a major cost, and I'm on a fixed  
22 income. I'm on Social Security. And of all things to  
23 do -- I don't know if anybody else knows this, but they  
24 tax your Social Security. They take -- what I get, the  
25 little amount that I get -- because I listened to a tax

1 man -- no offense if there's any tax people in here.

2 I listened to a tax man, being  
3 self-employed. He told me I didn't need to pay into  
4 income tax. So, you know, since I don't have to pay  
5 into it, I took his word for it, and I didn't. I didn't  
6 pay into it. And so I didn't pay. When I filed for my  
7 Social Security, there was some issues with the filing,  
8 and they couldn't find me.

9 JUDGE CLARK: Mr. Lowe, we're getting a little  
10 away from Empire.

11 MR. LOWE: Yeah. So anyway. It just -- fixed  
12 income. There's a lot of people out there just like me  
13 and some out there worse than me when it comes to  
14 finances coming in. And I just think it's a shame that  
15 we let this happen in this country, that a foreign  
16 country -- foreign entity come in and lay out a ton of  
17 cash, because they get the write-off up there; they  
18 don't get it here. They get it up there because that's  
19 where their corporate is. They got a little corporate  
20 office around here, from what I understand, over in  
21 Joplin, headquarters or something. But that doesn't get  
22 them that many tax breaks, but it does in Canada. Thank  
23 you.

24 JUDGE CLARK: Thank you for your comments.

25 Michelle Hyde. Ms. Hyde, would you say

1 your full name and spell your last name.

2 MS. HYDE: Tanya Michelle Hyde, H-y-d-e.

3 TANYA MICHELLE HYDE,

4 having been first duly sworn, testified as follows:

5 JUDGE CLARK: What would you like to tell the  
6 Commission?

7 MS. HYDE: I am a property manager, have a  
8 mobile home park and an RV park, and we have ten spots  
9 for our RV park. This rate increase from \$13 to \$19, it  
10 does affect me because we're in our down season. I'm  
11 not making any money off those sites, and you've now got  
12 an extra 60 bucks a month coming out for just them being  
13 there. And that's a lot when you're not making  
14 anything.

15 Or I have to put that cost back to my  
16 people who are there, and they're on fixed incomes, too.  
17 And they -- you know, or they're coming in to do work in  
18 the area, and now I'm going to have to go up on those  
19 rates. My residents in the park are -- a lot of them  
20 are on Social Security, and they can't afford that  
21 increase as well.

22 One of my residents, they are only here  
23 part time. They live in Florida. They were gone all  
24 last month, and their bill was \$250. The only thing  
25 that's on in that home is the refrigerator. They

1 already turned off their hot water heater. All of that  
2 has been drained and everything so that it's not coming  
3 on all the time, and turned off at the breaker. And  
4 \$250 is a lot for someone that's not -- there's no one  
5 in there.

6 My personal bill was less than \$200, and I  
7 have three people in my home, and they're about the same  
8 size and the same year mobile home. That's kind of --  
9 that's a big fluctuation there.

10 And I wanted more of my residents to come  
11 out, but, you know, they're not able to do that. But  
12 they are on that fixed income, and they're not going to  
13 be able to afford that with only getting a 2 percent  
14 increase, and now they're asking for a 5.8 increase on  
15 this rate. That's a lot, plus going up to \$6, too.

16 That's all I have.

17 JUDGE CLARK: You said your friends only had a  
18 fridge on?

19 MS. HYDE: Yeah, that's it. The refrigerator  
20 is the only thing on in that home, and it was \$250.

21 JUDGE CLARK: Does it have electric heat, or do  
22 you know?

23 MS. HYDE: It does have electric heat, but they  
24 have that set on 55, just enough to keep it from  
25 freezing in there.

1 JUDGE CLARK: Okay. Thank you.

2 MS. HYDE: So it's not coming on very often.

3 JUDGE CLARK: Thank you for your comments.

4 MS. HYDE: Thank you.

5 JUDGE CLARK: Cheryl Rennaker.

6 Ms. Rennaker, would you state your name and  
7 spell your last name.

8 MS. RENNAKER: Cheryl Rennaker,  
9 R-e-n-n-a-k-e-r.

10 CHERYL RENNAKER,  
11 having been first duly sworn, testified as follows:

12 JUDGE CLARK: What would you like to tell the  
13 Commission today?

14 MS. RENNAKER: Just basically what everybody  
15 else has said. The last three months, my light bill has  
16 gone up from like 212 to 328 in three months. My  
17 husband is disabled, has been for years. I retired  
18 once. But guess what? I'm back to work.

19 You just can't make it on what we all are  
20 getting on our Social Security or disability. So there  
21 has to be something that can be done to make it easier  
22 for those who are struggling.

23 That's about it.

24 JUDGE CLARK: Okay. Thank you for your  
25 comments.

1                   Don Venson. Mr. Venson, would you please  
2 state your full name and spell your last name.

3                   MR. VENSON: Donald R.T. Venson. That's  
4 V-e-n-s-o-n.

5                                           DONALD VENSON,  
6 having been first duly sworn, testified as follows:

7

8                   JUDGE CLARK: What would you like to tell the  
9 Commission today?

10                   MR. VENSON: Kind of doing a little summary  
11 from the previous session we had, because it's pretty  
12 unanimous. When I was here, even, I think some other  
13 people agreed with me that the Company has an  
14 organizational problem. Sounds like we aren't taking  
15 care of business, and they're trying to take advantage  
16 of their lack of leadership, wherever it may lie. And  
17 take care of the business properly.

18                                           I've been in business myself for many  
19 years, and when I goofed up, I bit the bullet, you know.  
20 I didn't get any money from anybody else to make up for  
21 my lack of bidding a job improperly or whatever. So  
22 this is my experience in business. We all know and have  
23 been there.

24                                           It was mentioned earlier that they were  
25 looking at new technology. And somebody said, "Is that



1 smart meters?" And they said, "Yes." Well, all the  
2 evidence I've seen in smart meters are a disaster. You  
3 know, if that's going to happen, we just -- it's going  
4 to be picking our pocket more. And we've mentioned many  
5 times, as you can see here, we have many, many seniors  
6 in our area. We also have a low -- not a low -- we have  
7 a fairly high poverty rate, and their affordability is  
8 not -- you know, they can't afford these kind of rates,  
9 even though they're minimal, because along with it,  
10 there's numerous other raises that go along with  
11 inflation.

12                   And we're not getting any more money. You  
13 know, people working for \$8, \$9, \$10 -- well, I guess,  
14 what's the minimum wage in Missouri now? But anyway.  
15 Work for minimum wage. So if you have a family, it's a  
16 pretty tight situation.

17                   So anyway. That's pretty much it. I just  
18 appreciate you for giving me the time. Thank you.

19                   JUDGE CLARK: Thank you for your comments.

20                   Bethany Smith.

21                   MS. SMITH: I decline.

22                   JUDGE CLARK: Thank you, Ms. Smith.

23                   Jeff Nègre?

24                   MR. NÈGRE: Yes.

25                   JUDGE CLARK: Did I say your name correctly?

1 MR. NÈGRE: Nègre. It's close enough.

2 JUDGE CLARK: Thank you.

3 Would you please state your full name and  
4 spell your last name.

5 MR. NÈGRE: Jeff N-e-g-r-e.

6 JEFF NÈGRE,

7 having been first duly sworn, testified as follows:

8 JUDGE CLARK: What would you like to tell the  
9 Commission?

10 MR. NÈGRE: I'd just like to make comments, as  
11 everybody else. I'm against the rate increase, of  
12 course. And I have a condominium over here in the  
13 Holiday Hills area, as well, and I have this month's  
14 bill. I just paid it today. And no one has been there  
15 for 30 to 40 days, and it was \$97, and I have the heat  
16 set on 55. I just think that's a little bit ridiculous.

17 It fluctuates quite a bit when I'm not  
18 there. I'm there maybe ten times a year. I'm fortunate  
19 enough that I have this place. I've even considered  
20 selling it because of some of these issues, as well, and  
21 things go along with that. But that's here nor there.

22 I don't want to waste the Commission's  
23 time. I just feel that, well, Liberty's bought -- ended  
24 up buying the water companies, and here we are coming  
25 down here out of Canada and buying that -- and, hey, I'm

1 self-employed, so I understand. But I just feel that in  
2 our best interest, whenever you're getting ready to  
3 invest \$330 million, they should have known this prior  
4 to them buying this company, and now they want to hand  
5 it to us.

6 I think that's up to the Commission to  
7 really look at that now that they've come down here, and  
8 now they need this money. And for these people down  
9 here -- and that's not counting everyone else that will  
10 have the rate increase coming up.

11 So, you know, I just feel that's in our  
12 best interest that further -- or for our sake -- I  
13 understand both sides. But I can't just say, "I want a  
14 rate increase," and then I have to work to get it,  
15 because my customers will tell me no.

16 So as a whole in here, I feel that they're  
17 telling us no. And I know it's on percentages, but I  
18 think, you know, as Liberty has come down here, they  
19 bought the Company and knew this, the debt ratio. I  
20 didn't know that until the gentleman was telling us all  
21 that information, which I'm going to go look at all  
22 that.

23 But I'm not their accountant and I'm not  
24 their banker, but that's not my problem, their  
25 \$330 million, I think, investment that they're wanting

1 to get back, and now they're handing me the bill for it.  
2 I'm very much against it, and I just want the Commission  
3 to know, and I thank you for your time.

4 JUDGE CLARK: Thank you for your comments.

5 Dan Crawford. Would you please state your  
6 full name and spell your last name.

7 MR. CRAWFORD: Daniel Crawford,  
8 C-r-a-w-f-o-r-d.

9 DANIEL CRAWFORD,  
10 having been first duly sworn, testified as follows:

11 JUDGE CLARK: What would you like to tell the  
12 Commission?

13 MR. CRAWFORD: Well, you know, the -- when you  
14 look at the Branson area, one, a large percentage of the  
15 people are on fixed incomes or very limited incomes.  
16 Incomes in this area are very, very low, and a lot of  
17 people have a hard time making it and just buying  
18 groceries.

19 A lot of them don't have any health care;  
20 so if they've got to go to the doctor, it costs. If  
21 they've got to buy drugs, it costs them out of their  
22 pocket. So we're going to add \$8 to their monthly bill,  
23 which they probably really can't afford as it is.

24 I'm also -- I live in Suncrest  
25 Condominiums. I'm a resident there. I'm also on the

1 HOA board; I'm the president. And we have 33 units, and  
2 I know that a very good percentage of them are on fixed  
3 incomes, and a lot of those people are limited-income  
4 people.

5           So I know that, you know, for the most --  
6 again, people think it's just \$8. But \$8 might be the  
7 difference between them being able to purchase a  
8 medication; it may be the difference between them having  
9 enough grocery money, plus all their other expenses. So  
10 I think it's important that we really think about what  
11 we're doing here.

12           Do we really need to increase this rate at  
13 5.8 percent on residents? And even with the people --  
14 the commercial, you know, they employ a lot of these  
15 people that live in my condominiums.

16           So you increase their rates, they probably  
17 cut back on the number of people that they hire. So  
18 it's going to be real difficult for this area when you  
19 start increasing the rates. So I ask you to really  
20 strongly consider about increasing the rates on the  
21 residents and others in this community.

22           And the other thing, too, is I've lived  
23 here since 2000, and I've seen what energy prices are  
24 doing. And I know that we rely on power plants and  
25 stuff. But if you look at the cost of natural gas, it's

1 low. You look at the cost of coal, it's low. So  
2 powering these companies' power plants is not the  
3 expense it was a few years ago. So what they're buying  
4 their fuel for is a lot less, and we didn't see any of  
5 that passed on to us. We saw fuel charges on our bills.

6           And so, you know, we're -- and I'm at that  
7 point where I'm going to be on my fixed income here  
8 before long, and it's going to be difficult. You know,  
9 any increase is going to be hard to make. I mean, one  
10 of the things that I struggled through this summer was  
11 I'm a diabetic. Insulin prices were \$650 a month for  
12 some time. \$8, you may not think that \$8 is that much,  
13 but I had to work 14- and 15-hour days just to be able  
14 to buy that medication.

15           So some of these people are in the same  
16 boat as I was. Now I'm on Medicare, fortunately. But  
17 when you add \$8, it might be what they have to buy a  
18 meal with or buy groceries for their children. So I  
19 want you to strongly consider that increase for this  
20 area, for any of the areas, particularly. Thank you.

21           JUDGE CLARK: Thank you for your comments.

22           Bill Skains?

23           MR. SKAINS: Bill Skains, S-k-a-i-n-s. And,  
24 Scott, you're in my chair. I'm an alderman with the  
25 City of Branson. I hear these things --

1 JUDGE CLARK: Do you --

2 MR. SKAINS: Yes, I do.

3 BILL SKAINS,

4 having been first duly sworn, testified as follows:

5 MR. SKAINS: I've been a businessman in this  
6 community for a long time. I'm the alderman for Ward I,  
7 which is the theater district; and that's primarily what  
8 I'm here to talk about, except for the cost at my house.  
9 And I can afford it. Okay? I can admit that I can  
10 afford it. But the logic of this makes no sense. Took  
11 out a 50-gallon electric hot water heater, electric  
12 range, a chest freezer -- a huge chest freezer, and a  
13 refrigerator/freezer, and my bill went up \$100. I went  
14 gas on several of those items. I've not understood why  
15 my bill went up so much.

16 And I had the guys come out and looked at  
17 it. They said, "Well, your meter is not spinning too  
18 much." I said, "Well, at the end of the month when I  
19 get my bill, it's higher than it was when I had these  
20 other things."

21 The other side of this, as a business owner  
22 for 20-some-odd years, we had the Engler Block at 60,000  
23 square feet. I had 22 refrige- -- 22 air conditioners  
24 on the roof. When the hailstorm came through, I took  
25 those SEER-6 units that were destroyed by that and put

1 SEER-14s in there. My electric bill went up  
2 significantly.

3           When we sold the place, my bill was ranging  
4 anywhere from eight to twelve, \$14,000 a month for that  
5 little facility. So my merchants -- literally, it was  
6 more expensive to run their -- pay their electric bill  
7 than it was their rent, guys. That's why I'm here  
8 talking to you today.

9           The City of Branson, you're sitting inside  
10 here. We're paying the electric for all this. With all  
11 this increase, the City of Branson will have an increase  
12 in its electric bill. That all adds up, and it's going  
13 to increase costs to the citizens of this community.

14           They're going to want to know: What do you  
15 do with your taxes? Well, we're going to pay  
16 significantly more in electric. Bill has been around  
17 long enough. He's been in this stuff. He understands.

18           As an alderman, my businesses said they  
19 couldn't be here today, would I come represent them.  
20 These are the theaters, the hotels, restaurants, motels.  
21 The restaurants, their bills are going to significantly  
22 go up, guys.

23           John, there's no two ways about it. I  
24 mean, you have a 1,500-seat theater. As soon as the  
25 show is over, they shut everything off, and they can't



1 continue to go down this path. These people cannot  
2 continue to go down this path of continued increases, be  
3 it on gas, or what we had to do in Branson; we had to go  
4 up on our water and sewer rates. I understand that.

5           Also, I understand that Empire or the  
6 Company that acquired them has to be guaranteed a  
7 certain rate of return. That's a given. We don't want  
8 these people going belly up. We flip that switch on,  
9 and we want it there.

10           The people that are on a fixed income, I'm  
11 concerned about them as an elected official, as a  
12 humanitarian. I'm concerned about my businesses that  
13 are in my ward, which is Highway 76 all the way out to  
14 RFD, come back around Shepherd of the Hills. It's going  
15 to be difficult for them to pay their electric.

16           Now, you're going to see increases in  
17 ticket prices; you're going to see increases in the cost  
18 of food. It's just going to naturally happen. I'm just  
19 asking you to consider all of that, as well.

20           There are ramifications for the cost of  
21 what it's going to take on regular income, young  
22 families, people in condos. Somewhere down this path,  
23 we have to mitigate these costs; and I don't know what  
24 the answer to that is, honestly do not.

25           That's it. Go ahead, Scott.

1                   COMMISSIONER RUPP: Great. Thank you.

2                   I have a question. So walk me back. You  
3 said that in your residence you switched from an  
4 electric water heater and electric stove and what else?

5                   MR. SKAINS: Took out the one  
6 refrigerator/freezer and a giant chest freezer, big  
7 chest freezer. And we -- it's a 50-gallon hot water  
8 heater, so it's gas now. There's no electric to that.  
9 My range, which we cook food on, was electric. It's all  
10 gas. So I'm not using that anymore.

11                  COMMISSIONER RUPP: So you replaced all that  
12 roughly at one time?

13                  MR. SKAINS: Yeah.

14                  JUDGE CLARK: And the next month your  
15 electricity bill --

16                  MR. SKAINS: Went up. And it's stayed up.

17                  JUDGE CLARK: And is your heat, your home heat,  
18 on electric?

19                  MR. SKAINS: Yeah. We went from a SEER-10 to  
20 SEER-14 unit to make them more efficient. My wife, as  
21 we all know when you get in the 60s, you turn the heat  
22 down a little bit. So it actually looks like vampires  
23 live in the house at times. There's no electric lights  
24 on. There's fluorescent; there's LEDs.

25                  If you drive around my neighborhood in

1 Cadwell Addition -- and I know it's all funny. But you  
2 can see the impact, that the houses are not lit up.  
3 Just the truth.

4 JUDGE CLARK: When you had these appliances  
5 taken out and the water heater removed and you had to  
6 switch to gas, was that for the purpose of lowering your  
7 electric bill?

8 MR. SKAINS: Absolutely.

9 JUDGE CLARK: And what did the Company state,  
10 just that's just what it was?

11 MR. SKAINS: That I had an increase. I just --  
12 guys, I see it like everybody else. I get the bill; I  
13 pay it. But I see that it has continually risen. Where  
14 my bill used to be 185, 250, it runs anywhere between  
15 275 and 350 or \$385. I've only got a 2,500-square-foot  
16 house, guys. That's all it is.

17 COMMISSIONER RUPP: And then also you stated --  
18 I'm sorry if my notes didn't catch up with what you're  
19 saying. That you switched all the lights over in the  
20 theater to LED lights?

21 MR. SKAINS: Inside the Engler Block, I had  
22 60,000 square feet. I took all the 300-watt-high-power  
23 halogens and metal halides out and went strictly  
24 fluorescents, and the bill went up. I mean,  
25 fluorescents don't pull the power of three 400-watt

1 halides and in halogen lights at that place. It was a  
2 retail operation, and it was -- anybody that's been in  
3 the Engler Block would remember what it was like, a lot  
4 of lights. And we had 15 skylights put into that place  
5 in order to increase the amount of lights in the place.

6           It's just realistic, Scott. This stuff has  
7 continued to rise. We know it's continued to rise, but  
8 there has to be a point in time where something levels  
9 out, and I don't know what it is. As an example, I can  
10 go out and probably put some solar panels on there, and  
11 it'll costs \$20,000. It may drop your bill, but they  
12 still have to make the same amount of money.

13           So there's supply and demand out there; I  
14 get that. But there has to be a mitigating factor  
15 somewhere down the line. The folks that are on a fixed  
16 income will not be able to pay their bills or they're  
17 going to see shut-off notices. A lot of these people in  
18 Suncrest Condominiums, they're my constituents in Ward  
19 I, I'm very concerned about them. I just want us both  
20 to be.

21           COMMISSIONER RUPP: Thank you.

22           MR. SKAINS: Thank you for the time.

23           Do you have some more for me, John, or do  
24 you want me to leave? Is that enough?

25           JUDGE CLARK: Thank you for your comments.

1 MR. SKAINS: Sure.

2 JUDGE CLARK: Dennis Mobley?

3 MR. MOBLEY: Mobley.

4 JUDGE CLARK: I'm sorry I mispronounced your  
5 name.

6 MR. MOBLEY: M-o-b-l-e-y. I don't get  
7 offended.

8 JUDGE CLARK: And I know you just did. But  
9 because you're at the microphone now, would you please  
10 state your full name and spell your last name for the  
11 court reporter?

12 MR. MOBLEY: Dennis Mobley, M-O-B-L-E-Y.

13 DENNIS MOBLEY,

14 having been first duly sworn, testified as follows:

15 JUDGE CLARK: What would you like to tell the  
16 Commission today?

17 MR. MOBLEY: First of all, thank you. You are  
18 our only protection against these things that sort of, a  
19 lot of times, we don't have a say about things that  
20 happen to us. So thank you. We need you desperately.  
21 So having said that, okay. My concern here is this  
22 seems like a little bit of a philosophy thing from the  
23 Company because of the discussions about estimating the  
24 costs.

25 Okay. Well, we can't get out there to

1 their -- you don't have enough employees to do the job,  
2 we're caught up in a lot of money every month, and you  
3 can't just get somebody out there to read a meter? You  
4 mean, we have bad storms here sometimes, but that only  
5 lasts for a day or so. It's not like Canada. All  
6 right?

7                   So after a day or two, they should be able  
8 to get out there to access a meter to read it. There is  
9 absolutely no excuse for estimating what you're going to  
10 charge somebody. I don't go to Walmart and say, "Oh,  
11 what do you want to charge me today?" "Okay. Okay."  
12 No, that's -- there's no excuse for that.

13                   Okay. My understanding is what the  
14 specific question for us today is this increase thing.  
15 Okay. I didn't really hear a legitimate -- I mean, kind  
16 of glossed over the justification for the increase.  
17 Okay? "Well, we had these expenditures."

18                   Well, anytime you buy a company, if you've  
19 done your due diligence, you know what's ahead of you.  
20 You know what's ahead for that company. And if you're  
21 going to have to put money into it, that should be taken  
22 into account instead of passing all this stuff on down  
23 the line. To me, it's just -- I just don't see the  
24 justification for it.

25                   And that's just basically -- my problem is

1 more their philosophy. It just seems kind of loose as  
2 to what they're doing, how they're justifying what  
3 they're doing. And if they want to pull numbers out of  
4 the air for estimating, how do we know they're not  
5 pulling numbers out of the air for this, too. That's my  
6 frustration. Okay. Thank you.

7 JUDGE CLARK: Thank you for your comments.

8 Stanley Richards? Stanley Richards?

9 Those are all the names of people that had  
10 signed up to speak today. Is there anyone in the  
11 audience who, having heard, realized that they have  
12 something that they would like to tell the Commission  
13 but did not have an opportunity to sign up?

14 Would you please come up to the microphone  
15 and would you say your full name and spell your last  
16 name.

17 MS. MCCARTHY: Kathleen McCarthy,  
18 M-c-C-a-r-t-h-y.

19 JUDGE CLARK: I'm sorry. I didn't catch your  
20 first name.

21 MS. MCCARTHY: Kathleen.

22 KATHLEEN MCCARTHY,  
23 having been first duly sworn, testified as follows:

24 JUDGE CLARK: What would you like to tell the  
25 Commission?

1 MS. MCCARTHY: I did mention in the  
2 question-and-answer period that I definitely am against  
3 the 5.8 percent increase for various reasons, most of  
4 them already stated. The alderman mentioned something  
5 about humanitarian. He mentioned the word "logic," as  
6 well. I totally agree with that.

7 This estimation is a disaster. It's  
8 ludicrous. I had a \$400 bill for Liberty Empire for one  
9 month, and that was during the time -- I also own a  
10 condo out at Holiday Hills, which I had rented out on a  
11 nightly rental basis up until recently. And I had a  
12 family in there.

13 I normally had done it on nightly rental  
14 basis, like I said, but this family was there from  
15 October 18th to December 20th. And I knew I was going  
16 to be moving down here shortly thereafter because I  
17 couldn't afford these crazy bills that had come in for  
18 several months in a row.

19 I did state in the question-and-answer  
20 period also that I had called in and I was told that  
21 they were going to do a cancel/re-bill, which they did.  
22 And that was all good and well because it did definitely  
23 reduce the bill by a huge percentage comparatively.

24 So the logic -- I also agree with the  
25 alderman, when you remove certain things that are on



1 electric and your bill goes up the next month, there's  
2 no logic to that at all. So I'll go back to the  
3 estimation; so I did get that cleared up. And I was  
4 about ready to present that to this family and say,  
5 "What are you doing? You know, are you there all day?  
6 Are you running the TV, the heat? What's going on?"

7           And she assured me, even prior to me  
8 feeling like I needed to address that, she said, "We're  
9 going to, you know, keep the thermostat low, you know,  
10 and just respect -- out of respect for you. And I  
11 thanked her for that, but I got that bill, and I was  
12 like, oh, my God.

13           So luckily I called Liberty Empire and  
14 found out that they had done this estimation and they  
15 were going to do the cancel/re-bill before attacking  
16 that family. And so, you know, that turned out fine,  
17 but as I have been renting out on a nightly rental basis  
18 and the bills have been high prior to that family living  
19 there, I just attributed it to people not being  
20 concerned, guests that were staying there.

21           But then I hear from all these other people  
22 that it doesn't matter whether you have guests there or  
23 not or whether you have people in the building that you  
24 own or not, that the bill is high. And I can't help but  
25 think that's got to be due to the estimation. That's

1 got to end. That's just not right.

2 I will say also that I moved down from  
3 St. Louis because I couldn't afford these bills. And I  
4 decided I'm paying them anyway, so I'm just going to  
5 live there. But I have to point out that the comparison  
6 of the cost of my utility -- my energy bill down here is  
7 so much more than up there. And I can't help but think  
8 is this because this is a monopoly here? We have other  
9 choices up there. I don't really know, but I can't help  
10 but think that that's got to be -- that has something to  
11 do with it.

12 So, you know, I'm on electricity  
13 exclusively here, and so I'm sure that's why my bill is  
14 so much higher. But when I combine -- like Liberty has  
15 water and electric here. I combined my gas in this  
16 season, the winter, when I'm using gas, versus electric  
17 in the summer. So when I compare, I combine the gas  
18 bill and my water bill up there, and it's like half of  
19 what I was paying here. So that's all I need to say.

20 COMMISSIONER RUPP: Thank you.

21 JUDGE CLARK: I have a question for you  
22 briefly.

23 MS. MCCARTHY: Sure.

24 JUDGE CLARK: You said when -- and if I'm wrong  
25 in any part of this, let me know. So you had an

1 estimated bill and you contacted the Company, and I  
2 guess they either sent out a meter-reader or did a meter  
3 reading of some kind, and then you said it went down by  
4 a fairly large percentage. Would you care to estimate  
5 that percentage?

6 MS. MCCARTHY: I wouldn't know exactly the  
7 percentage unless I had a calculator readily available,  
8 but I will say that it went down from about \$400 to  
9 about 238. And so that was the combined bill. So I had  
10 already paid the water bill, because they didn't have to  
11 send out a meter-reader for that, and so that was not on  
12 the next bill that came out when they did the  
13 cancel/re-bill because I had already paid it.

14 So the electric portion, though, went down  
15 from I think -- I wish I brought my bill. But I think  
16 it went down from about 350 -- because the water was  
17 about 50-ish, went down from about 350 to 238. So  
18 significantly. And it justified, you know, that family  
19 living there, whereas before I was like, this cannot be  
20 possible.

21 JUDGE CLARK: Thank you.

22 MS. MCCARTHY: And I just want to add one more  
23 thing. You guys had mentioned you're going to evaluate  
24 the quality of service. So I would ask you to also take  
25 into consideration whether this is even humanitarian to



1           MR. MCINTOSH: On the letter -- this is sort of  
2 the bottom line, before I leave -- that this rate  
3 increase was filed at the Missouri Public Service  
4 Commission, designed to increase Liberty Empire's annual  
5 gross revenue from the Missouri electric retail  
6 customers.

7                       So this \$26.5 million increase was designed  
8 to increase their revenue from the users of electric in  
9 this district, which they say is approximately  
10 4.93 percent. And they're increasing the \$13 monthly  
11 charge to \$19, and then they also have on here a \$74,946  
12 fuel cost increase.

13                      Well, the customers have fuel increases  
14 also. And I don't totally understand at all why they  
15 increase \$13 fixed rate charge to \$19 because they make  
16 no explanation. It just says, "As part of the  
17 proceedings, Liberty Empire is proposing to increase the  
18 fixed residential customer charge from 13 to 19."

19                      So I guess we are totally reliant on the  
20 Commission to either give us assistance, cut the  
21 eight -- 5.8 increase to a lower increase, or give this  
22 Liberty Empire company exactly what they want. Thank  
23 you.

24                      JUDGE CLARK: Thank you for your comments.

25                      Sir, would you please state your full name and

1 spell your last name for the court reporter.

2 MR. BOWEN: Lynn Bowen, B-o-w-e-n.

3 LYNN BOWEN,

4 having been first duly sworn, testified as follows:

5 JUDGE CLARK: What would you like to tell the  
6 Commission?

7 MR. BOWEN: Well, it seems like, to me, a  
8 company that's for-profit isn't going to keep the people  
9 elevated. It seems like there's probably hundreds of  
10 people that could have been here today, but, you know,  
11 they could have -- they didn't have a ride or the  
12 weather was too cold. I mean, you know, just a portion  
13 of the people that these rate increases are going to  
14 affect. And, you know, a lot of us, either we are  
15 retired or we have young ones that people are raising,  
16 and, you know, every dollar counts.

17 And the \$8, does it sound significant?  
18 Over the years, I would assume it would -- it would  
19 really amount up. You know, we have people retired on  
20 Social Security, like I and my wife are. And we have  
21 two checks coming in, but I know of people that their  
22 spouses have died and they have one check now. And  
23 that's -- that's devastating to them. And so, you know,  
24 I feel that.

25 You know, my neighbor that's 96, she's

1 trying to keep her house, and, you know, she probably  
2 does turn her utilities down at night. You know, what  
3 do you do? She wants to be independent. So, you know,  
4 I'm glad that we have some safeguards that will protect  
5 the people, that -- you know, this is where the rubber  
6 meets the road, right here. And so, you know, I just  
7 would encourage, you know, to keep these companies from  
8 taking advantage of us is my point. Thank you.

9 JUDGE CLARK: Thank you for your comments.  
10 Anybody else?

11 MS. SLABACH: May I readdress?

12 JUDGE CLARK: Yes, you can. Please come back  
13 up to the microphone.

14 Ms. Slabach?

15 MS. SLABACH: Yes, Slabach. I get it all the  
16 time. Don't worry about it.

17 JUDGE CLARK: You pronounced it for me  
18 correctly before me, so I'm sorry.

19 MS. SLABACH: Slabach.

20 JUDGE CLARK: Slabach?

21 MS. SLABACH: Uh-huh.

22 JUDGE CLARK: Ms. Slabach, you're still under  
23 oath. What would you like to tell the Commission?

24 MS. SLABACH: I didn't address this before. I  
25 wasn't positive about it affecting businesses, but since

1 the alderman brought businesses into the conversation,  
2 my parents and my brother co-own a small coffee shop up  
3 on the strip. They -- my -- I just asked my dad to  
4 figure up from their last month's bill, what the  
5 5.8 percent increase would be. It would be about \$35 a  
6 month.

7           The problem with that is during these cold  
8 months, all of the locals, they're not getting income.  
9 The theaters, they're not getting income, so they're not  
10 spending money at these local businesses that are still  
11 going to have to pay a jumped rate on electricity. And  
12 what I fear is that we're already seeing so many  
13 businesses are having to close for whatever reason. But  
14 because of rising rates of taxes and all of those other  
15 things and laws that have been enacted that affect our  
16 small businesses.

17           And I know that this, like several brought  
18 up, the \$8 a month that they are estimating, that may  
19 seem like nothing, but this coffee shop is 600 square  
20 feet. It is very small. I can't imagine what a  
21 5.8 percent increase is going to do to theaters in this  
22 area per month. I can't imagine that. And these are  
23 families that that is their livelihood.

24           So we're going to see ticket costs increase  
25 not to help them pay for their own growing cost of their



1 home or whatever but just to cover the cost of keeping  
2 their business open. They're not going to be able to  
3 raise their ticket prices enough to also cover what  
4 their residential bill is going to go for.

5           Because it's a supply and demand. If we  
6 charge too much here in this town, we don't get  
7 tourists. They will go somewhere else and spend their  
8 money if we get too expensive. We can't raise our  
9 costs, but they are going to raise their costs.

10           And another point that was brought up by a  
11 few small business owners here, they take into account  
12 when they have an expenditure. If somebody's  
13 refrigerator goes out, either they have funds set aside  
14 for that to cover that or they have to pay for it out of  
15 their pocket, because they can't tell a customer coming  
16 through the drive-through lane, "I'm sorry, our  
17 refrigerator went out, so we're going to add \$5 to your  
18 bill here to help us pay for our new fridge." That's  
19 not going to fly at all.

20           So when they acquire these, it should have  
21 already been accounted into their business plan. Why is  
22 it on the consumer to pay for stuff that they want to  
23 add? Why do they not have the safeguards? And so I  
24 just wanted to present that as the whole view of  
25 Branson, because all of us here depend on small

1 businesses for the most part here. And that's going to  
2 really, really hurt a lot of people in this area, and it  
3 could destroy Branson if we're not careful with how  
4 these rates are increased overall.

5           But I do thank you, sir, for listening, I  
6 thank you for representing us, and I thank you for the  
7 time that you've taken to care and show that you care  
8 about the residents here, because it means a lot that we  
9 have a safeguard. Because I can tell you I've had to  
10 call this company several times; my father has had to  
11 call several times. We get hung up, we get told, "Well,  
12 that's too bad."

13           I've asked several times, "Can I speak to a  
14 superior, somebody who can answer my questions, somebody  
15 who can help me," and I'm told, "No." There is no  
16 safeguard for us as consumers. We can't get ahold of  
17 the higher-ups, the people that make the decisions; but  
18 you guys have that power and we thank you so much for  
19 representing us, because you're the voice that we don't  
20 have otherwise.

21           JUDGE CLARK: Thank you for your comments.

22           Is there anybody else who wants to speak to  
23 the Commission today? You want to come back up?

24           MS. HYDE: I do.

25           JUDGE CLARK: And it's Ms. Hyde; is that

1 correct?

2 MS. HYDE: Correct, correct.

3 JUDGE CLARK: What additionally would you like  
4 to tell the Commission, Ms. Hyde? You're still under  
5 oath.

6 MS. HYDE: Right. The one thing I forgot to  
7 bring up earlier was the billing cycles of when they  
8 send them out. Sometimes it has 34 days as a billing  
9 cycle. There's not one month that has a 34-day cycle.  
10 And even the days of the months that have 30, sometimes  
11 they have 31 as well.

12 The billing cycles are kind of really out  
13 there. And even in February it's not, you know,  
14 lowered; it's the 30-day cycle. Is there a way that  
15 that can be adjusted or something like that? It does  
16 make a difference. January was 34 days. When that bill  
17 came in, it was for 34 days.

18 COMMISSIONER RUPP: As I said before, the  
19 Commission can't answer questions today.

20 MS. HYDE: I'm sorry. I just ask a question  
21 just to bring it to your attention that those billing  
22 cycles are kind of off that way, that it doesn't  
23 coincide with a month. It's always a day more or three  
24 days more than the month could actually be.

25 JUDGE CLARK: Okay. Thank you.

1 MS. HYDE: Thank you.

2 JUDGE CLARK: Is there anybody else who wanted  
3 to speak to the Commission today that did not get an  
4 opportunity to?

5 I see no hands.

6 Commissioner, would you like to make any  
7 closing remarks?

8 COMMISSIONER RUPP: Just thank everybody for  
9 coming. It's great to see a turnout and everyone really  
10 here just expressing their views. It gives us more  
11 information to make a better decision. Thank you.

12 JUDGE CLARK: I'd like to thank all the people  
13 who participated today. It's great when we have high  
14 levels of participation, because it's important for the  
15 Commission to hear what the rate-bearers have to say.  
16 So I thank you for your comments.

17 If you have additional comments you'd like  
18 to make or somebody you know was unable to make it here  
19 today to make comments to the Commission, they can still  
20 make written comments by contacting either the Office of  
21 the Public Counsel, who has an attorney here today, or  
22 by going to the Public Service Commission's web page;  
23 and there's a place on there that will direct you as to  
24 how to make a public comment.

25 With that in mind, I hope everybody has a

1 safe trip home, and I will adjourn this public hearing.

2 We'll go off the record now.

3 (Proceedings concluded at 2:03 p.m.)

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C E R T I F I C A T E

STATE OF ARKANSAS )  
COUNTY OF MADISON )

I, JENNIFER NORMAN, Certified Court Reporter  
in and for the aforesaid county and state, do hereby  
certify to the following:

1) The foregoing proceeding was taken before  
me at the time and place stated in the foregoing styled  
cause with the appearances as noted;

2) Being a Court Reporter, I then reported  
the proceeding in Stenotype to the best of my skill and  
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and correct transcript of my said Stenotype notes then  
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3) I am not in the employ of and am not  
related to any of the parties or their counsel, and I  
have no interest in the matter involved;

IN WITNESS WHEREOF, I have hereunto set my  
hand and affixed my seal of office this 18th day of  
February 2020.



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