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STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

TRANSCRIPT OF PROCEEDINGS
Local Public Hearing
March 3, 2009

Sedalia, Missouri

Volume 3

In The Matter Of The Application of)	
Kansas City Power and Light Company)	
For Approval To Make Certain Changes)	Case No. ER-2009-0089
In Its Charges For Electric Service To)	
Continue The Implementation Of Its)	
Regulatory Plan)	
-----)	
In The Matter Of The Application of)	
Aquila, Inc. d/b/a KCP&L Greater)	
Missouri Operations Company,)	
For Approval To Make Certain Changes)	Case No. ER-2009-0090
In Its Charges For Electric Service)	
-----)	
In The Matter Of The Application of)	
Aquila, Inc. d/b/a KCP&L Greater)	
Missouri Operations Company,)	
For Approval To Make Certain Changes)	Case No. HR-2009-0092
In Its Charges For Steam Heating)	
Service)	

NANCY DIPPELL, PRESIDING
REGULATORY LAW JUDGE
ROBERT M. CLAYTON, III
CHAIRMAN
CONNIE MURRAY
KEVIN GUNN
COMMISSIONERS

1 P R O C E E D I N G S

2 (Starting time of the Hearing: 6:05
3 p.m.)

4 JUDGE DIPPELL: This is case number ER-
5 2009-0090 in matter of the Application of KCP&L
6 Greater Missouri Operations Company for approval to
7 make certain changes in its charges for electric
8 service. We are also going to take comments this
9 evening in case number ER-2009-0089, which is a
10 related request for a rate increase by KCP&L.

11 The Missouri Public Service will sit at
12 this time for a public comment hearing in these
13 cases to receive comments on these proposed rate
14 increase.

15 My name is Nancy Dippell, and I'm a
16 Missouri Regulatory Law Judge that is assigned to
17 preside over this evening's hearing.

18 I'd like to thank the college for
19 allowing us to use their facility this evening and
20 to state that any other comments or issues that are
21 said here tonight are not related to the college,
22 itself. They've merely provided us with their
23 facility and we appreciate that.

24 The Missouri Public Service Commission
25 regulates the rate charged by investor owned

1 utility companies in Missouri to insure that those
2 rates are just and reasonable. The Commission also
3 regulates the quality and service and safety of
4 operations of investor owned utilities. The
5 Commissioner - the Commission is made up of five
6 Commissioners. I believe our Chairman, Robert
7 Clayton, is there in the room with you this
8 evening. Is that correct?

9 CHAIRMAN CLAYTON: That's correct, Judge.

10 JUDGE DIPPELL: Very good. I also have
11 with me, here in Jefferson City this evening,
12 Commissioner Kevin Gunn and Commissioner Connie
13 Murray. The Commissioners are appointed by the
14 Governor for fixed terms and confirmed by the
15 Senate. The Commission employs a staff of
16 engineers, accountants, attorneys, financial
17 analysts and other specialists in the field of
18 utility regulations.

19 This is an official hearing of the
20 Missouri Service Commission and the statements and
21 testimony of witnesses will be recorded by a court
22 reporter and will be given under oath or
23 affirmation. All of the Commissioners will then
24 have an opportunity to read all of the witnesses'
25 remarks.

1 In addition, we are videoconferencing
2 this meeting between here in Jefferson City and
3 those of you in Sedalia and it's being broadcast
4 over the Internet. We may actually have some other
5 people watching and listening us while we are going
6 through this. And in addition, we are recording
7 the session here in Jefferson City.

8 We are also have some staff members
9 there, those of you that came through the
10 information session, have been introduced to them.
11 If you have further questions, need any kind of
12 help, I would encourage you to see one of the staff
13 members afterwards. Also, do we have someone from
14 the Office of Public Counsel there?

15 MR. MILLS: Yes, you do, Judge. Lewis
16 Mills is here.

17 JUDGE DIPPELL: Mr. Mills is of Public
18 Counsel and his office is charged with representing
19 rate payers in front of the Commission, so I know
20 Mr. Milton Soppenflop(ph) will be happy to help you
21 with any questions or complaints that you might
22 have.

23 In addition, I'm sure there are
24 representatives from the company there. If the
25 company representatives would just kind of stand up

1 or wave, so people can see who you are.

2 The purpose of this hearing tonight is
3 to receive comments from the public regarding the
4 proposed rate increase. The company will not
5 present witnesses and will not answer questions
6 while we are on the record. The Commission tonight
7 will also not answer questions this evening, this
8 is merely your opportunity to give us your comments
9 and your remarks. Remarks will be come part of the
10 official record.

11 If you wish to testify and have not
12 already done so, please see Mr. Kelly or one of his
13 staff members, put your name on the sign-up list.
14 Otherwise, after I have called all the names that
15 are on the list, I'll ask if anyone else would like
16 to speak and at that time, you can let me know.

17 When your name is called out, I'll ask
18 you to please come forward to this table in the
19 front by the microphone, sit in the chair and I'll
20 ask you to spell your name so the court reporter
21 can get it down correctly and then you can make
22 your statement. I'll also swear you in at that
23 time.

24 After you have spoken, I'll ask you to
25 stay seated for just a few minutes. Some of the

1 Commissioners may have questions for you, and I'll
2 just generally ask are there any questions from the
3 attorneys. I'm going to assume that if the
4 attorneys that are present have questions, they
5 will make them known, otherwise, I'll just assume
6 that you don't have any questions this evening.

7 After that, we're going to stay until
8 everyone has a opportunity to speak that would like
9 to, so I'll ask you to try to keep your comments to
10 the point, and if previous speakers have already
11 said what you wanted to say, you're perfectly
12 welcome to just say that you agree with those
13 comments.

14 I will then begin then by letting the
15 attorneys make their entries of appearance and I
16 have also with me this evening, Staff Counsel and
17 I'm going to let her start with her entry of
18 appearance.

19 MS. HERNANDEZ: Jennifer Hernandez, P.O.
20 Box 360, Jeff City, Missouri.

21 MR. MILLS: Lewis Mills, appearing on
22 behalf of the Office of the Public Counsel and the
23 public. My address is P.O. Box 2230, Jefferson
24 City, Missouri 65102.

25 JUDGE DIPPELL: Is there an attorney for

1 the company here this evening?

2 MR. FISCHER: Yes, Judge, my name's Jim
3 Fischer with the law firm of Fischer & Dority in
4 Jefferson City, Missouri. Our address is 101
5 Madison Street, Suite 400, Jefferson City. I'm
6 here representing the company tonight.

7 JUDGE DIPPELL: Are there any other
8 attorneys wishing to make an entry? All right,
9 then I think we're ready to go ahead and begin with
10 our first witness, unless, Mr. Chairman, would you
11 like to make some remarks?

12 CHAIRMAN CLAYTON: I would just like to
13 generally welcome everybody here tonight. We have
14 public hearings going on across the region served
15 by Kansas City Power & Light. I have the sign-up
16 list for all the people who have an interest in
17 testifying.

18 If you did not sign up and you change
19 your mind, you want to say a few words, then just
20 let me know when we get to the end of the list and
21 the Judge will certainly let you come on up and
22 testify.

23 As I've said that, I'll say thanks for
24 being here. I will advise the Judge that we're
25 getting a lot of feedback.

1 JUDGE DIPPELL: Are you turned up? Are
2 you still speaking?

3 CHAIRMAN CLAYTON: I'm not speaking
4 anymore, but I'll going to call John Bozarth, Sr.
5 to the front and to the witness table is right over
6 here so that the folks in Jeff City can hear you.
7 And I'd ask that everyone be patient with
8 technology tonight. This webcasting is supposed to
9 make it easier for the public to view and the
10 public to participate. Sometimes it works,
11 sometimes it doesn't, but be patient with us.
12 That's all I've got, Judge.

13 JUDGE DIPPELL: If the feedback remains
14 an issue, please let me know; okay?

15 CHAIRMAN CLAYTON: I will.

16 JOHN BOZARTH, SR., being sworn-in by
17 Judge Dippell, testified as follows:

18 JUDGE DIPPELL: If you can state your
19 name, and spell it for us please?

20 MR. BOZARTH, SR.: My name is John
21 Bozarth, Sr., I came here from Second Ward and
22 there's a few questions I'd like to kind of ask
23 you. Why in the world are you picking on now to
24 raise the - I mean the electric, the way it's
25 affected, it's going to be (inaudible) people that

1 have gotten less gas and used a lot of electric to
2 try to keep warm but try to get over their budget
3 when they can't afford to pay their electric and
4 gas bill in the way you all stated in the paper.

5 CHAIRMAN CLAYTON: Judge, can you all
6 shut off your mic in Jeff City, we're getting a lot
7 of feedback.

8 COURT REPORTER: I'm having trouble
9 hearing because of the feedback.

10 CHAIRMAN CLAYTON: Thank you. Mr.
11 Bozarth, go right ahead.

12 MR. BOZARTH: And the way you stated it
13 in the paper, \$12.50 a month more raise. The way I
14 look at that is three categories. Why not start at
15 the bottom with 3.25 a month, you still gain 16.5
16 million dollars. Instead of starting at the top,
17 work your way from the bottom and go up. At 6.50,
18 you'd generate 33 million dollars. That's what I
19 can't understand.

20 And I know the people in Ward 2 in
21 Sedalia, there's a lot of them over there that
22 can't hardly make ends meet now on a fixed income,
23 and I know there's more in Sedalia than that. And
24 that's all I've got to say about it.

25 JUDGE DIPPELL: Sir, could I get you to

1 spell your last name for us, please?

2 MR. BOZARTH, SR.: Do what?

3 CHAIRMAN CLAYTON: Spell your name for
4 us, please?

5 MR. BOZARTH, SR.: B-o-z-a-r-t-h, Sr.

6 JUDGE DIPPELL: Commissioner, do you have
7 any questions?

8 CHAIRMAN CLAYTON: Hang on, Mr. Bozarth.
9 Unfortunately you have to take all this abuse
10 because you're first one on the list, so be patient
11 with us here. I wanted to ask you a couple of
12 questions. You said you were a Second Ward
13 Councilman?

14 MR. BOZARTH, SR.: I'm running for Second
15 Ward Councilman.

16 CHAIRMAN CLAYTON: And that's here in
17 Sedalia. Is that correct?

18 MR. BOZARTH, SR.: Yeah.

19 CHAIRMAN CLAYTON: Can you tell me about
20 the reliability of the service that you receive in
21 the Second Ward in Sedalia. Does it work? Does
22 the electricity work?

23 MR. BOZARTH, SR.: I've got no complaints
24 on our electricity. We use quite a bit of it
25 ourselves. In the summertime, we've run air

1 conditioners, but if it keeps getting higher, I'll
2 just have to open the windows and let the air blow
3 through there.

4 CHAIRMAN CLAYTON: But it stays on, it
5 works. Is that correct? It doesn't click off or
6 anything like that?

7 MR. BOZARTH, SR.: Yeah, it's been
8 staying on pretty good in my area.

9 CHAIRMAN CLAYTON: Okay I don't have any
10 other questions. They may have a few questions
11 from Jeff City.

12 JUDGE DIPPELL: There's no questions
13 here. Thank you, sir, for your testimony.

14 MR. BOZARTH, SR.: Okay, thank you.

15 CHAIRMAN CLAYTON: Next on the list is, I
16 believe it's Charles Shapley. And on deck is Ron
17 Hudgens. Is Mr. Hudgens here?

18 MR. HUDGENS: I'm going to decline.

19 CHAIRMAN CLAYTON: You're going to
20 recline or decline?

21 MR. HUDGENS: Decline.

22 CHAIRMAN CLAYTON: I'd like to recline
23 right now. All right, I'm going to scratch you off
24 the list. Okay, Mr. Shapley, go right ahead.

25 Judge?

1 CHARLES SHAPLEY, being sworn-in by
2 Judge Dippell, testified as follows:

3 CHAIRMAN CLAYTON: please have a seat.

4 JUDGE DIPPELL: Please state your name
5 and spell it.

6 MR. SHAPLEY: My name is Charles Shapley.
7 I'm a - oh, do you want me to spell it for you?

8 CHAIRMAN CLAYTON: Please.

9 MR. SHAPLEY: Charles, C H A R L E S,
10 Shapley, S H A P L E Y.

11 CHAIRMAN CLAYTON: Go right ahead, sir.

12 MR. SHAPLEY: Okay. My concern is -
13 well, first of all, as I asked a question earlier,
14 to me this is the absolute wrong time to be asking
15 for an increase like this. With our economy in a
16 downward spiral that we haven't seen since the
17 Great Depression and now we want to have a rate
18 increase on our utilities.

19 Well, as for my - I can't speak for
20 everybody, but I can speak for myself and my
21 mother. I'm on a fixed income because I'm
22 disabled. It's all I can do just to make ends
23 meet. Now, they're talking about a rate increase -
24 well, let me back up.

25 First of all, I used to - I was on

1 natural gas and electricity. It got to the extent
2 last fall where I could not longer afford to pay
3 both utilities, so I had them shut my gas off and
4 completely pull out the meter, so that I wouldn't
5 receive a bill from Empire Gas at all.

6 And so, what I've done instead, is I've
7 started heating my home with all the little
8 baseboard heaters that I could find and plug in,
9 plus I'm using a kerosene heater too, because I can
10 only do so much with the baseboards. And I'm doing
11 that for now, for the time being, until I can
12 afford, which may never happen, to get an electric
13 furnace installed in my home. Okay, now, that's my
14 situation.

15 Now, my mother, she's also on a fixed
16 income. She's 66 years old, she is living on her
17 social security. That's all she gets a month.
18 Okay, that's all she has to live on. What's she
19 going to do? And she already sets her thermostat
20 at 60 degrees when most people are lucky enough to
21 set their thermostat at 70.

22 Now, what's going to happen to her?
23 Now, I'm more concerned about her than I am myself.
24 What is she going to do whenever their increase -
25 and this increase as I heard earlier is supposed to

1 be based on the so-called average use is, what was
2 it, 1000 kilowatts? And I think I use at least
3 twice that amount. Okay. So I think it's a little
4 misleading that it's only going to up our bill
5 about 12.50 or whatever it is, \$12 and something a
6 month, when in reality, it's probably going to
7 raise my bill about \$25 a month, which I can't
8 afford and neither can my mom. So, what happens to
9 us?

10 And furthermore, this is what I would
11 like to know is, or I realize we're not supposed to
12 ask questions, so let me put it this way. I'm not
13 convinced that the total amount that is being asked
14 for is all a necessity. In other words, what I'm
15 saying is how much of that is actually a wish list
16 that can wait until this economy turns around?

17 You know, how much of that really has to
18 - how many of those improvements and add-ons and
19 upgrades have to be done now, because this seems
20 like the worst time to be trying to ask people like
21 me for more money, you know, each month, because I
22 don't know how we're going to pay for it. That's
23 all I've got to say.

24 JUDGE DIPPELL: Mr. Chairman, did you
25 have any questions?

1 CHAIRMAN CLAYTON: Sir, I want to thank
2 you for your testimony. Thank you for coming out
3 tonight. I don't think I have any questions.

4 MR. SHAPLEY: Thank you.

5 JUDGE DIPPELL: Who's next on the list?

6 CHAIRMAN CLAYTON: Shirley Statins(ph).

7 MS. STATINS: I'm going to decline.

8 CHAIRMAN CLAYTON: You're going to
9 decline too?

10 MS. STATINS: I've already had my
11 question answered.

12 CHAIRMAN CLAYTON: Ms. Friese(ph).

13 MS. FRIESE: I'm going to decline.

14 CHAIRMAN CLAYTON: You're going to
15 decline, and Mr. Thiessen(ph)?

16 MR. THIESSEN: Decline.

17 CHAIRMAN CLAYTON: Leann Clemons? Come
18 on down.

19 LEANN CLEMONS, being sworn-in by Judge
20 Dippell, testified as follows:

21 JUDGE DIPPELL: If you would please have
22 a seat and give us your name and spell it for us,
23 please?

24 MS. CLEMONS: Okay. My name is Leann
25 Clemons. It's L E A N N, Clemons is C L E M O N S.

1 My main concern is I'm a single mother
2 of three children and we live well below the
3 poverty level, the federal poverty level, and we
4 have lived without electricity several times
5 because we could not pay our bill. Probably the
6 longest we lived without it was a year and
7 electricity runs our furnace, so there was no gas
8 either. It runs the hot water heater, so there was
9 no hot water. It's not fun when you have to live
10 by candlelight.

11 I make - well, I can't say what I make,
12 I'd get in trouble, but I make very little per hour
13 and struggle to make ends meet to pay all the
14 bills. The children and I have done without a lot.
15 We do not have cable television. Until just
16 recently, we, about a month ago, finally got a home
17 phone.

18 You know, we have to cut back on a lot
19 of things, but even a 12.50 a month increase is
20 almost like having to tell my children we're going
21 to have to take a couple of days not to have
22 dinner.

23 And as far as the community action
24 agencies, they only receive so much money to help
25 people and right now, well, with the recession the

1 way it is and unemployment in this area at this
2 time and throughout the whole country is horrible.
3 There will be more people asking for help, which
4 means less money to help less people.

5 You know, of course, disabled are on a
6 fixed income. My mother is on a fixed income and,
7 you know, she doesn't have a job where she gets a
8 raise ever too often and her bills just keep going
9 up and up and up and there's no extra money coming
10 in to pay the increases. I'm to the point now at
11 my job, I don't get a raise until a year from now,
12 so I won't have any extra money coming in to pay
13 increases every - you know, all my bills are going
14 up.

15 We have to - we, at one point, as the
16 other gentleman had said, quit using our gas to
17 heat our home because we couldn't afford the
18 electricity to run the furnace. And eventually we
19 ended up using space heaters, which of course, you
20 know, is extremely dangerous, but during the day
21 the heaters are shut off, not at this point right
22 now, but at that time the heaters were shut off
23 during the day and then the pipes would freeze.

24 And I understand the cold weather rule
25 and everything, but the first day it gets above 32

1 degrees, it doesn't matter because it's going to be
2 down to 10 degrees that night, you're shut off, and
3 then that night you freeze because now you don't
4 have electricity.

5 But my concern is just, you know, how
6 are we supposed to come up with this extra money to
7 pay the increase on our bills when we can't make
8 ends meet right now. And that's just my concern.
9 Thank you.

10 JUDGE DIPPELL: Thank you, ma'am. Mr.
11 Chairman, do you have any questions?

12 CHAIRMAN CLAYTON: I do. Ms. Clemons, I
13 want to ask you, I'm familiar with the cold weather
14 rule, I know how it works. Are you telling us that
15 a utility company would shut off your electricity
16 in the middle of winter?

17 MS. CLEMONS: Yes, several times.

18 CHAIRMAN CLAYTON: Is that Aquila or is
19 that Kansas City Power & Light, and I want to know
20 how long ago it was?

21 MS. CLEMONS: I know it was - I know
22 Aquila has several times. The last time it was
23 shut off, I really can't tell you which company it
24 was because I can't remember.

25 CHAIRMAN CLAYTON: How long ago do you

1 think I was, a year, five years, six years?

2 MS. CLEMONS: No, it's - I'm going to say
3 maybe a year and a half ago, and I'm guessing at
4 that because I can't really remember exactly. I
5 just don't remember which company it was at that
6 time. You know, I have called and asked for extra
7 time, or whatever, and you know, tried to explain
8 the situation that was going on and you know, there
9 was nothing offered, no way, nothing offered to
10 help me out.

11 It was basically, you know, too bad, get
12 the money or you're shut off. And I couldn't get
13 the money and I was shut off.

14 CHAIRMAN CLAYTON: In the middle of
15 winter?

16 MS. CLEMONS: In the middle of winter.

17 CHAIRMAN CLAYTON: Okay. I don't think I
18 have any other questions for you. I would like you
19 to touch base with our staff that's here. There
20 are a number of things, a number of programs that
21 you want to make sure that at least you're trying
22 to access those and I want to make sure - yes,
23 right here, and if you would touch base with our
24 staff just to make sure that you are aware of what
25 programs are out there. You may be eligible for

1 some of those to help. I want to thank you very
2 much for your testimony here today.

3 MS. CLEMONS: You're welcome.

4 JUDGE DIPPELL: Thank you. Who's next on
5 the list?

6 CHAIRMAN CLAYTON: Donna Osbourn.

7 DONNA OSBOURN, being sworn-in by Judge
8 Dippell, testified as follows:

9 JUDGE DIPPELL: State your name and spell
10 it for us?

11 MS. OSBOURN: Donna Osbourn. D O N N A,
12 O S B O U R N. Okay. Basically, I'm speaking for
13 my mother and my father. My father has COPD and my
14 mother has Parkinson's. They are both on a fixed
15 income and 83 years of age. The Social Security
16 raise came and they have \$120 worth of bills
17 greater than their Social Security raise.

18 My father has had to shut off his living
19 room and dining room. He lives in the kitchen and
20 bedroom in order to make his bills meet.

21 My mother, whom I'm living with right
22 now, we have shutoff two - we have a seven room
23 house, we have shutoff three rooms. We cut off our
24 gas four years ago in order to pay and had the gas
25 taken out. We have all electric and since our

1 furnace was gas, we're heating on radiant heat and
2 space heaters and have been for four years to make
3 the bills. She, with her illness, has to have it
4 at 72 degrees in temperature.

5 If this rate increase goes in, I just
6 don't know how we're going to make it because the
7 way our house is made, I can't cut off anymore
8 rooms. We're sleeping in the livingroom in order
9 to heat the house. And that's basically just about
10 what I've got to say. We went all electric,
11 electric hot water heater, electric hotplates
12 because we had the gas stove. We're cooking on
13 four burners and electric hotplates, and have for
14 four years in order to make the bills.

15 She gets less than \$600 a month in
16 social security. How are people like us going to
17 make the 12.50 a month?

18 JUDGE DIPPELL: Thank you, ma'am. Mr.
19 Chairman, do you have questions?

20 CHAIRMAN CLAYTON: I'm going to pass for
21 right now and allow some of the other Commissioners
22 to ask a question.

23 JUDGE DIPPELL: Mr. Mills?

24 MR. MILLS: I don't have any.

25 JUDGE DIPPELL: Ms. Hernandez?

1 MS. HERNANDEZ: I don't have any
2 questions, but thank you.

3 JUDGE DIPPELL: Thank you very much for
4 your testimony.

5 CHAIRMAN CLAYTON: If they're not going
6 to ask you any questions, I may ask you a few, Ms.
7 Osbourn. I just want to ask you real quickly, have
8 you accessed all of the programs on behalf of your
9 parents that they would be eligible for?

10 MS. OSBOURN: I have. My father has
11 tried and his Social Security amount is just \$100
12 over for him to be covered. Now, my mother may
13 well be covered with her 600. He was a air
14 conditioning man and he made better money, but his
15 Social Security, a lot of the help programs, it's
16 just 100 or \$150 more than it is to get him any
17 help in the state.

18 And hers is - I'm working on getting her
19 help right now. I'm accessing all kinds of
20 programs to get her help.

21 CHAIRMAN CLAYTON: Well, you have a
22 number of the resources that it takes to find out
23 if they are eligible here tonight and I would urge
24 you to take advantage of that.

25 MS. OSBOURN: I definitely will, because

1 I've been working on and trying to help her for
2 sometime.

3 CHAIRMAN CLAYTON: We have our staff and
4 the Commission is here, if you want to touch base
5 with them, and also I would touch base with the
6 company also to see if there are any programs that
7 you would be eligible for. Take advantage of them
8 while they are here.

9 MS. OSBOURN: Right, I definitely will
10 because I've been looking. I get her aid every
11 section I can get because she is at the point in
12 the Parkinson's where she's just shaking like this
13 and she has to have somebody in the home with her
14 and somebody to write the bills and do this and do
15 that.

16 CHAIRMAN CLAYTON: Well, I thank you for
17 coming out tonight and I wish you the very best.
18 Is it Theissen or Tyson?

19 MR. HUDGENS: Hudgens.

20 CHAIRMAN CLAYTON: Oh, Mr. Hudgens,
21 you're Mr. Hudgens, I'm sorry, I looked at the
22 wrong name. Come on down. I scratched out a bunch
23 of names all at once.

24 RONALD HUDGENS, being sworn-in by Judge
25 Dippell, testified as follows:

1 JUDGE DIPPELL: Will you please have a
2 seat and state your name and spell it for us?

3 MR. HUDGENS: My name is Ronald Hudgens.
4 And my first question I would like for the
5 Commission to address to the Power & Light Company
6 on the request, is this increase on the electric
7 bill, is it going to be for capital improvements or
8 delivery of power? I know you can't answer it
9 tonight, but I think it's important.

10 On their coal, buying coal, I understood
11 at one time, they bought it on the market, started
12 buying in advance on a contract for a cheaper rate.

13 I know that they're trying to improve
14 their bottom line to - they are going to get a
15 cheaper rate on their interest for borrowing money
16 and I can understand these things, but when they
17 sent me my letter saying they're cutting my
18 dividends in half, they cut my stock \$35,000
19 already in one year and then in one paragraph of
20 the letter they stated, they don't have enough
21 customers buying electricity.

22 My question is, why in the hell do they
23 need a \$1.8 billion power plant to start with, if
24 they don't have enough customers buying
25 electricity. They build a \$1.8 billion power

1 plant, then they turn around and buy Aquila. Well,
2 I don't know, but my folks told me that you save
3 the money and then buy it for cash. I know a
4 company this size can't quite do that, but they
5 wouldn't have to raise these rates if they had
6 enough capital of their own.

7 But I understand they they've got a 50
8 million dollars of equipment sitting on the ground
9 in western Kansas that's not being used or they say
10 they don't have the money to put up, that's in
11 windmills.

12 They have - I have one other thing here.
13 The federal government once a year for Social
14 Security benefits, say that the cost of living for
15 2008 rose up about 5.8 percent. Now, shouldn't
16 their operating expenses kind of be based on some
17 of them kind of figures? Their operating expenses
18 could maybe increase 5.8 percent?

19 I think that's all the - I did say
20 capital gains or capital improvements like they
21 proposed back a year to two ago to build a \$20
22 million training center at Baytown Road and 435 -
23 470, I beg your pardon. At the time, I didn't feel
24 they even needed that because they are having -
25 college, local college could train them,

1 apprentices and so forth and they have a program
2 that was setup to train the people coming up.

3 I believe that's all - like I say, it's
4 for capital improvements or delivery of power is
5 what I'd like to know what this increase is being
6 asked for. That's all I have today.

7 JUDGE DIPPELL: Thank you, sir. I didn't
8 quite catch your name. Will you spell that for us?

9 MR. HUDGENS: Spell the last name, is H U
10 D G E N S.

11 JUDGE DIPPELL: Okay, I can't answer some
12 of the questions that you've asked, but our staff
13 that are there tonight, I think, have the answers
14 to some of those questions, and if you're
15 interested, our energy and present staff could talk
16 to you a little bit more about how some of those
17 things like those degree of power and buying of
18 coal and so forth work, and I would encourage you
19 to talk to them.

20 Mr. Chairman, Did you have questions?

21 CHAIRMAN CLAYTON: Thank you, Judge. Mr.
22 Hudgens, you're raised a number of excellent
23 questions and I can't answer them, but I want to
24 recognize the Manager of our Energy Department in
25 the back, Lena Mantle, she just raised her hand.

1 She can answer a number of those questions and I
2 would urge you to pose those to her.

3 Purchasing prices for fuel are very
4 important parts of the case, capital versus
5 expenses, those are all issues that come up in a
6 case and I think she can provide that information,
7 or at least some information to you. And I don't
8 have any questions for you. Thank you very much.

9 JUDGE DIPPELL: Just a moment,
10 Commissioner Gunn has a question.

11 CHAIRMAN CLAYTON: Mr. Hudgens, hang on,
12 we've got one question from Commissioner Gunn.

13 COMMISSIONER GUNN: Just a couple of
14 clarifying questions. You're both a shareholder
15 and rate payer. Is that correct?

16 MR. HUDGENS: I beg your pardon?

17 COMMISSIONER GUNN: Are you both a
18 shareholder as well as a customer of KCP&L?

19 MR. HUDGENS: I'm a shareholder, and I'm
20 a 33 year ex-employee and a customer.

21 COMMISSIONER GUNN: Do you know what you
22 average monthly bill is?

23 MR. HUDGENS: On the average, over the 12
24 month period it was approximately \$110. I'm all
25 electric home, it's well insulated. I use the

1 fluorescent bulbs and try to cut down - I tell my
2 wife to turn the lights out.

3 COMMISSIONER GUNN: Thank you, sir,
4 that's all I have. I appreciate you taking your
5 time.

6 CHAIRMAN CLAYTON: I don't know if Mrs.
7 Hudgens is going to let him get away with that.

8 (Laughter)

9 CHAIRMAN CLAYTON: There's no one else on
10 the list, Judge, I'll go ahead and ask, is there
11 anyone else who would like to testify? This will
12 be the last opportunity. Anyone else? We've made
13 it through the list, we've scratched all the names
14 of people who've declined. Going once, going
15 twice. Judge, I think we're done.

16 JUDGE DIPPELL: I want to thank everyone
17 for coming. I apologize for the technical
18 difficulties we were having. We thought we had
19 that worked out beforehand, but it came back on us,
20 so I appreciate the Chairman being there to pitch
21 in for us, and is there anything else the
22 Commissioners would like to say?

23 COMMISSIONER GUNN: Thank you for coming.

24 JUDGE DIPPELL: Thank you all for being
25 here this evening, appreciate it. We can go off

1 the record.

2 (WHEREIN, the Hearing is concluded at

3 6:45 p.m.)

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3	WITNESS:	PAGE NO.
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5	John Bozarth	9
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1 CERTIFICATE OF REPORTER

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3 STATE OF MISSOURI) ss

4 COUNTY OF CLAY)

5

6 I, JANET H. WIMER, Certified Court
7 Reporter, the officer before whom the foregoing
8 hearing was taken, do hereby certify that the
9 testimony in said hearing was taken by me to the
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13 parties to the action in which this hearing was
14 taken, and further, that I am not a relative or
15 employee of any attorney or counsel employed by the
16 parties thereto, nor financially or otherwise
17 interested in the outcome of the action.

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Notary Public in and for

23

the State of Missouri

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25 My Commission Expires: 9/29/11