

Exhibit No.:

Issue:

Energy Efficiency Programs,
Weatherization

Program

Witness:

Robert T. Jackson

Sponsoring Party:

City of Kansas City, Missouri

Case No.:

Case No. GR-2006-0422

CITY OF KANSAS CITY, MISSOURI

Case No. GR-2006-0422

REBUTTAL TESTIMONY

OF

ROBERT T. JACKSON

FILED²

FEB 07 2007

**Missouri Public
Service Commission**

Kansas City, Missouri
November, 2006

City of KC Exhibit No. 400
Case No(s) GR-2006-0422
Date 1-8-06 Rptr JK

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Missouri Gas Energy=s Tariffs)
Increasing Rates for Gas Service Provided to) Case No. GR-2006-0422
Customers in the Company=s Missouri Service Area)

AFFIDAVIT OF ROBERT T. JACKSON

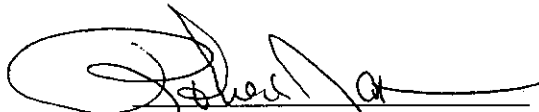
STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

I, Robert T. Jackson, of lawful age, and being duly sworn, do hereby depose and state:


1. My name is Robert T. Jackson. I am presently Weatherization Program Administrator with the City of Kansas City, Missouri, intervener in the referenced matter.

2. Attached hereto and made a part hereof for all purposes is my rebuttal testimony..

3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct to the best of my personal knowledge, information and belief.


Robert T. Jackson

Subscribed and sworn to before me, a Notary Public, this 21st day of November, 2006.


Notary Public

My Commission expires:

BELEN L. CAMPO
Notary Public - Notary Seal
STATE OF MISSOURI
Jackson County
My Commission Expires: Nov. 28, 2009
Commission #05794064

1 TESTIMONY OF ROBERT T. JACKSON

3 Q. PLEASE STATE YOUR NAME, TITLE AND BUSINESS ADDRESS?

4 A. My name is Robert T. Jackson. I am employed by the City of Kansas City as
5 Weatherization Program Administrator within the Department of Neighborhood and
6 Community Services. My business address is Department of Neighborhood and
7 Community Services, 4th Floor, City Hall, 414 East 12th Street, Kansas City, Missouri
8 64106.

9
10 Q. ON WHOSE BEHALF DO YOU APPEAR IN THIS PROCEEDING?

11 A. The City of Kansas City, Missouri.
12

13 Q. PLEASE BRIEFLY EXPLAIN YOUR CONNECTION WITH THE
14 WEATHERIZATION PROGRAM AND YOUR DUTIES?

15 A. I have been employed by the City of Kansas City in the Weatherization Program since
16 1983, and have been the Weatherization Program Administrator since 1985. I made the
17 initial request for the City/Utility (the utility was Western Resources at that time)
18 participation in the experimental energy conservation program (now Weatherization
19 Program) to benefit residential customers. I have been involved with the MGE
20 Weatherization Program since its inception. Regarding my duties, I am generally
21 responsible for the overall management of the City's Home Weatherization program.
22

23 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

24 A. Staff witness Anne E. Ross discusses the importance of weatherization assistance in her

1 direct testimony. At the outset I want the Commission to know that I fully agree with
2 Ms. Ross that low and moderate income households could benefit from programs that
3 provide grants or loans for the "up-front" expenses needed by those households for
4 energy conservation investments. I believe that an effective program design can be
5 developed or at least started within the context of this case. I will also discuss the
6 increasing importance of the MGE Weatherization Program to MGE's rate payers and the
7 growing need for additional funding for the program.

8
9 Q. HAS THE MGE WEATHERIZATION PROGRAM BEEN SUCCESSFUL?

10 A. As I have testified in past rate cases filed by MGE, yes, the program is definitely
11 successful. From its beginning operation in 1994, over 1327 homes have been
12 weatherized. Homes throughout Clay, Jackson and Platte counties have been assisted.
13 The Program's success has been realized without overburdening MGE. Even though it is
14 funded by MGE, the Weatherization Program requires minimum administrative support
15 from MGE. The City of Kansas City has assumed the bulk of the duties necessary to
16 administer the program.

17
18 Q. IS THE PROGRAM ADMINISTERED PURSUANT TO GOVERNMENTAL
19 GUIDELINES?

20 A. Yes, the City operates the program pursuant to technical assessment criteria established
21 by the U. S. Department of Energy as administered by the Missouri Department of
22 Natural Resources (DNR). DNR also acts as the distributor of the available
weatherization program grants.

1
2 Q. AT WHAT LEVEL IS THE MGE WEATHERIZATION PROGRAM FUNDED NOW?

3 A. The program receives \$367,000 in funding annually. This funding level for the program
4 was set in the company's last rate case, I believe. Previously, funding had been a
5 \$250,000 annually.
6

7 Q. HAS THERE BEEN ANY CHANGE IN THE DEMAND FOR WEATHERIZATION
8 ASSISTANCE?

9 A. Demand for the program increased dramatically in early 2004, due primarily to MGE's
10 announcements in the winter and spring of 2002/2003 that gas prices would likely rise
11 over time. In March of 2004, there were more than 500 applications waiting for
12 assistance and to date that was the highest level of demand for assistance.
13

14 Q. HAS DEMAND FOR WEATHERIZATION ASSISTANCE STAYED AT THAT
15 LEVEL.

16 A. No. Demand for assistance has returned to pre-2004 levels and presently, there is no
17 waiting list for applications. While it has been suggested that a waiting list raises
18 expectation of service, some believe that the lack of a waiting list suggests there is no
19 need for service. In my opinion, despite fluctuations in the number of applications for
20 assistance filed at my office, it cannot be disputed that weatherization is a tangible long-
21 term value to households, the company and the environment.
22

Q. SHOULD MGE'S FUNDING FOR WEATHERIZATION BE INCREASED?

1 A. Yes. There is more than enough data that proves low-income households pay a
2 disproportionate share of their disposable income to maintain energy. I reiterate the long-
3 term value of weatherization assistance to the company. According to an informal study
4 by the MDNR, more than fifty percent (50%) of households that received weatherization
5 after obtaining emergency fuel assistance did not return or substantially reduced their
6 need for subsequent fuel assistance. This same information was presented by MDNR at
7 the Governor's Energy Task Force. I recommend that MGE increase its annual
8 contribution to the City's weatherization program by at least another two hundred fifty
9 thousand dollars (\$250,000) for an annual total contribution of \$617,000.

10
11 Q. SHOULD THERE BE IMPROVED COORDINATION OF CUSTOMER REFERRAL
12 FROM THE COMPANY TO THE CITY?

13 A. Yes. Even though MGE strongly promotes the availability of weatherization assistance
14 to eligible customers, I believe the company would net improved bill payment outcomes
15 by referring the program eligible customers (those receiving fuel assistance) directly to
16 the City so they can be assured of assistance.

17
18 Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?

19 A. Yes, it does.