1 ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR PUBLIC SERVICE COMMISSION 1 2 STATE OF MISSOURI 3 4 5 TRANSCRIPT OF PROCEEDINGS 6 Public Hearing 7 January 22, 2007 8 Lee's Summit, Missouri 9 Volume 2 10 11 CASE NUMBER ER-2007-0004 12 13 In the matter of the Tariffs of Aquila, Inc. 14 D/b/a Aquila Networks - MPS and Aquila 15 Networks - L&P Increasing Electric Rates for 16 the services provided to customers in the 17 Aquila Networks - MPS and Aquila Networks -18 L&P service area. 19 20 MORRIS L. WOODRUFF, Presiding 21 DEPUTY CHIEF REGULATORY LAW JUDGE 22 23 LINWARD "LIN" APPLING, 24 COMMISSIONER 25

ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR A P P E A R A N C E S For Aquila: MS. RENE PARSONS Senior Attorney 20 W Ninth St. MSC 3-130 Kansas City, MO 64105 For Jackson MR. JEREMIAH FINNEGAN County: Attorney at Law 3100 Broadway STE 1209 Kansas City, MO 64111 Public Counsel: MR. LEWIS R. MILLS, JR. Office of Public Counsel Governor Office Bldg. STE 650 200 Madison Street Jefferson City, MO 65102

ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 PROCEEDINGS 2 (Hearing commenced at 6:00 p.m.) 3 JUDGE WOODRUFF: Let's come to 4 5 order, please. Welcome everyone. This is 6 local public hearing in case number 7 ER-2007-0004, which concerns the application 8 of Aquila, Inc to increase its rates for its 9 MPS network and L&P divisions. 10 My name is Morris Woodruff, I'm the 11 regulatory -- one of the regulatory law 12 judges for the Commission, and I'll be 13 presiding at this local public hearing. То 14 my right is Commissioner Lin Appling who is 15 one of our commissioners and the other four 16 commissioners can't be here tonight, but 17 everything that you will say tonight will be transcribed by our court reporter here and a 18 19 transcript will be available to all the 20 commissioners, and they will have an opportunity to review anything you say. 21 22 As I indicated this will be an official 23 proceeding of the Commission and the

24 testimony that you give tonight will be sworn 25 testimony, meaning I will swear you to tell

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR the truth just like on tv, and then I will ask you to come on up here to the podium and tell the Commission what you want to say.

I have a sign up list that was out there 4 5 before and what I will do is go down the list of names and call you up in order and give 6 7 you a chance to testify. We don't impose any 8 sort of specific time limit on testimony, but 9 I do want you to keep in mind of course that 10 there are other people here who want to 11 testify as well so I ask you to keep your 12 remarks as succinct as possible so we can 13 hear from everyone tonight without hurt 14 feelings.

We'll actually begin by talking entrees of appearance from the attorneys for the case, and is there an attorney her for Aquila?

19MS. PARSONS: Renee Parsons,20R-e-n-e-e P-a-r-s-o-n-s on behalf of Aquila.21JUDGE WOODRUFF: Thank you,22ma'am. Is there an attorney her for the23staff of the Commission? The office of24public counsel?

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MR. MILLS: On behalf of the

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 office of public counsel and the public, my 2 name is Lewis Mills, my address is Post 3 Office Box 2230 Jefferson City, Missouri 65102. 4 5 JUDGE WOODRUFF: There are a number of intervening parties in this case, 6 7 are there any attorneys here representing any 8 of those parties? I don't see anyone raising 9 their hand. 10 Start off today I will ask Commissioner Appling if he has any opening remarks he'd 11 12 like to make. 13 COMMISSIONER APPLING: I have no 14 real remarks, I'm just glad that you came out 15 tonight so we could hear what you personally 16 have to say. I'm sure we have one gentlemen 17 that has already started talking already so I 18 look forward to hearing what you have to say, 19 sir. Thank you very much for coming out. 20 JUDGE WOODRUFF: The first name 21 on my list is I believe it's Dave Coffman. 22 Mr. Coffman would you like to come forward. 23 If you would please raise your right hand. 24 25

ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 DAVE COFFMAN called as a witness herein, being first duly 2 3 sworn by the Judge, testified on his oath as 4 follows: 5 JUDGE WOODRUFF: Could you spell 6 7 your last name for us. 8 THE WITNESS: C-o-f-f-m-a-n. 9 JUDGE WOODRUFF: Thank you very much. And what would you like to tell us. 10 THE WITNESS: As I look at this 11 12 you know there are a lot of people out here in the audience and I think you can see a 13 14 rate increase is going to affect so many 15 people, the poor, the elderly, those with 16 single parent families. 17 I sometimes wonder if people really look at the customers that they're serving, 18 19 because so many times you don't see what it's 20 like. I'm a retired school principal, I worked with a lot of children, lot of 21 22 families and I know what it's like with 23 poverty and working when they have to struggle with a single parent family trying 24 25 to raise two or three children. And then

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR rate increases come along and gas or what it maybe. Here are these families that are suffering because of rate increases that occur.

5 I understand that you need to make a profit, that's not -- that's something that's 6 given, we understand that. But I just wonder 7 sometimes if there are other alternatives to 8 9 look at as far as ways to save a rate 10 increase. Alternative fuels. I don't know 11 what the plans are for the fuel, the rate 12 increase is talking about that I think 13 alternative fuels and other things we can do 14 possibly to cut back instead of a rate 15 increase.

I think also about the situation about 16 17 profit. Profit is important I understand 18 profit. But I also wonder sometimes, it's 19 hard for us as a consumer and as a person 20 that's retired on a fixed income to see executives receive large bonuses and large 21 22 retirement packages and stuff like this, and we see the common every day person out here 23 24 struggling to make it. We see people are 25 making large salaries. I know that salaries

ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR are important I understand that, but I sometimes wonder if you really look at what the needs of the people are. I think the consumers are sometimes forgotten about.

5 In close I want to make this real clear, 6 I'm against this, the main reason our people are suffering. We have got -- our economy is 7 8 suppose to be good but we have many people 9 still out of work, you know. Minimum wage has an increase, we still have people hurting 10 11 right now in our community that can't afford 12 continuous increases whether it is gas, 13 utilities whatever it may be, yet here we are 14 coming back again asking for more money again 15 and again and again.

I don't see what Aquila's doing to help 16 17 cut their cost. It's hard for us as a 18 consumer to say here is a rate increase yet 19 we don't see what they have done as far as 20 their costs. So I just ask the Commission to look at this. I understand the need is there 21 22 but, you know, but think also about the 23 consumer about those of us who are out here 24 that are struggling to make it ourselves, 25 too. Thank you.

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 JUDGE WOODRUFF: Thank you. 2 Commissioner Appling, do you have any 3 questions? COMMISSIONER APPLING: I don't 4 5 think I have any questions, Steve, but I 6 appreciate you coming out, and I want to tell 7 you that we hear what you're saying. Okay. 8 Thank you for coming out, sir. 9 JUDGE WOODRUFF: Public counsel 10 have any questions for this witness? 11 MR. MILLS: No questions. 12 JUDGE WOODRUFF: Does Aquila have 13 any questions? 14 MS. PARSONS: No questions. 15 JUDGE WOODRUFF: The next name 16 on the list then is Harold Sherwood. 17 Good evening, sir, if you would please raise 18 your right hand. 19 20 HAROLD SHERWOOD 21 called as a witness herein, being first duly 22 sworn by the Reporter, testified on his oath 23 as follows: 24 25 JUDGE WOODRUFF: Could you tell

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 us your name, please. THE WITNESS: My name is Harold 2 3 Sherwood. 4 JUDGE WOODRUFF: And could you 5 spell your last name? 6 THE WITNESS: S-h-e-r-w-o-o-d. 7 JUDGE WOODRUFF: Thank you very 8 much. What would you like to say. 9 THE WITNESS: I came out tonight, it's the first time I've been to one of these 10 11 meetings, but I'm coming out in opposition to 12 the 22 percent rate increase of Aquila. And 13 also I know the legislature may have 14 authorized the fuel adjustment clause, but it 15 seemed like having your cake and eating it, 16 too. 17 I realize that the Commission's job is to reach a balance to allow the public 18 19 monopoly to make a profit, but at the same 20 time protecting the public ratepayers. I don't know whether this is just a really bad 21 22 public relations problem that Aquila has, and 23 again I don't have any evidence chapter and 24 verse or any figures but I think the public a 25 lot of times has a feeling about a company

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR from what they have learned, what they have read, the research they may have done, and I'm one of those people I've got some concerns about Aquila, not necessarily the company itself but some of the things that have been done in the past.

7 I know one of the gentlemen has alluded 8 to the -- what seems to be very bad business 9 decisions that were made during the unregulated time for utilities. I remember 10 11 reading in the paper that Aquila at one time 12 was talking about how they were, you know, 13 chance of going belly up if they didn't get 14 massive increases.

15 I know there was some bad decisions evidently made. I know from reading the 16 17 paper also that when the former CEO stepped down I think it was Mr. Green, that he got a 18 19 pretty hefty retirement bonus. I don't know 20 what you call retirement bonus or golden 21 parachute, whatever you want to call it. 22 Obviously that is for people who are 23 struggling -- I can pay my light bill, but I 24 know there are lot of people out there that 25 are struggling to do that. And, you know,

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR when people hear about that corporate greed 1 2 and I think a million dollars plus I think 3 was some kind of golden parachute that 4 doesn't sit well for people who are trying to 5 struggle to pay their light bills. That was 6 evidently the punishment corporate America. 7 The board rooms now is if your company goes 8 in the crapper well we'll get rid of you and 9 give you a million dollars. That doesn't sit very well with the public who's paying their 10 11 light bills.

I know this is the same company that has the lawsuit pending I believe in Cass county over the building of a power plant and the fight over whether there was proper permits. And I think just from my point of view it came across as a little bit as corporate arrogance on their part.

19 The thing I don't know from reading the 20 literature I got when I came in is, I know 21 this rate increase was applied for in July, 22 and that might have been when energy prices 23 were a little hire level than they are now. 24 I know somebody asked, well, if they ask for 25 22 percent and they know the Commission is

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR going to give a lesser amount, I'm sure they can probably come up with figures that the corporation can justify what their asking for but it seems to me a little bit like bargaining for an old horse or used car.

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6 The Commission hears a large request and 7 I think the company knows that they're not 8 going to get that large request most of the 9 time but they're hoping to just whittle away 10 continuing to raise the electric rates by 11 just chipping away at us and chipping away at 12 you guys whose job is to strike that balance.

13 The 22 percent just seems exorbitant. I 14 think the only things that I've read maybe 15 other than the price of gasoline in the last year, but the only other things that are 16 17 higher increase than that would be higher education and health care. They're the things 18 19 that are really shooting up in our society 20 faster than regular inflation is. 22 percent 21 seems way too high.

And again, I don't have chapter and verse. I can't quote you -- I'm sure the company could quote you how much money they need to make a reasonable profit but it

ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR doesn't seem to be a good amount.

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2 The last thing I think a lot of people 3 wonder, and again I don't know and I'm not impugning your character at all, the 4 5 Commission, but since the Public Service 6 Commission is a political appointment there's 7 always some doubt in people's minds I think 8 since, you know, the climate in Jefferson 9 City is to promote business and that's a good 10 thing, but you wonder since you're political 11 appointment and the climate in the 12 legislature and the governor's office is to 13 promote business a lot of people are 14 wondering I think why should we truly believe 15 that the Public Service Commissioners are 16 going to be on our side striking a balance 17 and doing something for me and for the other people paying their electric bill. 18 19 That's all I have to say. 20 JUDGE WOODRUFF: Thank you, sir. 21 Commissioner Appling, do you have any 22 questions? 23 COMMISSIONER APPLING: No 24 questions, sir, but I do hear what you have 25 said and it is not a matter that I will talk

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 to the governor about what you have said. 2 Thank you very much for coming out. 3 JUDGE WOODRUFF: Public counsel have any questions? 4 5 MR. MILLS: No questions. 6 JUDGE WOODRUFF: Aquila? 7 MS. PARSONS: No questions. 8 JUDGE WOODRUFF: Thank you. 9 Before I call the next witness I did want to 10 make one correction in the information sheet 11 you were handed. In the last paragraph on 12 Page 3 it says, has the Commission decided this case? We haven't, but the date of the 13 14 hearing as are not February 9th and February 15 12th, they're actually week of April 2nd 16 through the 6th and April 9th through the 13th. 17 18 The next name on the list is Mark Wayne. 19 Like to come down, Mr. Wayne. 20 21 MARK WAYNE 22 called as a witness herein, being first duly 23 sworn by the Judge, testified on his oath as 24 follows: 25

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 JUDGE WOODRUFF: Spell your last 2 name for us. 3 THE WITNESS: W-a-y-n-e. 4 JUDGE WOODRUFF: What would you 5 like to tell us. 6 THE WITNESS: First, greetings to 7 the Public Service Commission and to those in 8 attendance at this public hearing. 9 My name's Mark Wayne, and I represent the office of State Representative Brian 10 11 Baker of the 123rd district. Representative 12 Baker represents Cass County and the cities 13 of Belton and Raymore. Due to this 14 legislative duties in Jefferson City, 15 Representative Baker could not be with you 16 tonight and has asked me to relay this concerns about the rate increase request 17 18 being made by Aquila. 19 Aquila has a history with Cass county, 20 no doubt you're aware of the ongoing lawsuit involving Aquila with the power plant built 21 in Cass county, however, this is not the 22 23 reason for our appearance before you. 24 Representative Baker is respectfully 25 asking the Public Service Commission not to

ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 approve this rate increase. Overall the 2 citizens of this state and nation have seen 3 fuel cost continually rise yet the overall service and efficiency of those providing 4 5 services has not increased. It is essential that we as community leaders ensure that the 6 7 public utilities that serve our communities 8 are efficient and fiscally sound. We are 9 concerned that Aquila has not done enough to 10 ensure efficiency of service in order to keep costs down. 11

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12 This rate increase of over \$21 per month 13 smells suspiciously of expanding profits, and 14 Representative Baker does not fault Aquila 15 for making a profit mind you, but it does 16 question their quality of service. And the 17 most seriously question whether or not they deserve permission to raise rates at such an 18 19 extreme amount.

20 Aquila has most definitely damaged 21 public relations with residents throughout 22 their service area, especially Cass county. 23 The citizens of this state should not bear 24 mistakes or quality of service issues facing 25 Aquila.

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1 Senior citizens, single parents, working 2 families, low income families face a number 3 of issues in this state. First they live on 4 a fixed income as we heard earlier from the 5 retired principal. That limits their ability 6 to produce new revenues to cover increased 7 costs.

8 Second, rising health care costs have 9 forced many senior citizens to choose between 10 paying the heating bill and paying for 11 medicine they desperately need. Working 12 families have the added cost of a child care 13 in some situations.

14 Respective Baker respectfully asks the 15 Public Service Commission to remember that 16 they are a public entity and that they must 17 watch out the citizens that enable the 18 commission to exist. It is the Public 19 Service Commission that's called upon to 20 watch out for the public.

21 Many of you may or may not know 22 Representative Baker is a pastor in his 23 church and has seen an increase this year of 24 families sick seeking to help pay utility 25 bills. There's a need for us to consider the

ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR impact of this increase and the hardship it will place on many of the working families in this state. You must as a service commission the Public Service Commission work to protect our seniors and out working class families.

6 Representative Baker respectfully again 7 asks the Public Service Commission for them 8 to investigate the efficiency and the fiscal 9 stewardship of Aquila before allowing them to 10 increase rates at such a steep rate.

11 Further Representative Baker is asking 12 Aquila to make known to the public how it 13 will improve it's quality of service, improve 14 its efficiency and improve its public 15 relations before seeking this increase any further. The public should be informed of 16 17 what measures Aquila is taking to improve it's efficiency and quality of service. Our 18 19 utility providers should be held accountable 20 before we grant them profit margins built on the backs of working families. 21

Show us, the citizens, how things willimprove before simply asking for more money.

With that said, Representative Bakerthanks the men and women who keep our lights

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 He fully respects the work and effort on. 2 they put forth. I met a couple of them and 3 we talked and seemed like nice guys. We 4 simply want the corporate leaders to fully 5 answer to the public before seeking such a 6 steep increase. The public has questions and 7 we believe Aquila needs to improve communication to its customers. 8

9 In conclusion, we're asking the Public 10 Service Commission to reject this rate 11 increase request and begin looking into the 12 efficiency and the quality of service of 13 Aquila.

14 Representative Baker would like for you 15 to direct questions to him by calling him in 16 Jefferson City, and he also instructed me to 17 gather any questions or remarks before I leave. If any of you would like to speak 18 19 with me I will be available for a short time. 20 Thank you for your time and may God bless you 21 all. 22 JUDGE WOODRUFF: Thank you, Mr.

Wayne. Commissioner Appling?
COMMISSIONER APPLING: No
questions of you, but you can relay to your

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 boss, Representative Baker that I will make a 2 phone call tomorrow morning when I get back 3 to Jefferson City, and I will visit him in 4 his office in the capital. Thank you very 5 much for coming out, sir. 6 JUDGE WOODRUFF: Public counsel 7 have any questions? 8 MR. MILLS: No questions. 9 JUDGE WOODRUFF: Aquila, any 10 questions? 11 MS. PARSONS: No questions. 12 JUDGE WOODRUFF: Thank you, Mr. 13 The next name on the list is John Wayne. Hoskin. Is there a Mr. Hoskin here? 14 15 (No response.) 16 All right. We'll go on to the next name 17 then, Joshua Buehre. Was I close on your 18 name? 19 THE WITNESS: That was close. 20 21 JOSHUA BUEHRE 22 called as a witness herein, being first duly 23 sworn by the Judge, testified on his oath as 24 follows: 25

ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 JUDGE WOODRUFF: Spell your last 2 name. 3 THE WITNESS: B like boy, 4 B-u-e-h-r-e. 5 JUDGE WOODRUFF: Joshua is the 6 first name. 7 THE WITNESS: Joshua is the first 8 name. 9 JUDGE WOODRUFF: And what would 10 you like to tell us. THE WITNESS: I understand the 11 12 need that they're coming forward with that 13 they're wanting to increase the revenue that 14 they are generating on current power that 15 they're generating. There's a few issues I 16 take exception with. As the previous people 17 have spoken there's a lot of people on fixed incomes that can't afford any increase. I'm 18 19 not a person that can say I couldn't afford 20 \$22 a month on average. That's not the 21 biggest issue that I have with this increase. 22 The biggest issue that I have this increase 23 is its severe lack of maintenance of the 24 existing system in place in the area where I 25 live.

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JUDGE WOODRUFF:Can you tell uswhere you live.

3 THE WITNESS: I live at 8400 4 Reinheart road in Kansas City, Missouri. It's 5 back behind Unity Village. My house is the 6 last house on a dead end line. Just to the 7 north of me, 600 feet is another line that 8 comes from the other direction that house too 9 is on a dead end line.

10 It seems that there's been extensive 11 periods of time where we don't see anybody up 12 here doing any maintenance on keeping trees 13 out of power lines, on just maintaining the 14 basic infrastructure that exists out there.

15 The wind would blow, this was last year, the wind blew ten or fifteen miles an hour 16 we'd lose our power. Upon recommendation 17 that I made to them to check out a certain 18 19 area they went out and put in another pole, 20 raised the power line up. I don't believe 21 that it's my job to tell them how to make sure I get electricity. I think it's their 22 23 job to make sure that they're maintaining 24 their infrastructure adequately so that 25 everybody has the same opportunity to have

ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR power as any normal person that's out there.

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2 If we're going to keep paying more money 3 I'd like to see something back in service in a consistency and continuity in service that 4 5 exists for the majority of the people. I'm 6 not speaking just for myself, I'm certain 7 everybody that's on the same line that I'm 8 on, everybody that's on the line just to the 9 north of my house will tell you the same 10 thing. It is a severe disruption when the 11 power goes out, you know, three or four 12 sometimes a month and that did occur last 13 year for an extensive period of time. 14 JUDGE WOODRUFF: Has it improved 15 since then? THE WITNESS: Since they put in 16 17 the power pole I think we have only lost 18 power twice so that helped, but there's once 19 again the issue of they are not maintaining 20 any of the area underneath the power lines 21 and making sure that the trees aren't growing 22 back into it. 23 It was in the summer of late summer of 24 2004 Aquila actually had asked them to come

out cut the trees out of the power lines that

ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 were off of 87th street in Kansas City. 2 There was actually about a four inch tree 3 that had grown around the ground wire of the ground side of the power lines. Clearly that 4 5 doesn't occur overnight. That's something 6 that has gone on for years. We're still in 7 that same position.

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I believe whether this increase is 8 9 granted or not I'd like to see -- I'd like to 10 see something done where they're actually 11 maintaining all the power lines consistently. 12 And I do believe if we were in the same 13 situation that the people in Springfield are 14 in right now it wouldn't just be because of 15 the weight of the ice on power lines, because 16 of trees falling on to the power lines that 17 are not maintained by Aquila. They need to, really need to step up their maintenance 18 19 program. I see they've got in there 7.4 20 million dollars for system operating maintenance. Certainly we would hope that 21 22 some of that money is going to be for 23 maintaining the power lines to the customers 24 that they currently service.

That's all I have.

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 JUDGE WOODRUFF: Thank you, sir. 2 Commissioner Appling, do you have any 3 questions? 4 COMMISSIONER APPLING: Sir, you 5 told us just a little bit about how many 6 times your electric has been out. Can you 7 describe it just a little bit more for me so 8 I can get a little bit better fix so I can 9 talk intelligently to the company. 10 THE WITNESS: Last summer of 11 course it was after the trees had budded out 12 and they were a little heavier. We lost 13 power approximately a dozen times before 14 anything was done. That was over a three or 15 four month period. But historically out 16 there it's been an issue with us all along. 17 I grew up out there; my parents still live out there; I just belt a house there five 18 19 years ago, and historically that's been a big 20 issue. Why we don't tie these two ends 21 together so if power comes to us out on one 22 end we don't have power coming from the other 23 direction. I don't know why that's not being 24 done. I understand that it's three phase 25 power at the bottom of the hill and we're on

ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 single phase. There's no reason why those 2 two still can't be connected. COMMISSIONER APPLING: I'd like 3 4 for you to make sure you leave your address 5 if it is not this log. I would like to have somebody take a look at the street. 6 7 THE WITNESS: Absolutely. It's on 8 that. It should be in there. 9 COMMISSIONER APPLING: Thank you 10 very much for coming out. I appreciate your 11 coming. 12 JUDGE WOODRUFF: If you would 13 wait a moment, I have to ask the attorneys if 14 they have any questions. Public counsel? 15 MR. MILLS: I don't have any

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16 question, thank you.

17 JUDGE WOODRUFF: And we have 18 been joined by another attorney. Could you 19 enter your appearance.

20 MR. FINNEGAN: I will enter my 21 appearance. Jeremiah Finnegan, 3100 Broadway, Suite 1209, Kansas City, MO 64111 appearing 22 23 on behalf of Jackson County. And on behalf 24 of Jackson County I want to thank you 25 Commission for coming here, although I went

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 to Lee's Summit high school first or would 2 have been here at six o'clock. 3 JUDGE WOODRUFF: Thank you, Mr. Finnegan. Aquila have any questions? 4 5 MS. PARSONS: No questions. 6 JUDGE WOODRUFF: All right, 7 thank you. Then you can step down. 8 The next name on the list is Roy 9 Mussett. Good evening, sir. If you would 10 please raise right hand. 11 12 ROY MUSSETT 13 called as a witness herein, being first duly 14 sworn by the Judge, testified on his oath as 15 follows: 16 17 JUDGE WOODRUFF: Could you tell 18 us your name and spell your last name. 19 THE WITNESS: Roy Mussett, 20 M-u-s-s-e-t-t. 21 JUDGE WOODRUFF: Thank you, sir. 22 What would you like to tell us. THE WITNESS: A lot of it's been 23 24 said here tonight. 25 JUDGE WOODRUFF: I want you to

ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR understand you were talking before but that wasn't recorded, so if you --

THE WITNESS: No, I'm saying that 3 4 there's some people that's here for the same, 5 basically came here for the same reason. 6 There's some other things that need to be 7 brought up. An item was brought up and we 8 never could get the answer to it. I believe 9 it was the ice storm of '93 when Lee's Summit got hit real bad. I'm not sure exactly which 10 11 one it was, but there was a real bad one.

12 My neighborhood, Hamel Heights it 13 literally ripped the meters off the houses. 14 Quote unquote on the recording, we'll get to 15 you when we get a chance. Three days later we call back. We'll get to you when we get a 16 17 chance. A week goes by, oh, sir, that's not 18 our responsibility that is your 19 responsibility. The homeowner is supposed to 20 be responsible for it.

21 So we started making phone calls and 22 three weeks later we got a lot of little kids 23 mind you, this is all families, a lot of them 24 are single parents, all of a sudden enough 25 tried Aquila decides they are finally going

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR to put the meters back on. Why did it take so long? Like everyone else says they're not out here maintaining the tree lines. They're not doing anything to it.

5 People cannot afford the increase, and 6 it comes back to the simple fact is like I 7 asked before, how about the CEO, all their 8 executives, all the little people that's out 9 there, how about we cut their pay in half take that money and distribute it, show the 10 11 American people that these companies are 12 going to do something.

13 You have excess baggage. I'm going to 14 give you an is scenario. I came from a little 15 town up in Iowa. Everybody felt it was hunky dory other companies wanted to come in, they 16 17 said no we're going to take care of you, take 18 care of you. October 2007, guess what, that 19 company no longer will exist. I don't know if 20 you know who it is, but the old boy was handed five million dollars to walk away, the 21 22 CEO. They were in 1.4 billion dollars in 23 debt. The company is Maytaq. Five thousand 24 people will be displaced out of an income, 25 over three thousand of them working class

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 people will lose their retirement.

As of right now if you go up there, I go back up there all the time because I have family up there. The last time I drove up there around Christmas time I went from Exit 164 to 168 there was 24 for sale signs. All the business is downtown have closed.

8 You keep pricing yourself out of the 9 market people are going to go somewhere else. 10 People are going to find other ways of doing 11 it. They're going to go back to the old 12 fashion way. They're going to burn wood then 13 it's going to create a fire.

14 The simple fact is, like I stated 15 earlier, where does the buck stop? We have to stop somewhere. As far as anyone else is 16 17 concerned, ladies and gentlemen, I'm going to inform you I work in the construction 18 19 industry and I do purchasing for 20 manufacturers. All these stories you here where the economy is rebounding, this is 21 22 rebounding, this is rebounding, I'm going to 23 give you my honest opinion; no, it's not. 24 Our sales way down. Our sales are down 30 25 percent from last year. Last years sales were

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR down 30 percent. This year we're now down 10 percent from the year before.

3 This economy is not rebounding. So where are the American people working class, 4 5 disabled, the whole nine yards, supposed to come up with 22 more dollars a month. 6 I 7 don't have it to take out of my savings 8 account that's why I'm here now. I have 9 nothing for retirement. I got \$10,000. I'm fifty years old. My retirement consist of 10 11 right now, I'll will be honest you, my 12 retirement right now that I have retire on is 13 \$10,000. Can you live on \$10,000? Can any of 14 you back there working for Aquila will you be 15 able live on \$10,000 for the rest of your 16 life at the age of 65?

17 I know people that can't even make it on their own. Where are they supposed -- just 18 19 like the one gentleman said, there's more and 20 more people going up and asked asking for 21 help, they can't afford to pay it. Gasoline skyrocket high. There's another example, 22 23 gasoline, the price of crude oil went 24 skyrocket high and all of a sudden now it's 25 less than \$50 a barrel.

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1 If I recollect my memory gasoline at 2 that time was less than \$50 a barrel, it was 3 around it dollar ten, dollar fifteen cents a gallon. What's the price of gas now? 4 You 5 say everything goes up, fuel goes up. Fuel 6 doesn't go up the price of fuel's going down 7 it's just happen to be the middle man is 8 making the money. Nobody is going to do 9 anything about it. 10 But the American people want 11 accountability. I repeat, accountability. 12 And as they said right now Aquila doesn't 13 have that accountability. They've got a 14 major lawsuit on building a power plant that 15 has nothing to do -- I mean I'm sorry everybody is hot and upset, and I agree with 16 17 them. Where are we supposed to keep getting this money at? We don't have it. But these 18 19 guys got the money. Heck, I'd like to know 20 what the CEO of Aquila actually makes right 21 now. We'd probably be astonished. I 22 quarantee you there's a lot of excess baggage 23 in there. Because I guarantee you if I came 24 in and audited them I'd come in and start to 25 demanding them to down size. You can't

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR afford to keep asking the people for money it 1 2 is not there any more, it's over, and you 3 guys need to come in and say enough is enough work with what you've got, start downsizing 4 5 everybody else does. Sprint just downsized 6 five thousand people. Why can't Aquila do it. 7 Why can't Aquila get rid of the excess bag 8 age they have got. We want accountability. 9 Thank you. 10 JUDGE WOODRUFF: Thank you, sir. 11 If you would wait for questions. 12 Commissioner Appling, do you have any 13 questions? 14 COMMISSIONER APPLING: I have no 15 questions, but I feel what you're saying. Ι 16 hear what you're saying. Even though we are 17 eight feet apart I still feel what you're saying and thank you very much for coming 18 19 out, sir, appreciate it. 20 I cannot take to you about this case 21 tonight but I would be happy to sit down at a 22 later time and talk to you. 23 THE WITNESS: Give me a call. 24 COMMISSIONER APPLING: I'll come

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25 see you. Thank you.

ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 JUDGE WOODRUFF: Public counsel 2 have any questions? 3 MR. MILLS: I don't I have any 4 questions. 5 JUDGE WOODRUFF: Jackson county 6 any questions? 7 MR. FINNEGAN: No questions. 8 JUDGE WOODRUFF: Aquila? 9 MS. PARSONS: No questions. 10 JUDGE WOODRUFF: Thank you. The next name on the list is Julie Noonan. 11 12 Good evening, ma'am. If you could tell 13 us your name, please. 14 THE WITNESS: Julie Noonan. 15 JUDGE WOODRUFF: Could you spell 16 your last name. 17 THE WITNESS: N-o-o-n-a-n. 18 19 JULIE NOONAN 20 called as a witness herein, being first duly 21 sworn by the Reporter, testified on her oath 22 as follows: 23 24 JUDGE WOODRUFF: Thank you very 25 much. What would you like to tell us.

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR JUDGE WOODRUFF: First of all Commissioner Appling thank you for being the sole member of Commission to make it here this evening. As always I appreciate it when the Commission takes the trouble to travel from Jefferson City out to the outskirts. I would like --

8 COMMISSIONER APPLING: This is 9 no trouble this is my job. Good to see you again, look forward to your testimony. You 10 11 might not have good words for me tonight but 12 I still set through this, okay. Thank you. 13 THE WITNESS: I wouldn't 14 prejudge that was not good words for you, I 15 really wouldn't.

First of all I'd like to say anytime that I expect or I hope for a raise, a salary increase or income increase I expect that someone is going to be holding me accountable to produce results, to make good business decisions and to help benefit in my case benefit the stockholders.

It is clear to me in my limited view and Commissioner Appling, I know that you know that I've been watching for a while that

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 Aquila is far from being financially and 2 socially accountable and appropriate in their 3 Before you arrived Rick Green was actions. 4 assuring folks that Aquila was very very 5 careful to ensure that the merchant troubles that they had with all their bad management 6 7 decisions, and make no mistake it is the same 8 management on that side of the business, 9 could not nor would it be able to touch the 10 ratepayer. But we all know full well, too, 11 that that very same management chain is not 12 only accountable for both sides of that 13 equation, but we also know they were the same 14 ones that purchased three old style turbines 15 on the merchant side of their business and they were in a bug hurry to sell them for 75 16 17 million bucks to the regulated side of their 18 business and get that plant built no matter 19 what as soon as possible in time to turn it 20 up for the rate case last year.

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21 Some would argue that that 75 million 22 was way inflated over fifty seven million or 23 whatever folks ended up in agreement upon. 24 But we all know, too, that the Public Service 25 Commission recommended and counseled Aquila

ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 that they were not making good decisions. 2 They didn't make good decisions with Aries, 3 they made even poorer decisions with South 4 Harper.

5 We know that they absolutely needed 6 other types of power not peaking power, but 7 what do they do, they go for peaking power. 8 Why? So that they can shuffle that turbine 9 expense and start taking depreciation and get 10 the ratepayers to pay for it.

11 What happens? Well, they file 01256 or 12 0156 and then 0436 is it? I don't know, but 13 they filed two separate cases in an effort to 14 make sure they could make this happen.

15 At this time that you allowed those 16 expenses in the rate base last year that 17 facility was not being used or useful it 18 couldn't be because it was built illegally 19 and there was an order in place that did not 20 allow them to use that facility at all.

In addition, it is my perception that the majority decision, although there was very strong and well written dissent also allowed Aquila five turbines in that rate increase last year when in all actuality as

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR far as I know even three even exist. How can that the just be justified. I'm not asking you to respond I know that's not what this forum is about.

5 We go on it just gets better and better 6 all the time, then we get the management 7 audit. We know in the public even though 8 the majority of all these discussions, all 9 these decisions are handled in a quasi legal fashion so that most people never have any 10 11 real visibility to it. But we ask you just 12 as we've asked you in the past you need to be 13 accountable.

14 We're talking about a utility company 15 whether you go ahead and authorize them a certificate that I believe with all my heart 16 17 is going to be revoked, whether you do that 18 or not in order to help them with their 19 misbehavior and try to sweep it under the rug 20 we know that it's wrong. We can't continue 21 to reward Aquila for this type of behavior. 22 There is no question whatsoever in any court 23 of law at all at this point in time. That was 24 an illegally built power plant and yet 25 they're continuing to be able to run it and

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR sell power for profit on the open market. But, yeah, let's give them a 22 percent increase.

4 If you take nothing else out of my 5 testimony and the testimony of others this 6 evening I would absolutely, unequivocally 7 implore you not to give the slightest 8 consideration of allowing them to adjust 9 their own rates with the FAC. Are you 10 kidding me?

11 Unfortunately I haven't had the 12 opportunity, you know, I've tried to refocus 13 a lot of energies in my life so that I don't 14 spend most of my time out just looking at all 15 the documentation and what have you. 16 Thankfully I can take a little break from 17 that every once in while.

What little did run across this 18 19 afternoon as I was trying to quickly come up 20 to speed on a little bit of this, it looks --21 it appeared to me in Brenda Wilburs MDR 22 testimony 116 that she also talked about 23 demand side management. I don't know that I 24 really see the terminology in what you have 25 handed out tonight. It's probably kind of

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 buried in that paragraph that starts out 2 talking about the fuel adjustment clause. 3 But anyway, it appeared to me that she had a fabulous recommendation, or at least in part 4 5 because I didn't read it in whole, but you know, Aquila it sounds as if there's at least 6 7 seven different ways in which companies 8 pursue or support the demand side management 9 programs and a lot of them are -- and they're 10 gauged toward helping individuals and/or 11 corporations become more efficient and use 12 less. That they had budgeted 193K per year 13 but they're requesting millions on a sliding 14 scale to go up.

15 It appeared to me from her testimony that Aquila's due for another five year plan. 16 17 Why the rush? Don't give that to them. Not 18 now. If somebody from the MD&R is certain 19 they haven't done the research they need to 20 do, I have no doubt that that's probably true in my mind. And as I've said I have not seen 21 22 Aquila be accountable, appropriate, 23 efficient, follow recommendations of the 24 Public Service Commission.

25 I've seen them be underhanded. I have

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 seen them rope multiple organizations and 2 government entities into condoning and 3 walking outside of their own normal boxes and their own zones of comfort in order to help 4 5 them with this. As a matter of fact, those same turbines we talked about my 6 7 understanding is until they testified in 8 court last year of where the shell game was 9 and where they were housing those, you know they hadn't declared those to pay taxes on 10 11 them to anybody. How about that. Is that the 12 actions of a company that we should entrust 13 to monitor themselves. And to allow them to 14 enact quarterly rate increases just however 15 they feel like it.

I don't get an increase in salary based 16 17 on my cost of doing business, and we all know full well that they're in the habit of not 18 19 picking the least cost option. They didn't 20 do it with South Harper, they didn't do it 21 with their purchase power agreements, and it 22 doesn't appear to me that it would be a 23 prudent thing for the Public Service 24 Commission to do to give them incentive to 25 have no additional reason to be accountable

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR and to make appropriate decisions in the future.

3 My understanding is that just recently there's a new wrinkle even yet that 4 5 associated with the entire South Harper mess as folks like to call it. My understanding 6 7 is that the City of Peculiar is having quite 8 the time trying to figure out what next. It 9 appears that although it is my recollection that Aquila and people on Aquila's behalf 10 11 testified numerous times that Aquila was not 12 paying the legal fees of the City of Peculiar 13 throughout this South Harper mess. It 14 appears that they must be, only it appears 15 that they're putting it in one side and taking it out the other. 16

17 My understanding is that the City of Peculiar has been in the habit of sending 18 19 their Shook, Hardy, Bacon invoices for the 20 South Harper mess to Aquila and that Aquila in turn sends a check to the city that the 21 22 city in turn pays Shook, Hardy, Bacon. It is 23 my further understanding that the recent 24 pilot payment that Aquila sent was short 25 \$175,000. That the reason given was to

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR compensate for legal fees that had been paid. The City of Peculiar attempts to distribute proportionally based on their original agreement of percentages and some of those entities aren't too happy.

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Once again the true character of this 6 7 company does not appear to me to warrant the 8 type of consideration that they're asking for 9 either in the percentage of increase that 10 they're asking for after making decision after decision that does not show that they 11 12 are conscientious and that they're working in everyone's best interest. Nowhere in the 13 14 ludicrous idea that anyone should ever allow 15 them to self police and have the FAC.

16 Once again I appreciate your time and 17 your consideration.

JUDGE WOODRUFF: Thank you, ma'am. Commissioner Appling, do you have any questions?

21 COMMISSIONER APPLING: I don't 22 have any questions. Again I say it was good 23 to see you again and good to hear your 24 testimony. I hear what you're saying. That's 25 the best I can give you tonight, I will talk

ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR to you later on. Thank you very much for 1 2 your testimony tonight. 3 JUDGE WOODRUFF: Public counsel have any questions? 4 5 MR. MILLS: No questions. JUDGE WOODRUFF: Jackson County? 6 7 MR. FINNEGAN: No questions. 8 JUDGE WOODRUFF: Aquila? 9 MS. PARSONS: No questions. 10 JUDGE WOODRUFF: Thank you. The last name on the list is Scott Crawford. 11 12 JUDGE WOODRUFF: Tell your name, 13 sir. 14 THE WITNESS: My name's Scott 15 Crawford, C-r-a-w-f-o-r-d. 16 17 SCOTT CRAWFORD called as a witness herein, being first duly 18 19 sworn by the Judge, testified on his oath as 20 follows: 21 22 JUDGE WOODRUFF: What would you 23 like to tell us. 24 THE WITNESS: First of all if 25 any of us went out to our boss and said Mr.

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 Boss I'd like a 22 percent rate or pay 2 increase but I don't want to do any more work 3 he'd laugh you at you if he didn't fire you 4 on the spot and possibly both. Likely that 5 the next round of layoffs you would be gone. So this rate increase, you know, it just 6 7 annoys me, you know. We came and testified 8 last year at a rate increase hearing where 9 they were wanting 20 percent now they're coming back and they want another 22 percent. 10 I understand they didn't get all 20 percent 11 12 they wanted, but still it seems strange that 13 they're coming back wanting more money when 14 they asked for money and got some last year. 15 I don't have the money to give them.

I'm already running my air conditioner 16 17 at 80 degrees in the summer what am I supposed to do run it at 84. I cut back on 18 19 my driving because of the gas prices. I have 20 no health insurance. I just don't have 21 anyplace else to cut to give them another 21, 22 \$22 a month so that they can do whatever they 23 want to do with it. It just -- I'm on a 24 fixed income, it's low and it fluxuates a 25 little bit but it is not meeting my expenses

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR and I don't have anyplace to get more money. So it just -- there's nothing I can do to give them more money.

4 I hope that you turn them down on this5 rate increase.

As far as their maintenance, I have also 6 had maintenance with their maintenance back 7 in the last ice storm I understand there was 8 9 hundreds of thousand of people without electricity, but it took eight days for my 10 11 electricity to be restored. I was in the far 12 end of the subdivision and they had three 13 people working to restore power in our 14 subdivision. It took eight days. 15 Fortunately I had an generator that could 16 provide a little bit of power to keep my food 17 in my refrigerator from spoiling and keep my temperature of the house up just a little bit 18 19 so it wouldn't -- the pipes wouldn't freeze, 20 but eight days is a long time. 21 JUDGE WOODRUFF: When was that

22 ice storm?

THE WITNESS: I want to say was
2002, could have been 2003. It also seems
like every month, even two or three times a

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 month my lights flicker and it's bad enough 2 that I had to go out and buy a UPS because my 3 VCR every time the lights blink they lose all the programming. I have to go in and 4 5 reprogram them. So I don't know that the 6 lights blinked I don't get a program recorded 7 that I've had set up. So I had to buy an 8 UPS, you know, to get around their faulty --9 and I don't know what causes lights to blink 10 but they blink. They're rarely off for very 11 long. Sometimes they're off for an hour or 12 so but they're rarely off very long. I've had 13 my own apartments or duplexes for better than 14 15 years and never had this kind of power 15 problems with other companies. 16 That's all I have. 17 JUDGE WOODRUFF: Thank you. 18 Commissioner Appling, do you have any 19 questions? 20 COMMISSIONER APPLING: NO 21 questions, Mr. Crawford, but thank you for 22 coming out and thanks for your testimony. I 23 understand and hear what you're saying. 24 Thank you very much for coming out, okay. 25 JUDGE WOODRUFF: Public counsel

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 have any questions? 2 MR. MILLS: I have no questions, 3 thank you. 4 JUDGE WOODRUFF: Jackson county? 5 MR. FINNEGAN: No questions. 6 JUDGE WOODRUFF: Aquila? 7 MS. PARSONS: No questions. 8 JUDGE WOODRUFF: That was the 9 last name on my list, is there anyone who 10 didn't sign up on the list that would like to 11 come forward and testify? Yes, ma'am, come 12 forward. 13 Could you tell us your name, please. 14 THE WITNESS: My name is Cindy 15 Meyer. 16 JUDGE WOODRUFF: Cindy. Can you 17 spell your last name. 18 THE WITNESS: M-e-y-e-r. 19 JUDGE WOODRUFF: All right. Ιf 20 you can give me your address later you don't 21 have to say it in public if you don't want 22 to, but if you would just write it down for 23 me. I need to swear you first. 24 25

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 2 CINDY MEYER 3 called as a witness herein, being first duly sworn by the Judge, testified on her oath as 4 5 follows: 6 7 JUDGE WOODRUFF: What would you 8 like to tell us. 9 THE WITNESS: First of all I would like to thank you for being here giving 10 11 us this opportunity to speak. Mr. Appling, 12 I'm glad you're hear. I would have preferred 13 to see more people and we visited before you 14 know that. 15 Mostly I have very limited testimony mostly I have a lot of questions. For one 16 17 thing just like we were told or and I was 18 there at that rate case last year right 19 around this time and Aquila had been asked 20 then is this going to be a yearly process? Is this going to happen every year and they 21 22 just keep getting what they want? Why aren't 23 we doing a five year plan, why aren't they 24 pre-planning. I really do think that that is 25 part of the problem of what people are

ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR concerned about. We're having all these rate increases and yet there doesn't seem to be efficiency in the company.

People are wondering, you know, there's too many variables going on, there's too many problems going on. Maybe the company needs to look back and make themselves more efficient and more stable and more public serviced and perhaps people would be more willing to pay that little more extra money.

11 \$21 is a lot of money to people that are 12 on fixed incomes or trying to live on 13 retirement or social security. I know my 14 does and, you know, I can pay my bills but it 15 gets real tough, very tough.

Several of the question is I have are, 16 17 does this rate increase include more expenses 18 for South Harper? And that is not a settled 19 deal yet. Does it include that? Does this 20 include better lines and outage management? 21 Just like, you know, I heard on the news 22 Commissioner Clayton had suggested that maybe 23 we need to be in more, in more efficient 24 lines, burying them underground. I think I've 25 even mentioned doing that before.

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1 There is also a theory that not only is 2 it more efficient there's not as much outage 3 if they're buried underground. You also 4 don't get the pollution from lines, the 5 electronic pollution from lines that way.

6 Does this include bonuses for Aquila's 7 executives? Wasn't too long ago they paid 8 out pretty good size bonuses to their 9 executives. Are we looking at them, you know, making a profit so they can pay their 10 11 executives more bonuses, big bonuses. And I 12 have to say that those bonuses were almost 13 four times as much as my husband makes at 14 Sprint. He has a fairly decent job and 15 that's a lot of money. A lot of money.

You know, when four people could be 16 17 working for what they got as bonuses that's concerning to me. Four people that might 18 19 have been laid off in a company so the 20 executives could have bonuses. That's a 21 problem. That really really bothers me and 22 now you're asking these people to pay more so 23 these executives can maybe get more bonuses.

How much money has Aquila made off theSouth Harper plant? This plant that has got

ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 so many question marks on it. It is not 2 really legal yet. How much have they spent 3 in legal fees concerning South Harper? I 4 don't care what anybody says of course those 5 fees are coming back to the consumer. It is a matter of business, you know, the bottom 6 7 line. You take all of it together and you 8 know it's expenses. These are big expenses. 9 They have to be. How much has the PSC spent in legal fees concerning South Harper. I have 10 11 a lot of questions about that.

How much is Aquila paying for this appeal case that they've got with Cass county now? It's just ongoing, ongoing, one after another. There's so much money pouring into this situation and there's so many question marks.

18 It's no wonder people just like other 19 people have said, you know, the consumer 20 wants to know why are we paying for this when we're seeing nothing but a big mess up and it 21 22 is not just South Harper it's other things. 23 Service is not as good as it should be. 24 They're just seeing a floundering company. I 25 wouldn't never, never -- self adjustment, oh

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54 ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 my God that's like asking my five year old 2 granddaughter make your own allowance kiddo 3 have at it. I don't think so. 4 Thank you very much. 5 JUDGE WOODRUFF: Thank you, 6 ma'am. Commissioner Appling, do you have any 7 questions? 8 COMMISSIONER APPLING: No 9 questions. Good to see you again, I will 10 talk to you. 11 JUDGE WOODRUFF: Public counsel 12 have any questions? 13 MR. MILLS: No questions. 14 JUDGE WOODRUFF: Jackson County? 15 MR. FINNEGAN: No questions. 16 JUDGE WOODRUFF: Aquila? 17 MS. PARSONS: No questions. 18 JUDGE WOODRUFF: You may step 19 down, thank you very much. Anyone else like 20 to testify? 21 Come on down. Good evening, ma'am, would 22 you tell us your name. 23 THE WITNESS: Charlene Clesson. 24 C-l-e-s-s-o-n. 25 JUDGE WOODRUFF: If you would

ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR please raise your right hand. 1 2 CHARLENE CLESSON 3 called as a witness herein, being first duly 4 sworn by the Reporter, testified on her oath 5 as follows: 6 7 JUDGE WOODRUFF: You may tell us 8 what you would like to. 9 THE WITNESS: I have the same concerns as some of the others who have 10 11 mentioned tonight about the level of service 12 that Aquila provides. The area that we live 13 in, which is just outside of Lee's Summit 14 towards Lone Jack just east of Lake Lotawana 15 frequently has power outages for no apparent 16 reason totally unrelated to ice storms or 17 rain storms or anything else. The power 18 would -- the gentleman before talked about 19 blinks and we're talking about power being 20 out for an hour and sometimes more than that. 21 Ice storms we were out for five days along 22 with most other people. This is a common 23 occurrence I'd say it happens at least once a 24 month sometimes more.

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We have a concern that Aquila is asking

ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR for additional money and there may be someplace in public record how they are going to go about using the money that they already have in a more efficient way.

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5 Someone else mentioned that efficiency 6 is something we would like to see absolutely, 7 but I don't know if efficiency is related to 8 cost cutting or not, but as other people have 9 alluded to most people have budgets and they have to figure out some way to live within 10 11 their budget. They can't go running to find 12 additional money every time the rate of what 13 they're buying goes up. Groceries go up, 14 gasoline goes up, water goes up. There are 15 things that the supply chain has a lot to do with that. 16

I would question whether or not Aquila couldn't see last year that the cost of fuel was increasing. Do they not plan for further ahead than that? I wasn't present at any of the hearings last year on that rate increase, but it seems as though that they are coming back to the well one more time.

I've not been involved at all in theCass county question, but the lady before me

ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR indicated that she thought perhaps some of the cost of that enterprise was being passed back to the consumer, and it would seem as though that is a concern. It may not be the reality but it is certainly a concern when Aquila comes up and asks for a significant rate increase.

8 Since Aquila is a monopoly in this area 9 we have no other choices. There are two choices either Sprint or nothing. With 10 11 electricity you have Aquila or nothing. We 12 have no options, we can't go anywhere else to 13 get electricity. Go buy a generator and put 14 up a windmill in your backyard, but you 15 really don't have any other options. And it seems as though Aquila feels that you have 16 17 the consumer over the barrel, either you pay 18 up or you don't have power.

19There was someone else that mentioned20the apparent arrogance of Aquila, I sometimes21feel that is big business and they really22don't appear to have a lot of concern for a23consumer. That's what I need to say.24JUDGE WOODRUFF: Thank you.

25 Commissioner Appling, do you have any

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 questions? 2 COMMISSIONER APPLING: Thank you 3 for coming, ma'am, but I have no questions. JUDGE WOODRUFF: Public counsel? 4 5 MR. MILLS: I have no questions. 6 JUDGE WOODRUFF: Jackson county? 7 MR. FINNEGAN: No questions. 8 JUDGE WOODRUFF: Aquila? 9 MS. PARSONS: No questions. 10 JUDGE WOODRUFF: Was there anyone 11 else who would like to testify? 12 Come forward, ma'am. 13 JUDGE WOODRUFF: Could you tell 14 us your name. 15 THE WITNESS: Carol Miller. 16 JUDGE WOODRUFF: M-i-l-l-e-r? 17 THE WITNESS: Yes. 18 CAROL MILLER 19

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20 called as a witness herein, being first duly 21 sworn by the Judge, testified on her oath as 22 follows: 23

24 JUDGE WOODRUFF: What would you
25 like to tell us.

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1 THE WITNESS: You have to excuse 2 me I've never done this before so. 3 I've lived in my current address in Lee's Summit for 31 years. Just like 4 5 everything else I realize that all the utilities go up, everything goes up. When I 6 7 first moved there my taxes on the place were 8 about 350 a year now they're up to twenty one 9 hundred, about twenty one hundred. You know, it's just the thing of it is I 10 11 just went own social security I got a 3.3 12 percent increase in my social security and 13 quite frankly I don't think anybody should 14 get over what the government sets out as an 15 increase. It gets to the point like someone else said earlier all of the CEOs and big 16 17 shots in the companies they get these huge paychecks and they keep getting and getting 18 19 and they keep shoving it to the little guy. 20 And quite frankly I'm tired of it. I think other people should be, too. 21 22 That's just what I've got to say. 23 JUDGE WOODRUFF: Thank you, 24 Thank you for talking the trouble to ma'am. 25 come forward here. If you wait just a moment

60 ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 I may have some questions for you. 2 JUDGE WOODRUFF: Commissioner 3 Appling? 4 COMMISSIONER APPLING: No 5 questions, ma'am, you're coming through loud 6 and clear. 7 THE WITNESS: Thank you very 8 much. 9 JUDGE WOODRUFF: Public counsel? 10 MR. MILLS: No questions. 11 JUDGE WOODRUFF: Jackson county? 12 MR. FINNEGAN: No questions. 13 JUDGE WOODRUFF: Aquila? 14 MS. PARSONS: No questions. 15 JUDGE WOODRUFF: Was there 16 anyone else that wanted to testify? I don't 17 see any other hands going up. Yes, sir. What's your name, sir? 18 19 THE WITNESS: My name is Burt 20 Walker. 21 JUDGE WOODRUFF: And if you could 22 spell your name. 23 THE WITNESS: B-u-r-t, 24 W-a-l-k-e-r. Resident of Lee's Summit. 25 JUDGE WOODRUFF: Thank you. And

ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 if you would raise your right hand. 2 3 BURT WALKER called as a witness herein, being first duly 4 5 sworn by the Judge, testified on her oath as 6 follows: 7 8 JUDGE WOODRUFF: What would you 9 like to tell us. 10 THE WITNESS: First of all my 11 question is, how did they arrive at 22 12 percent? 13 JUDGE WOODRUFF: They can't 14 answer a question at this point. At this 15 point we can only hear what -- you ask 16 rhetorical questions. 17 THE WITNESS: I understand. 18 Okay. 19 JUDGE WOODRUFF: If you want to 20 talk to the Aquila people after the hearing 21 you can do that. 22 THE WITNESS: When I saw the rate increase like everyone else I was at 23 24 first outraged and when I asked myself why 22 25 percent. It would seem like from a financial

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR perspective if you wait until you are 22 1 2 percent down or needing a 22 percent rate 3 then you have waited too long. It would be 4 much more reasonable like the lady who just 5 spoke if all you can get is 3 percent from 6 the government in your social security, a 7 major corporation should know that they need 8 a rate increase before they're coming in to 9 ask for 22 percent. It's either that or it seems to me it's shoot for the stars and hope 10 for me moon. That's what it seems like to 11 12 me.

13 I'm not very happy with the rate 14 increase, like the two ladies have said we 15 have no alternative. There's no choice to 16 electricity, you have to have it. You can't 17 shop around. That doesn't make me very happy.

I too am retired this year, I got a zero increase in my retirement stipend. I have to work part-time just to pay for my health insurance and now I have to pay 22 percent extra. I can't turn my electricity off, you can't turn it off. So that's what my big concern is.

25 That's all I have to say.

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR 1 JUDGE WOODRUFF: Commissioner 2 Appling, do you have any questions? 3 COMMISSIONER APPLING: Thank you 4 for coming down. 5 THE WITNESS: Thank you guys for 6 being here, I appreciate you guys being here 7 to listen to give us an opportunity. 8 COMMISSIONER APPLING: Thank you 9 very much. 10 JUDGE WOODRUFF: Public counsel? 11 MR. MILLS: I don't have any 12 questions, thank you for coming. 13 JUDGE WOODRUFF: Jackson county? 14 MR. FINNEGAN: No questions. 15 JUDGE WOODRUFF: Aquila? 16 MS. PARSONS: No questions. JUDGE WOODRUFF: Mr. Walker if 17 18 you would come forward and put your address down here for me. 19 20 Anyone else that wishes to testify? I don't see any other hands going up. Going 21 22 once, going twice. All right. Thank you, 23 Mr. Walker. 24 All right. Well I thank you once again 25 for all of you for coming out tonight on this

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ROBERTS & ASSOCIATES BY THOMAS ROBERTS, RPR, CCR cold evening and we certainly appreciate hearing what you all have to say. At this time this hearing is all adjourned. Thank you all very much. (Hearing concluded at 7:20 p.m.) INDEX WITNESS NAME PAGE NUMBER DAVE COFFMAN HAROLD SHERWOOD MARK WAYNE ROY MUSSETT JULIE NOONAN SCOTT CRAWFORD CINDY MEYER CHARLENE CLESSON CAROL MILLER BURT WALKER