

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of an Investigation of                    )  
The Empire District Electric Company's        )  
Storm Preparation and Restoration Efforts    )

**Case No. EO-2008-0215**

**RESPONSE TO STAFF REPORT**

Empire District received Staff's report on the December 2007 ice storm restoration and has reviewed each of the 25 recommendations. We believe the report was thorough and objective and that the information will help us provide better service to our customers. Below is an overview of the actions taken as a result of the report as well as a more detailed account of specific actions on each of the 25 recommendations.

**Overview**

As Staff noted in the report, Empire assembled 10 teams of employees that reviewed the preparations which were made in advance of the storm and our response. Management reviewed the suggestions made by the teams and authorized them to proceed with many of the suggestions. Training on new policies and procedures will be completed in advance of the 2008 winter storm season.

We also reviewed the analyses and reports provided to the other Missouri utilities. This review reinforced the idea that all utilities basically face the same challenges and, for the most part, deal with them in similar ways. There were a number of observations made in those reports that Empire's teams noted in their work that have been approved and will be incorporated into our plans. Notably, the use of a properly outfitted and stocked materials trailer, call center activities and website improvements. In fact, the materials trailer was used to great benefit during the May tornado restoration and continues to be refined.

As mentioned, we have already made changes to our call center procedures and have others that are in process. Some of these include: all calls will be routed through the IVR, hold messages will be modified, menus will be simplified, etc. We are also pursuing vendors to help us implement the monitoring and recording of all customer calls.

Several of the recommendations referenced our website. Numerous improvements have been made regarding the outage map as well as other information. These improvements

will be utilized to great benefit by our customers as more and more of them use the internet as their source of information.

As emphasized in Staff's report, we are aware that communication is an extremely important aspect of any storm restoration, but is especially important during multi-day storms. We are working on improved methods of securing information from our front-line field people and getting it to our corporate communications staff for dissemination to the public, the various emergency agencies, city officials, Staff, etc.

We are also putting in place procedures that will ensure compliance, and results, associated with the new vegetation management and infrastructure standards.

### **Specific Actions on the 25 Recommendations**

#### **1. Implement improvements to address the findings of the 10 employee teams where appropriate.**

Below is an overview of items that are being implemented from each of the 10 teams:

##### **Restoration Management Team:**

A more formalized command structure has been established that will provide a better coordinated and more efficient storm response. This will not only result in improved effectiveness of the work to be done, but will also provide our corporate communications group better information to disseminate to our customers regarding restoration progress.

##### **Initial Preparedness & Damage Assessment:**

Additional details have been added to our storm maps that will make them more useful, especially to individuals not very familiar with the territory. Our storm trailer has been modified with structural improvements. A more formalized command structure pertaining to assessment has been established as well as a common method for making the assessments and documenting the required materials which will assist our stores department in providing the required material as quickly as possible. Extensive training will occur prior to the upcoming winter storm season.

##### **Outage Management System**

Better documentation is in place and improvements have been made to procedures that will provide for a more accurate assessment of the outages. The need to close outages as quickly as possible has been re-affirmed to our field managers and will continue to be done. The use of a trained outage management system operator in each of the affected operating areas will be implemented during major storm events.

### Call Center Operations

Associated with the work done by the Restoration Management team, an individual will be assigned to each storm affected operating area for the primary purpose of assembling area specific information and submitting to the Corporate Communications department. This information will be compiled and made available to the Call Center so that they will have the most current information possible.

Voice over Internet Protocol is continuing to be studied to improve the agents/call ratio. This will not only provide a fast response to problems, it will also allow some agents to participate that may not be able to travel to the Call Center due to bad roads, etc.

Empire's Energy Services representatives are assigned to contact selected large commercial customers, critical care facilities, hospitals, etc.

The "special needs" customers list is being reviewed (and updated) as well as the criteria for placing an individual on the list. We will also educate our customers as to what it means to be placed on this list.

Numerous improvements have been made to the IVR system to provide better information in a timelier manner. This includes the routing of all calls through the IVR, utilization of a daily "script" ahead of the IVR unit, the addition of a "hold message" at regular intervals for customers waiting in the queue, etc.

### Corporate Communications

As mentioned in the Call Center discussion, an individual will be assigned to each storm affected operating area who will, at regularly scheduled times, provide details to Corporate Communications staff to ensure that the most current and accurate information is available.

Corporate Communications will compile all storm related restoration information and disseminate to all areas to ensure that everyone uses that same information. We are referring to this as "One Voice". Not only will call center employees receive this, but also field personnel.

The corporate website will be frequently updated to ensure that it contains the latest information. Also, an internal telephone mailbox has been created that will allow Company employees to dial in for outage information.

### Communication Facilities & Other

A second internet provider has been secured to provide redundancy and the various regional electric cooperatives have been consulted with to lessen the chances of a fiber cut.

Stocking levels of two-way radio equipment have been increased.

### Contractor Performance

A packet of information is being prepared for contractors that will better inform them of exactly what is expected of them. Empire safety practices, maps, contact information, selected line construction standards, tree trimming expectations, etc. as well as other related information will be provided.

### Materials

In conjunction with the Assessment team, enhancements have been made to ensure better communications between the field assessment teams and the stores group to make sure that necessary supplies and materials are provided in a timely fashion.

Stocking levels of selected materials (e.g., insulinks and splices) has been increased and the IRBY (primary supplier) relationship has continued to be improved.

The storm trailer was put to good use during the May tornadoes even before it was really finished. It is currently being outfitted with shelving and other improvements and will be completely finished by the upcoming winter storm season.

Improvements in operational efficiencies such as night time deliveries to the various stores facilities, expanded use of outside staging areas, specialized stores related equipment rental, etc. are all being pursued.

### Logistics

Various improvements are being made to our existing in-house logistic methods (e.g., additional food suppliers, fuel suppliers, etc.). We are also discussing various outsourcing opportunities with a large logistics company (Base Logistics) to provide this function for us during major emergencies.

### Safety & Security

Improvements to our safety program have been made and are being refined. The “Daily Safety Message” approach worked well and also provided a convenient way to provide other pieces of information not only in-house, but also to contractors.

A more detailed listing of our requirements and expectations for private security guards has been made and training for Company personnel on how to handle the public during threatening/hostile situations is being prepared.

**2. Review and evaluate all other December 2007 Storm Investigation Staff Reports, including all findings and recommendations. Consider for implementation all practices, procedures, and recommendations determined to be applicable and beneficial to future utility operations.**

The reports, and corresponding recommendations, to the other utilities were reviewed. It was noted that while there are some differences in approach, in general all of the Missouri utilities were faced with similar situations and generally dealt with them in similar ways. Certainly a more urban area required different methods from a more rural one, but all in all considering differences in resources, geography, etc. the approaches (and recommendations) weren't all that different.

**3. Participate in a Commission sponsored storm restoration workshop to discuss this report and concurrent reports for the other utilities. One agenda item for that workshop should be discussion of a consistent methodology for development of future storm reports.**

Empire will be pleased to participate.

**4. Consider routing all calls through the IVR unit.**

This has been done.

**5. Evaluate utilizing a script during emergencies in front of the IVR unit informing customers that Empire is in a storm mode and requesting that non-outage calls be made in a few days.**

This will be done.

**6. Evaluate adding hold messages at regular intervals to callers in the queue to inform them that they are still in the queue and their call will be answered as soon as possible.**

This has been done.

**7. Evaluate contracting with a vendor to take overflow outage calls during periods of high volume calls.**

This is being investigated.

**8. Develop and implement policies and procedures to ensure that outages are closed quickly in the field.**

This has been stressed to our field managers. Additional training and emphasis will be done.

**9. Develop capabilities to report the number of outages, by state, on Empire's website.**

Empire's website has been enhanced such that it allows customers easy access to outage information that shows outage ranges by service regions (e.g., SW Missouri, SE Kansas, etc.). The numbers provided to Staff were segregated by state at a specific place in time. This was a rather manual process that is not easily automated.

**10. Continue to design and upgrade the outage map on Empire's website and provide customer outage information by state.**

Significant improvements have been made.

**11. Communicate with AT&T during and after large outages to reduce or eliminate blocked calls that lead to customers hearing the message "all circuits are busy."**

To our knowledge this is not possible once the number of calls exceed the capacity of our trunk lines, but we will continue to investigate with AT&T and Broadwing. However, we believe that the likelihood of this happening will be reduced as we increase the number of trunk lines coming into our Call Center which is scheduled for completion by the end of October 2008.

**12. Assign responsibility for coordinating communication efforts among Company personnel so that Company representatives and Call Center agents give consistent information to customers regarding the outage. Evaluate the benefits of providing an actionable message to customers through the IVR or when talking directly to customers.**

A plan has been developed that will provide for consistent and timely information for our Call Center agents as well as all other employees. This information can then be provided to our customers. An actionable response will be formulated that is appropriate for the situation.

**13. Evaluate implementing a process whereby the customer is notified when problem areas have been examined, if corrective action is required, and the timeframe when it will be completed.**

This is being studied.

**14. Evaluate the process of recording all Call Center agents' calls and monitoring them on a frequent basis.**

This is being done.

**15. Contact customers on an annual basis regarding their continued participation on the medical and special needs registry. Include information on the purpose of the registry and its relationship to outage restoration. Consider including in the mailing storm preparation tips or other pertinent educational information regarding actions the customers should take regarding a large outage.**

We recognize the need and are currently working on the medical and special needs registry to improve its accuracy and to initiate procedures that will keep this information current. Customers will also be advised of the purpose of the registry.

Customers are provided storm information tips and other appropriate details during storm events through various media outlets, our website, via periodic informational mailers, etc.

**16. Update the medical and special needs registry on a continual basis.**

Procedures are being modified to provide these updates.

**17. Evaluate initiating automated calls to customers on the EASE program, as well as those deemed to be high risk on the medical and special needs registry, to inform them of storm preparations, emergency shelters, or other pertinent information.**

We do not presently have the capability to do this. However, we will study this and determine what is required to accomplish.

**18. Include the MoPSC Manager of Consumer Services regularly on service outage update communications and restoration progress.**

This will be done.

**19. Establish a list of contacts, with backups, in the small communities in Empire's service territory and update this list at least every 6 months.**

In addition to the list of community leaders that we already maintain, we have obtained from the state of Missouri a list of all designated emergency management contacts for our cities and counties. This list has been distributed to multiple Empire personnel to ensure that the appropriate contacts can be made.

**20. Partner with local radio stations regarding participation in talk shows during a large outage, giving information as to the outage restoration process, safety tips, an explanation of the meter base and responsibilities of the Company and customers, as well as answer questions from the general public.**

This information has been provided via television spots and other means. We have not chosen to do this in the past via talk radio. We will consider.

**21. Evaluate assigning a special Empire contact person in the event of emergencies to city or EOC officials in Empire's service territory.**

This has been done.

**22. Continue to educate customers and remind Call Center agents about Empire's outage reporting process. Include information explaining the reasons that repeat calls are not necessary.**

This has been done and will be continued.

**23. Develop and publicize a program such as "porch light on" to inform customers to use this as a signal to utility crews that their power has been restored.**

This will be done.

**24. Revise vegetation management procedures to incorporate the Commission's Electrical Corporation Vegetation Management Standards and Reporting Requirements, 4 CSR 240-23.030, which will become effective on June 30, 2008.**

This has been done.

**25. Revise operation procedures to incorporate the Commission's Electrical Corporation Infrastructure Standards, 4 CSR 240-23.020, which will become effective on June 30, 2008.**

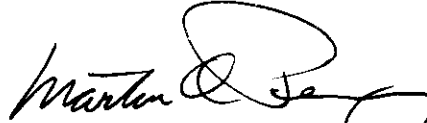
This has been done.



**AFFIDAVIT OF MARTIN O. PENNING**

STATE OF MISSOURI )  
 ) ss  
COUNTY OF JASPER )

On the 13th day of August, 2008, before me appeared Martin O. Penning, to me personally known, who, being by me first duly sworn, states that he is the Director of Operations of The Empire District Electric Company and acknowledges that he has read the above and foregoing document and believes that the statements therein are true and correct to the best of his information, knowledge and belief.



Martin O. Penning

Subscribed and sworn to before me this 13th day of August, 2008.



Notary Public

My commission expires: \_\_\_\_\_

