

STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION

TRANSCRIPT OF PROCEEDINGS

Local Public Hearing

November 12, 2009  
Jefferson City, Missouri  
Volume 5

In the Matter of the Empire                   )  
District Gas Company of Joplin,               )  
Missouri for Authority to File                )  
Tariffs Increasing Rates for                    )Case No. GR-2009-0434  
Gas Service Provided to Customers            )  
in the Missouri Service Area of                )  
the Company                                        )

DANIEL R.E. JORDAN, Presiding  
REGULATORY LAW JUDGE  
TERRY JARRETT,  
COMMISSIONER

REPORTED BY:               Monnie S. Mealy, CCR, CSR, RPR  
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For Staff of the Missouri Public Service Commission:

For Office of Public Counsel and the Public:

For Empire District Gas Company:

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

2                       JUDGE JORDAN: We will now go on the record.  
3       The Missouri Public Service Commission is calling File No.  
4       GR-2009-0434. The name of the case is in the matter of  
5       the Empire District Gas Company, Joplin, Missouri, for  
6       authority to file tariffs increasing rates for gas service  
7       provided to customers in the Missouri service area of the  
8       company.

9                       The purpose of this proceeding is to take  
10       testimony on the proposed rate increases. This is not  
11       exactly a vacation. It's not exactly a trial. This is  
12       more like investigation. So it's not like we're going to  
13       have different sides presenting different cases.

14                      We are recording this proceeding. The Missouri  
15       Public Service Commission consists of five Commissioners  
16       appointed by the Governor and confirmed by the Missouri  
17       Senate's terms.

18                      The Commissions duties include regulation of the  
19       safety and service quality of investor-owned utility  
20       companies in Missouri and setting the rates for such  
21       utilities. Those decisions are ultimately subject to the  
22       vote of the Commissioners.

23                      I'm not a Commissioner. I'm a Regulatory Law  
24       Judge. I work for the Commissioners. My name is Daniel  
25       Jordan. My job here tonight is to conduct an orderly

1 proceeding.

2 I will assist in the recommendation of a  
3 decision to the Commissioners. They make the final  
4 decision. Of those Commissioners, one is with you today.  
5 That's Commissioner Terry M. Jarrett. More Commissioners  
6 -- Commissioners like to be present at these proceedings  
7 when they can to see you and hear you in person.

8 But the short time frame in which they are set  
9 up makes it almost impossible. That is part of why we  
10 transcribe what you say so that all Commissioners will be  
11 able to read what you have said, and if you have any  
12 exhibits, to examine them as well.

13 It is also likely that some of the Commissioners  
14 are watching this proceeding remotely on their laptop  
15 computers. The other Commissioners who are not present in  
16 the room with you are Chairman Robert Clayton, III,  
17 Commissioner Jeff Davis, Commissioner Kevin Gunn and  
18 Commissioner Robert S. Kenney.

19 Now, I'm going to explain the roles of some  
20 other people through the course of this. As I said, it's  
21 going to be a little bit redundant, but I want to make  
22 sure that what you need to know is on the record so that  
23 we all know what's being said.

24 I'm going to introduce some people and ask them  
25 to make introductions as well as make some introductions.

1 And then we're going to talk about how you may testify.

2 Commission employees and staff, Commission,  
3 engineers and advance experts and other specialists --  
4 (video link cut out). Staff has its own lawyer, and that  
5 person is called General Counsel. Is there someone  
6 present from the Office of General Counsel?

7 MR. MILLS: Yes.

8 JUDGE JORDAN: Will you please enter your  
9 appearance and introduce any client representatives?

10 MS. SHEMWELL: Yes, Judge. And thank you. My  
11 name is Lera Shemwell. I represent the Staff in cases  
12 before the Commission. Tonight, we have services  
13 represented there in Sedalia. Contessa, have you  
14 introduced yourself? Contessa King is there. Ms. Ann  
15 Wallace is also there. Here with me tonight, we have  
16 Mr. Guy Gilbert and Mr. Paul Harrison. I believe that's  
17 all, Judge. Thank you.

18 JUDGE JORDAN: Thank you, Counselor. In  
19 addition, Public Counsel represents the consumers of the  
20 utility company. Office of Public Counsel employs its own  
21 specialists in the field of utility regulation. Is  
22 someone from the Office of Public Counsel present?

23 MR. MILLS: Yes, Judge. Lewis Mills is here in  
24 Sedalia.

25 JUDGE JORDAN: Thank you, Mr. Public Counsel.

1 Do you have any representatives of your -- of your employ  
2 present?

3 MR. MILLS: Only myself, sir.

4 JUDGE JORDAN: All right. That's fine. Thank  
5 you very much. Any we get to the part where you, in the  
6 audience, get to speak. The purpose of this proceeding is  
7 to hear your testimony, and it will become part of the  
8 official trial.

9 The reporter will record your testimony. The  
10 testimony will be under oath or affirmation so that all  
11 the Commissioners can consider it. Commissioners may have  
12 some questions for you when you're done saying what you  
13 have to say. I might have a few questions for you. I'll  
14 give you some questions to get you started off. So don't  
15 leave the stand until you've been excused.

16 Okay. What I'm going to do is I'm going to call  
17 witnesses from the sign-up list. Only one person at a  
18 time may testify. I understand you have microphones where  
19 you're sitting, so you may simply testify from where you  
20 are.

21 I will administer to you an oath or if something  
22 would prohibit you from taking an oath, I will administer  
23 an affirmation. And I'll ask you a few questions just to  
24 get you started. You'll probably want to spell your name  
25 for the reporter just in case since she's taking down

1 everything you say.

2 Please speak clearly for her. Please, out of  
3 respect for everyone's time, be concise with your  
4 testimony. If someone has already said what you want to  
5 say, you can still tell us that. I mean, go on the  
6 record, tell us if you agree with a previous speaker. But  
7 that's all you have to say. You don't have to repeat  
8 everything that's been said under oath.

9 Do bear in mind though that what has transpired  
10 in the previous question and answer section is not on the  
11 record. So if you want something on the record, then you  
12 should say it now.

13 Also, keep in mind that in addition to the  
14 testimony that you give today, you can also have it put in  
15 writing with Staff, with the Office of Public Counsel.  
16 I have telephone numbers for each if you want them. I'll  
17 just go ahead and read them to you now. Staff's number is  
18 (573) 751-3234. For the Office of Public Counsel, (573)  
19 751-4857.

20 And you can also file written documents. You  
21 can also file comments at the Public Service Commission's  
22 web site. This proceeding in which we are engaged is one  
23 of the oldest functions of the Commission. This is part  
24 of the Commission's ability to investigate any matter in  
25 its subject matter jurisdiction anywhere in the state, to

1 take testimony from anyone on such matters.

2           You see we have a Commissioner in the room with  
3 you. More wish they could be there, but their jobs are  
4 very complicated and very busy and require them to be in  
5 about five different places at once. That's why we're  
6 recording your testimony. That's why we're web casting.  
7 And that's why we are here today to hear what you have to  
8 say. Good, bad, indifferent, that's what this proceeding  
9 is about.

10           Are there any questions as to the proceedings --  
11 as to the procedure we are following?

12           MR. OCHOA: No questions.

13           JUDGE JORDAN: I'm not hearing any. So -- okay.  
14 Mr. Ochoa, will you please call the first witness?

15           COMMISSIONER JARRETT: Before we get started,  
16 Judge, if I may just make a few opening remarks?

17           JUDGE JORDAN: Please do.

18           COMMISSIONER JARRETT: Thank you. Again,  
19 everyone, welcome to the public hearing. My name is Terry  
20 Jarrett. I am one of the five Commissioners on the Public  
21 Service Commission.

22           It's my pleasure to be here tonight. I can tell  
23 you on behalf of the other Commissioners that we take  
24 these public hearings very seriously. When we're not able  
25 to attend, we all do read the transcripts or watch a tape



1 of this proceeding or watch it by web cast. So you can  
2 rest assured that your comments will be either heard or  
3 read by the Commissioners and will be considered in this  
4 case.

5 Judge, I believe the evidentiary hearings are  
6 set for sometime in January. That's when we will sit and  
7 hear evidence from the -- the parties in the case and make  
8 a decision in the case based on -- on the evidence. So,  
9 again, thank you. We look forward to your comments.  
10 And I'll turn it back over to the Judge.

11 JUDGE JORDAN: Thank you for that perspective,  
12 Commissioner. And the Commission will now take testimony.  
13 Mr. Ochoa, the first witness, please.

14 MR. OCHOA: Loraine Nieder. Make sure you press  
15 that button down. Hold that button.

16 MS. NIEDER: Yes. My name is Eleanor Loraine  
17 Nieder. I am from Sedalia.

18 JUDGE JORDAN: Thank you. Please raise your  
19 right hand. I will administer an oath.

20 MS. NIEDER: Okay. I'm ready.

21 ELEANOR NIEDER,  
22 being first duly sworn to testify the truth, the whole  
23 truth, and nothing but the truth, testified as follows:

24 TESTIMONY OF ELEANOR NIEDER

25 JUDGE JORDAN: Very good. Please restate your

1 name and spell it for the reporter.

2 MS. NIEDER: Eleanor, E-l-e-a-n-o-r L. Nieder,  
3 N-i-e-d-e-r.

4 JUDGE JORDAN: Thank you. Are -- are you a  
5 customer of the Empire District Gas Company?

6 MS. NIEDER: I am. Yes.

7 JUDGE JORDAN: All right, then. Please tell the  
8 Public Service Commission what you'd like the Commission  
9 to know.

10 MS. NIEDER: Okay. When I received the postcard  
11 in the mail. We were talking about a \$30 a month flat fee  
12 for customer charge. Currently, I pay \$9.50. And I do  
13 understand that it combines two parts of the bill.

14 But it still remains that eight months of the  
15 year, I do not do the average. I do not use the average  
16 58 CCFs. So my bill would increase not \$4.63 a month, but  
17 \$20.50 a month for seven to eight months of the year.  
18 Such as in the summertime, I use six CCFs consistently  
19 and, I believe June, July and September, six to eight.  
20 And then my highest months, of course, are December,  
21 January, February.

22 But I don't care about the averaging. It still  
23 stands that in the summer, I would be paying \$20.50 a  
24 month. My husband and I have done the following things in  
25 the last two years: We bought a more efficient furnace.

1 We put insulation in the attic. And, also, this year, we  
2 put new windows in our house. We have made a substantial  
3 effort to use less gas and electricity.

4 And according to the statement on this piece of  
5 paper, it says, Existing rate design that is dependent on  
6 overall volumes have given need for a rate increase  
7 because customers are using less gas.

8 And nationwide, as I understand it, natural gas  
9 is down in price and the usage is less. This does not set  
10 well with me. I have no one to turn to to get that extra  
11 money.

12 And I also want to know -- they give me all  
13 sorts of brochures on how I could be efficient, and I feel  
14 as though I have done my share. What are they doing to be  
15 more efficient? Thank you.

16 JUDGE JORDAN: Thank you, Ms. Nieder.  
17 Commissioner, any questions?

18 COMMISSIONER JARRETT: Yes. Ms. Nieder, thank  
19 you for your testimony. How long have you been a customer  
20 of Empire?

21 MS. NIEDER: I've been a customer in this town  
22 for -- in my present house, since 1978. 1970 at my  
23 present house. But I've lived others places in Sedalia.  
24 I've been a customer of Empire District since they came in  
25 here, what, three years ago?

1           COMMISSIONER JARRETT: Okay. Have you had any  
2 service problems or quality service problems?

3           MS. NIEDER: No. I have not had any quality of  
4 service problems, except they do read my meter through the  
5 fence, which always irritated me. But they have not.

6           COMMISSIONER JARRETT: Do you have any questions  
7 that they're not reading your meter accurately or anything  
8 like that?

9           MS. NIEDER: No, no, no.

10          COMMISSIONER JARRETT: Have you ever had any  
11 cause to call the company or interact with the customer  
12 service folks?

13          MS. NIEDER: I probably have. The fact is, I  
14 call them every month and ask them what my bill is. And  
15 I've always received courteous calls. That doesn't change  
16 what they're doing, though.

17          COMMISSIONER JARRETT: Okay. Well, thank you.  
18 Thank you for your testimony. That's all the questions I  
19 have.

20          MS. NIEDER: Thank you.

21          JUDGE JORDAN: Thank you, Commissioner. Any  
22 questions from any of the other parties? From Staff?

23          MS. SHEMWELL: Thank you. Good evening, Ms.  
24 Nieder. I'm Lera Shemwell. I represent the Staff. I  
25 just wondered, do you understand from what you've seen

1 what is included in non-gas costs?

2 MS. NIEDER: Yes, I do. Yes, I do.

3 MS. SHEMWELL: Thank you.

4 MS. NIEDER: I understand all of that.

5 MS. SHEMWELL: That's all I have.

6 JUDGE JORDAN: Any questions from the Public  
7 Counsel?

8 MR. MILLS: No questions. Thank you.

9 JUDGE JORDAN: Thank you. You may be excused.  
10 Mr. Ochoa, the next witness?

11 MR. OCHOA: Leann Clemons. Be sure you hold  
12 that button, ma'am.

13 MS. CLEMONS: I am Leann Clemons from Sedalia.

14 JUDGE JORDAN: Okay, Ms. Clemons. Hang on a  
15 second while we get focused on you. Okay. Ms. Clemons,  
16 raise your right hand, please.

17 LEANN CLEMONS,  
18 being first duly sworn to testify the truth, the whole  
19 truth, and nothing but the truth, testified as follows:

20 TESTIMONY OF LEANN CLEMONS

21 JUDGE JORDAN: I didn't -- I didn't hear an  
22 answer.

23 MS. CLEMONS: Yes, I do. I said I do.

24 JUDGE JORDAN: Okay. You're very faint. I'll  
25 ask you to speak up a little bit.

1 MS. CLEMONS: Can you hear me?

2 JUDGE JORDAN: I Can hear you very faintly. Try  
3 it again.

4 MS. CLEMONS: Okay. Can you hear me now?

5 JUDGE JORDAN: That's a little better. Try it  
6 again.

7 MS. CLEMONS: How about now?

8 JUDGE JORDAN: Okay. That's much better. Thank  
9 you very much. I appreciate your patience. Please state  
10 your name and spell that for the reporter, also.

11 MS. CLEMONS: Okay. Leann Clemons. L-e-a-n-n.  
12 Clemons is C-l-e-m-o-n-s.

13 JUDGE JORDAN: Thank you. And are you a  
14 customer of the Empire District?

15 MS. CLEMONS: Yes.

16 JUDGE JORDAN: Okay. What would you like the  
17 Commission to know?

18 MS. CLEMONS: I just have a couple concerns.  
19 One is that the -- currently, you know, the Government  
20 already gives agencies -- social service agencies money  
21 that they get from the taxpayers.

22 And right now, the rate increase would just pass  
23 back to the taxpayers again. I don't think it really --  
24 you know, at least for myself, it doesn't matter if it's a  
25 \$5 increase or a \$30 increase. With rate increases on

1 other utility bills and the cost of food going up, you  
2 know, whether it's \$5 or \$30, I can't afford it.

3 And half of Sedalia is already late on their  
4 utility bills, and that's just going to cause more  
5 shut-off notices, more disconnects and people going  
6 through the winter without utilities. Really, that's just  
7 my main concern. You know, it doesn't matter how much the  
8 rate increase is. People can't afford it. And that's  
9 all.

10 JUDGE JORDAN: Okay. Thank you very much. Any  
11 questions from the Commission?

12 COMMISSIONER JARRETT: Judge, I don't have any  
13 questions, but I would like to thank Mrs. Clemons for her  
14 testimony tonight.

15 MS. CLEMONS: Thank you.

16 JUDGE JORDAN: Thank you, Commissioner. Any  
17 questions from Staff?

18 MS. SHEMWELL: No, thank you.

19 JUDGE JORDAN: Any questions from Office of  
20 Public Counsel?

21 MR. MILLS: No questions. Thank you.

22 JUDGE JORDAN: Very good. Thank you, Ms.  
23 Clemons, you're excused. Mr. Ochoa, the next witness?

24 MR. OCHOA: Robert -- is it Parish?  
25 P-r-u-i-c-h?

1 WOMAN IN AUDIENCE: Pruich. And he left.

2 MR. OCHOA: Okay. I'm sorry. Next would be Joe  
3 Zaremba.

4 MR. ZAREMBA: Can you hear me, Judge?

5 JUDGE JORDAN: I can hear you, but I'm not quite  
6 sure I can see you. There we go.

7 MR. ZAREMBA: Can you hear me?

8 JUDGE JORDAN: There we go. Yes. Yes. I can  
9 hear you.

10 MR. ZAREMBA: My name is Joe Zaremba,  
11 Z-a-r-e-m-b-a, from Sedalia.

12 JUDGE JORDAN: Mr. Zaremba, please raise your  
13 right hand, and I will administer the oath.

14 JOE ZAREMBA,  
15 being first duly sworn to testify the truth, the whole  
16 truth, and nothing but the truth, testified as follows:

17 TESTIMONY OF JOE ZAREMBA

18 JUDGE JORDAN: Thank you. What would you like  
19 the -- you're a resident of Sedalia. And are you also,  
20 therefore, a customer of the Empire District Gas Company?

21 MR. ZAREMBA: Yes. I'm a resident of Sedalia,  
22 and I've been --

23 JUDGE JORDAN: Thank you.

24 MR. ZAREMBA: -- an Empire customer since  
25 they've moved to town.



1 JUDGE JORDAN: Okay. What would you like the  
2 Commissioners to -- the Commission to know?

3 MR. ZAREMBA: Well, all I have for gas  
4 appliances is a hot water heater, and my bill averages  
5 right around 25, maybe \$28 per month. And if this  
6 increase goes into effect, it's going to make my bill,  
7 theoretically, 40, \$50 per month from the calculations I  
8 can put with the information that I've recently learned.

9 And I would hate to have to switch to an  
10 electric water heater because electric, in my opinion, is  
11 inefficient for recovery rate on hot water. I like my  
12 water, and I like it hot. I don't like to wait a long  
13 time for it.

14 There's people that don't -- in my same  
15 situation that only have a gas hot water heater. And the  
16 \$30 that you're going to add on the bill versus the lesser  
17 charge -- because before the hearing, they -- the -- that  
18 gentleman over there, I can't remember his name, said that  
19 the bill -- the fee will vary based on your usage.

20 And if you use a lot of gas, the increase in  
21 your bill compared to this \$30 increase wouldn't be that  
22 much. But if you're like me and some other folks that  
23 don't use that much gas, it would dramatically increase  
24 your bill.

25 And the economy is down and everybody knows

1     that.  And I just don't think it's the time -- since they  
2     just passed a rate increase, 17 percent, I believe it was,  
3     and you hear that we were in abundance of natural gas.  
4     And the national average should be down 12 to 14 percent.  
5     I can't remember the exact rate.  I just don't feel that  
6     it's -- it's a right move to make to increase this.  I  
7     think you need to leave it the same, in my opinion.

8                 JUDGE JORDAN:  Anything else you'd like to tell  
9     the Commission just now?

10                MR. ZAREMBA:  Please vote no on this rate  
11     increase.  Thank you.

12                JUDGE JORDAN:  Okay.  Commissioner Jarrett, do  
13     you have any questions of this witness?

14                COMMISSIONER JARRETT:  Just -- I just want to  
15     kind of summarize what you said and make sure I've got it  
16     written down right.  You feel that since -- the folks that  
17     don't use much gas, like yourself, the increase is going  
18     to be pretty great?

19                MR. ZAREMBA:  It's going to be dramatic, for  
20     lack of another word to use.

21                COMMISSIONER JARRETT:  Percentage-wise?

22                MR. ZAREMBA:  Yes.  I mean, our garbage rates go  
23     up.  Our electric rates go up.  Our taxes go up.  What  
24     more is going to go up?  Can there -- something stay the  
25     same or go down, please, until the economy improves or

1 show us justification why you need this -- this 4.8  
2 percent increase? For fluff, fancier uniforms for the gas  
3 company? I mean, you guys have got enough new shiny  
4 trucks. What gives, Brother?

5 COMMISSIONER JARRETT: Very well. Thank you. I  
6 appreciate your testimony.

7 MR. ZAREMBA: You're welcome. That's all I had,  
8 Judge.

9 JUDGE JORDAN: Any questions from staff? I'm  
10 sorry. Commissioner, were you done?

11 COMMISSIONER JARRETT: Yes, Judge. I'm -- I'm  
12 done.

13 MS. SHEMWELL: No questions from Staff. Thank  
14 you.

15 JUDGE JORDAN: No questions from Staff. Any  
16 questions from the Office of Public Counsel?

17 MR. MILLS: I don't have any questions, Judge.  
18 Thank you.

19 JUDGE JORDAN: Okay. Sir, you may be excused.  
20 You can stay or you may go, whichever you'd like.

21 MR. ZAREMBA: Thank you.

22 JUDGE JORDAN: Thank you. Mr. Ochoa, the next  
23 witness?

24 MR. OCHOA: Phyllis Doman.

25 MS. DOMAN: I'm over here.

1 JUDGE JORDAN: I've lost my picture. There we  
2 are. We're back now. And that is my next witness. Very  
3 good. The name, please?

4 MS. DOMAN: Phyllis Sue Doman, Phyllis,  
5 P-h-y-l-l-i-s, Sue, S-u-e, Doman, D-o-m-a-n.

6 JUDGE JORDAN: Thank you, Ms. Doman. Please  
7 raise your right hand.

8 PHYLLIS DOMAN,  
9 being first duly sworn to testify the truth, the whole  
10 truth, and nothing but the truth, testified as follows:

11 TESTIMONY OF PHYLLIS DOMAN

12 JUDGE JORDAN: Thank you. And, Ms. Doman, you  
13 are a customer of the Empire District Gas Company?

14 MS. DOMAN: Yes, I am. I'm now in the rural  
15 part. I'm in the County.

16 JUDGE JORDAN: Okay. What would you like the  
17 Commission to know about this case?

18 MS. DOMAN: Well, this afternoon in the mail  
19 because they sent me something else that was wrong  
20 earlier, I received my statement history report for the  
21 last 36 months, including this month.

22 And out of those 19 months, the total bill was  
23 below \$30, and most of those months, rather significantly.  
24 I, likewise, in some months, particularly in the summer,  
25 only have a hot water heater. But I do have gas heat in

1 the other.

2 But eight other months, there would be a  
3 significant impact on my bill. They are above -- they  
4 would be above the \$30 amount. Just for this month, it  
5 would raise my cost by \$8.

6 So that leaves nine months out of 36 out of a  
7 three-year period of time that this increase would not  
8 make a significant impact or much difference on my bill.  
9 Twenty-seven out of 36, it would make an impact.

10 I am retired, somewhat on a fixed income. I  
11 teach -- substitute teach, and I also teach night classes  
12 to add to the income. I left class early tonight, an  
13 Investment Analysis class, actually, to come over to  
14 testify.

15 One of my students, and he did say I could use  
16 his name and information, asked that I express this. A  
17 disabled student, Jason Sullivan, who is in this class,  
18 stated that his bills on average are 10 to \$12 a month  
19 because he has a hot water heater.

20 He also lives in public housing apartments over  
21 by 24th Street. He said this would add a severe impact on  
22 his set income as it would on several other people that  
23 live in that same area. So as I said, he asked that I  
24 make that statement.

25 Another student in the class whose husband is

1 currently unemployed and she has a limited income job also  
2 expressed concern about what this increase would do and  
3 the impact it would have on their household due to the  
4 unemployment situation, et cetera. So you know, they did  
5 say -- her name is Diane Gants. She did say, also, that I  
6 could use her information.

7 I, likewise, as Ms. Nieders said, have added  
8 some insulation in my house. I have the honor of three  
9 weeks ago buying a new furnace, which is energy efficient.  
10 I have no idea how much it might impact. But I run my  
11 heat -- in the winter, when I'm home, it's 62 to 75  
12 degrees. When I'm gone, I take it down to 55 to 60  
13 degrees so that I don't waste any energy. So I feel like  
14 I've done about as much as -- that I can do to conserve on  
15 the gas.

16 JUDGE JORDAN: Anything else you want to tell  
17 the Commission just now?

18 MS. DOMAN: Not that I have on my notes. No,  
19 sir.

20 JUDGE JORDAN: Okay. I just wanted to follow up  
21 on one thing that you had mentioned was you said they had  
22 sent you something that was incorrect? Was that an  
23 incorrect billing statement? Is that what you were  
24 talking about?

25 MS. DOMAN: I had called them to send my -- my

1 history -- my billing history. And, instead, I received a  
2 history of -- I think it was about -- it wasn't 36. But  
3 it was several months of just what I had paid various  
4 times.

5           There are times when I know I have some extra  
6 money, I just pre-pay so that it kind of averages out over  
7 time. But -- so I called them back and asked for the  
8 actual billing history. And so that is what I received  
9 this afternoon.

10           JUDGE JORDAN: Okay. Thank you. Commissioner  
11 Jarrett, do you have any question of this witness?

12           COMMISSIONER JARRETT: Yes, Judge. But, first,  
13 a housekeeping point. There is a counsel for the company  
14 here, and she may want to enter her appearance for the  
15 record.

16           JUDGE JORDAN: Thank you, Commissioner. Is the  
17 counsel for Empire District present?

18           MS. CARTER: Yes. This is Diana Carter with  
19 Brydon, Swearngen & England, Jefferson City, Missouri,  
20 Counsel for the Empire District Gas Company.

21           JUDGE JORDAN: Thank you.

22           COMMISSIONER JARRETT: And, yes, I just had a  
23 couple of questions. First of all, Ms. Doman, thank you  
24 for your testimony. I appreciate the analysis you did on  
25 your bill and your usage over your 36-month period.

1 That's the kind of details that are helpful for us to  
2 consider.

3 And I take it you're much like the gentleman  
4 that testified before you. Most of the time, you don't  
5 use much gas. And so it would be a significant increase  
6 for you in those times when you don't use much gas?

7 MS. DOMAN: It would be. I am single. And so,  
8 thus, I can cut my heat back a lot when I'm not there.  
9 But probably from, I'm going to say, April -- and I could  
10 go back and look at the bills, but probably April through  
11 end of September, most of the time, I don't have the heat  
12 on. So we're looking at water heater only then.

13 And my average for water heater alone is about  
14 10 to 12 versus what his was. And mine are averaging  
15 about what the young man in my class that his average hit.

16 COMMISSIONER JARRETT: That was like about 10 to  
17 \$12 per month?

18 MS. DOMAN: Yes. And he, likewise, has -- lives  
19 alone.

20 COMMISSIONER JARRETT: Thank you. Appreciate  
21 your testimony. I have no further questions, Judge.

22 JUDGE JORDAN: Thank you, Commissioner.  
23 Questions from Staff?

24 MS. SHEMWELL: No questions. Thank you.

25 JUDGE JORDAN: Questions from the Office of



1 Public Counsel?

2 MR. MILLS: No questions. Thank you.

3 JUDGE JORDAN: Questions from the company?

4 MS. CARTER: No questions. Thank you.

5 JUDGE JORDAN: Thank you very much. From my  
6 count, that makes five names we've gone through. Four of  
7 them have actually testified. Would anyone else like to  
8 testify today?

9 MR. PRICE: I'd like to. I didn't sign the  
10 piece of paper. I can if you want me to, but I can give  
11 you all my information.

12 MR. OCHOA: If you could -- if you could come  
13 up, here, sir.

14 JUDGE JORDAN: Mr. Ochoa, I'm going to have to  
15 ask you to be intermediary you for me. I can't hear.

16 MR. PRICE: Okay. Here. Let me come up.

17 MR. OCHOA: You can sit right there.

18 MR. PRICE: Hi, everyone, I'm Johnnie Price.  
19 Can you hear me? Can you hear me?

20 JUDGE JORDAN: I can't hear you. You're cutting  
21 out.

22 MR. PRICE: Can you hear me now?

23 JUDGE JORDAN: I can't see you, though.

24 COMMISSIONER JARRETT: He's getting there. I  
25 can hear you a little better. But I can't see you. There

1 we -- all right. Name and spelling for the court  
2 reporter.

3 MR. It's Johnnie, J-o-h-n-n-i-e, Price,  
4 P-r-i-c-e.

5 JUDGE JORDAN: Mr. Price, please raise -- I see  
6 you're ahead of me.

7 JOHNNIE PRICE,  
8 being first duly sworn to testify the truth, the whole  
9 truth, and nothing but the truth, testified as follows:

10 TESTIMONY OF JOHNNIE PRICE

11 JUDGE JORDAN: Thank you. Mr. Price, are you a  
12 customer of the Empire District Gas Company?

13 MR. PRICE: Up until about four months ago, yes,  
14 I was.

15 JUDGE JORDAN: Okay. Well, Mr. Price, what  
16 would you like the Commission to know about this action?

17 MR. PRICE: The reason why I'm no longer a  
18 member is because I only had a gas hot water heater in my  
19 house as well, which is a house under renovation. And it  
20 irritated me to see that my customer charge was higher  
21 than my average -- or than my gas bill.

22 So I made the decision to go ahead and purchase  
23 an electric hot water heater. That way, I could do away  
24 with the \$9.50 service charge. But I'm glad you are  
25 listening to me. I thought you would cut me off as soon

1 as I informed you that I was not a customer.

2 I do have friends and family that are not in  
3 town that are not able to be here tonight, and they will  
4 be highly happy that I did come. I believe it's an  
5 outrage that we're sitting here having to debate this  
6 because what it is is basically a company that supposedly  
7 -- they're asking for more money because they're not being  
8 profitable. And they're trying to fleece the people for  
9 that.

10 Now, not everyone is going to have the ability,  
11 as I did, to remove just a gas hot water heater. Some of  
12 our elderly that are dependent on -- still one furnace  
13 set-ups in their house that are very highly inefficient.  
14 When you raise this increase, it's going to be virtually  
15 impossible for them to meet those obligations.

16 And I also don't understand -- I know the woman.  
17 I respect her. I don't understand how she said for  
18 something like so many months it wouldn't affect her bill  
19 at all if it raises \$30 and then your gas expenses are  
20 added onto it.

21 And I hope I didn't step out of any parameters  
22 by this. So -- but, yes, I was a member. I asked them to  
23 come remove my meter. And they said no, we just put a  
24 padlock on it. And so -- and they did come put the  
25 padlock on it. So I'm standing up for all the people

1 that's not here.

2           It's -- it's outrageous, if you ask me, to come  
3 to people and tell them that, yeah, you want to raise --  
4 you know, it says that it is a non-production or non --  
5 pardon me. I had it right here. A non-operating revenue.

6           I lost -- I'm lost to find -- figure out what a  
7 non-operating revenue would be, then, if it's not for  
8 increasing your infrastructure and so on and so forth,  
9 which would be operating revenue. Thank you.

10           JUDGE JORDAN: Thank you, sir. Commissioner  
11 Jarrett, any questions for this witness?

12           COMMISSIONER JARRETT: Mr. Price, thank you for  
13 your testimony. If there's something you don't  
14 understand, we do have members of Staff here. There's an  
15 Office of Public Counsel person here also and also a  
16 representative of the company. If there's something you  
17 don't understand --

18           MR. PRICE: No. I understand.

19           COMMISSIONER JARRETT: Please, after the hearing  
20 -- please, after the hearing, ask them those questions.

21           MR. PRICE: No. I mean, I actually understand  
22 it. You're a share owner of the company, and you're --  
23 you're in for profits, which any business that's in  
24 business has to be in it for profits because they're not a  
25 government and they can't just create money.

1           The question I have is why did Empire come in  
2   here and take it over if they wasn't going to be able to  
3   do it without having to increase just basic rates for  
4   having a meter sitting outside your house? There. I do  
5   understand. So thank you.

6           COMMISSIONER JARRETT: Maybe I misunderstood.  
7   You said something about non-operating revenue.

8           MR. PRICE: Yes. Non-operating revenue by  
9   \$2.9 million.

10          COMMISSIONER JARRETT: And you said you didn't  
11   understand that.

12          MR. PRICE: Well, that's what I'm trying to say.  
13   If it's non-operating revenue, why are they asking for it?

14          COMMISSIONER JARRETT: Well, that's my -- that's  
15   my -- what I was trying to say is if you don't understand  
16   that, there's folks here to ask the questions if you want  
17   to -- want to talk to them. But I don't have any  
18   questions. Thanks for your testimony.

19          MR. PRICE: Thank you.

20          JUDGE JORDAN: Thank you. Thank you,  
21   Commissioner. Questions from the parties? Any questions  
22   from Staff?

23          MS. SHEMWELL: None. Thank you, Judge.

24          JUDGE JORDAN: Any questions from Office of  
25   Public Counsel?

1           MR. MILLS: Judge, I don't have any questions.  
2 But I would note that -- and I haven't seen the newspaper  
3 article that Mr. Price was reading from, but I think -- I  
4 think the phrase that perhaps they were trying for is  
5 non-gas operating revenues, which is a much more  
6 reasonable statement than non-operating revenue.

7           MR. PRICE: So if it's a non-gas operating  
8 revenue, why are you charging your gas customers for it?  
9 And then when we're in trouble for standing up for our  
10 rights. Missouri --

11          THE COURT REPORTER: I'm sorry. I can't hear  
12 you over here.

13          MR. PRICE: That's fine. It probably shouldn't  
14 be on the record anyway.

15          JUDGE JORDAN: Too late now. Any questions from  
16 the company?

17          MS. CARTER: No questions, Judge.

18          JUDGE JORDAN: Thank you. You may be excused,  
19 sir.

20          MR. PRICE: Thank you.

21          JUDGE JORDAN: Thank you. Would anyone else  
22 like to testify on this matter just now? If you want to  
23 come up and -- okay. Very good.

24                 My name is --

25          JUDGE JORDAN: Please state your name and spell

1 it for the recorder.

2 MR. LEFFLER: Leroy Leffler, L-e-r-o-y  
3 L-e-f-f-l-e-r.

4 JUDGE JORDAN: Sir, please raise your right --  
5 please raise your right hand. I will swear you in.

6 LEROY LEFFLER,  
7 being first duly sworn to testify the truth, the whole  
8 truth, and nothing but the truth, testified as follows:

9 TESTIMONY OF LEROY LEFFLER

10 JUDGE JORDAN: Thank you. Sir, are you a  
11 customer of the Empire District?

12 MR. LEFFLER: Yes. Me and my wife both are.

13 JUDGE JORDAN: All right. Will you please tell  
14 the Commission what you'd like it to know?

15 MR. LEFFLER: I would like to tell it that when  
16 they don't realize, people that are on SSI and disability,  
17 Social Security can't afford this increase. We're just  
18 barely getting by as it is now. We -- if anything, we  
19 would like to see you guys lower your guys prices for the  
20 customers, if anything.

21 Because me and my wife are on fixed income. And  
22 we -- we just got a hot water heater and a gas dryer. So  
23 that kind of gets expensive for -- for us.

24 JUDGE JORDAN: I'm sorry. I didn't hear the  
25 last part. Someone coughed into the microphone. Can you

1 repeat that last part, please?

2 MR. LEFFLER: Me and my wife are just barely  
3 getting by, and we do everything we can to try to conserve  
4 energy on our gas bill. But it's not easy living off \$822  
5 a month. That's how much I get on disability. And we  
6 don't get any food stamps or nothing. So -- so most of  
7 our money goes for other things, too.

8 JUDGE JORDAN: Okay. Is there anything else  
9 you'd like to tell the Commission just now?

10 MR. LEFFLER: There is a lot of people like us  
11 that are on SSI and Disability, and I'm representative of  
12 all of them, all people that's on SSI and Disability.

13 JUDGE JORDAN: Thank you, sir. Commissioner  
14 Jarrett, any questions for this witness?

15 COMMISSIONER JARRETT: Mr. Leffler, thank you  
16 for your testimony. I appreciate your perspective as  
17 someone on SSI, Disability, and I think you've expressed  
18 -- expressed your views quite well. So I appreciate your  
19 testimony. Thank you.

20 MR. LEFFLER: You're welcome.

21 JUDGE JORDAN: Any questions from the parties?  
22 Staff?

23 MS. SHEMWELL: No questions. Thank you, Judge.

24 JUDGE JORDAN: Office of the Public Counsel?

25 MR. MILLS: No questions.



1 JUDGE JORDAN: Any questions from the company?

2 MS. CARTER: No questions. Thank you.

3 JUDGE JORDAN: Mr. Leffler, I thank for your  
4 testimony. You may be excused. Would anyone else care to  
5 testify this evening?

6 COMMISSIONER JARRETT: Yes, Judge. We have a  
7 couple more.

8 JUDGE JORDAN: Come forward and --

9 MR. OCHOA: Could you come up?

10 Sure.

11 MR. OCHOA: That would be great. Thank you.

12 JUDGE JORDAN: Please state your name and spell  
13 it for our reporter.

14 MS. FOREMAN: Hi. My name is Geniese,  
15 G-e-n-i-e-s-e and F-o-r-e-m-a-n.

16 JUDGE JORDAN: Please raise your right hand.

17 GENIESE FOREMAN,  
18 being first duly sworn to testify the truth, the whole  
19 truth, and nothing but the truth, testified as follows:

20 TESTIMONY OF GENIESE FOREMAN

21 JUDGE JORDAN: Ma'am, are you a customer of the  
22 Empire Gas Company?

23 MS. FOREMAN: Sir, no, sir. But I have been a  
24 customer in the past. And at this point, we have changed  
25 our gas water heater over to electric because we had heard

1 the cost of gas was rising.

2 I have four children, sir, teenagers. And my  
3 main concern is the fact of -- of senior citizens and  
4 people on S -- Supplemental Security income and  
5 Disabilities that if their prices were to rise, then the  
6 concern would be that they would switch to maybe unsafe  
7 electric heaters.

8 And the fact of the matter is when winter comes  
9 and you have ice storms and such, the electric does go  
10 out. And some senior citizens do not have other people  
11 looking out for them, so they might -- you might consider  
12 keeping their gas prices at a lower cost. It's only fair  
13 because they have been part of this country for many  
14 years. That's all I have to say, sir.

15 JUDGE JORDAN: Thank you. Thank you for your  
16 testimony. Commissioner Jarrett, any questions for this  
17 witness?

18 COMMISSIONER JARRETT: Ms. Foreman, is it?

19 MS. FOREMAN: Yes.

20 COMMISSIONER JARRETT: Thank you. I appreciate  
21 your testimony. And thank you for coming out tonight.

22 MS. FOREMAN: Thank you.

23 JUDGE JORDAN: Questions from the parties?  
24 Anything from Staff?

25 MS. SHEMWELL: No questions. Thank you, Judge.

1 JUDGE JORDAN: Questions from Public Counsel?

2 MR. MILLS: No questions. Thank you.

3 JUDGE JORDAN: Any questions from the company?

4 MS. CARTER: No questions.

5 JUDGE JORDAN: And you may be excused. Thank  
6 you for your testimony.

7 MS. FOREMAN: Thank you.

8 JUDGE JORDAN: Is there anyone else who would  
9 like to testify tonight?

10 COMMISSIONER JARRETT: Yes, Judge. We have one  
11 other person coming forward.

12 JUDGE JORDAN: Very good. Please state your  
13 name and spell it for our reporter.

14 MR. WALKER: Daniel Walker. D-a-n-i-e-l  
15 W-a-l-k-e-r.

16 JUDGE JORDAN: Thank you very much.

17 DANIEL WALKER,  
18 being first duly sworn to testify the truth, the whole  
19 truth, and nothing but the truth, testified as follows:

20 TESTIMONY OF DANIEL WALKER

21 JUDGE JORDAN: Very good. Now, Mr. Walker, are  
22 you a -- currently a customer of Empire District Gas  
23 Company?

24 MR. WALKER: Yeah. Me and my wife are. Yes.

25 JUDGE JORDAN: All right. What would you like

1 to tell the Commission?

2 MR. WALKER: Well, me and my wife and my kids,  
3 we live over in the Sedalia Housing Authority. So I guess  
4 I'm speaking on behalf of the Sedalia Housing Authority.  
5 We're all on fixed incomes. So any kind of a hike, no  
6 matter how small it is, is going to affect everybody over  
7 in the Housing Authority.

8 During the summer, our bill is usually only 12  
9 bucks a month because we usually only have -- we have a  
10 gas stove, but we -- it's usually from 12 to \$15 a month.  
11 And if they raise it to 30 -- my wife works at a Head  
12 Start. During the summer months, she's off, so she gets  
13 unemployment. She only gets \$100 a week on unemployment.

14 So if they raise that bill, we're going to have  
15 to take away from something else in order to pay for that.  
16 That's going to be the main concern. And I -- I don't see  
17 how we're going to do it.

18 JUDGE JORDAN: Is there anything else you'd like  
19 to tell the Commission just now?

20 MR. WALKER: No. Thank you very much.

21 JUDGE JORDAN: Okay. Commissioner Jarrett, any  
22 questions for this witness?

23 COMMISSIONER JARRETT: Mr. Walker, thank you for  
24 your testimony. I appreciate your perspective and  
25 appreciate you putting it on the record for us. And I

1 have no further questions, Judge.

2 JUDGE JORDAN: Thank you, Commissioner.

3 Questions from Staff?

4 MS. SHEMWELL: No questions. Thank you, Judge.

5 JUDGE JORDAN: You're quite welcome. Any  
6 questions from the Public Counsel?

7 MR. MILLS: No questions. Thank you.

8 JUDGE JORDAN: Any questions from the company?

9 MS. CARTER: No questions.

10 JUDGE JORDAN: Is there anyone else who would  
11 like to speak at this hearing on this matter that is  
12 before the Commission?

13 COMMISSIONER JARRETT: I'm not seeing any  
14 further hands, Judge.

15 JUDGE JORDAN: All right. Thank you very much.  
16 Well, with that, I will conclude the testimony part of  
17 this proceeding.

18 I'll remind you that questions and comments can  
19 also go to -- can still go to Staff and the Office of  
20 Public Counsel. On behalf of the Missouri Public Service  
21 Commission and each of the Commissioners, I thank every  
22 one of you for participating in these proceedings. Your  
23 comment is helpful to us in our decision. And with that,  
24 I will adjourn this proceeding. We're off the record.

25 (The proceedings were concluded at 7:10 p.m. on

1    November 12, 2009.)

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## 1 REPORTER'S CERTIFICATE

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3 STATE OF MISSOURI )  
 )ss.  
4 COUNTY OF OSAGE )

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6 I, Monnie S. Mealy, Certified Shorthand Reporter,  
7 Certified Court Reporter #0538, and Registered  
8 Professional Reporter, and Notary Public, within and for  
9 the State of Missouri, do hereby certify that I was  
10 personally present at the proceedings as set forth in the  
11 caption sheet hereof; that I then and there took down in  
12 stenotype the proceedings had at said time and was  
13 thereafter transcribed by me, and is fully and accurately  
14 set forth in the preceding pages.

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20 Monnie S. Mealy, CSR, CCR #0539

21 Registered Professional Reporter

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