

Exhibit No.:

Issues:

Cash Working Capital,
Advertising, Dues,
Various O&M
Adjustments

Witness:

Linda K. Welschmeyer

Sponsoring Party:

MoPSC Staff

Case No.:

GR-93-172

MISSOURI PUBLIC SERVICE COMMISSION
UTILITY SERVICES DIVISION

DIRECT TESTIMONY

OF

LINDA K. WELSCHMEYER

**MISSOURI PUBLIC SERVICE,
A DIVISION OF UTILICORP UNITED, INC.**

CASE NO. GR-93-172

*Jefferson City, Missouri
May, 1993*

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DIRECT TESTIMONY

OF

LINDA K. WELSCHMEYER

MISSOURI PUBLIC SERVICE,

A DIVISION OF UTILICORP UNITED, INC.

CASE NO. GR-93-172

Q. Please state your name and business address.

A. Linda K. Welschmeyer, State Office Building, Suite 510, 615 E. 13th Street, Kansas City, Missouri 64106.

Q. By whom are you employed and in what capacity?

A. I am employed by the Missouri Public Service Commission (Commission) as a Regulatory Auditor.

Q. Please describe your educational background.

A. I received a Bachelor of Science degree in Accounting in May, 1992, from Lincoln University in Jefferson City, Missouri.

Q. What is the nature of your current duties with the Commission Staff (Staff)?

A. My duties are, under the direction of the Manager of the Accounting Department, to assist with audits and examinations of the books and records of utility companies operating within the state of Missouri and to present the findings to the Commission on behalf of the Commission Staff .

Q. Have you previously filed testimony before this Commission?

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1 A. Yes, I have. I submitted direct testimony in Case No. ER-93-37,
2 Missouri Public Service.

3 Q. With reference to Case No. GR-93-172, have you made an examination
4 of the books and records of Missouri Public Service (MPS or Company), a division
5 of UtiliCorp United, Inc.?

6 A. Yes, with the assistance of other members of the Staff.

7 Q. Please describe your areas of responsibility in this case.

8 A. My areas of responsibility in this case include cash working capital,
9 advertising, membership dues, and various operation and maintenance expense (O&M)
10 adjustments.

11 Q. What Accounting Schedules are you sponsoring?

12 A. I am sponsoring Accounting Schedule 8, Cash Working Capital.

13 Q. Which adjustments on Accounting Schedule 10, Adjustments to the
14 Income Statement, are you sponsoring?

15 A. I am sponsoring the following Income Statement adjustments:
16 S-3.1, S-4.1, S-5.1, S-5.5, S-7.1, S-8.2, S-8.3, S-8.4, S-8.5, S-8.8, S-8.9, S-8.10, and
17 S-8.11.

18
19 **CASH WORKING CAPITAL**

20 Q. What is cash working capital?

21 A. Cash working capital (CWC) is defined as the amount of cash needed
22 by a utility to pay its day-to-day expenses incurred in providing service to ratepayers.

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1 Q. What are the sources of CWC?

2 A. The ratepayer and the investor (shareholder) are the providers of CWC.

3 Q. Under what circumstances does the investor supply CWC?

4 A. When the timing of a company's cash expenditures, in the aggregate,
5 precedes the cash recovery of expenses, the investor must provide CWC. This
6 represents a portion of the investor's total investment in the company.

7 Q. Under what circumstances does the ratepayer supply CWC?

8 A. Ratepayers provide CWC in instances where their remittances, on the
9 average, precede the company's cash disbursements for expenses incurred while
10 providing service.

11 Q. Why should CWC be included in rate base?

12 A. The investment in CWC, whether positive or negative in amount, should
13 be included in rate base to recognize the timing of cash flows through the utility and
14 resulting CWC investments.

15 Q. How is the amount of CWC provided by the investors and the amount
16 provided by the ratepayers calculated?

17 A. The CWC requirement is calculated by performing a lead/lag study.

18 Q. What is a lead/lag study and how does it measure CWC?

19 A. A lead/lag study is a systematic measurement of the timing of cash
20 inflows and outflows of a utility. A specific measurement of cash inflows is made of
21 the number of days between the provision of service to ratepayers and the collection
22 of related cash revenues for services rendered. Measurement of the timing of cash

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1 outflows for each cash expense element of cost of service determines the number of
2 days between the receipt of purchased goods (and/or services) from vendors and
3 ultimate cash payment for these items.

4 Q. Please describe the standard set of definitions used in the lead/lag study
5 to calculate CWC.

6 A. There are two major lags used:

7 Revenue Lag - the number of days between the midpoint of provision
8 of service to customers and the collection of related cash revenues for
9 services rendered; and

10 Expense Lag - the average number of days between the receipt of
11 purchased goods/services and the cash payment for these items.

12 Q. Are there any subcomponent lags that make up the revenue lag?

13 A. Yes, and they are defined as follows:

14 Usage Lag - the midpoint of the time elapsed from the beginning of the
15 first day of a service period through the last day of that service period
16 (meter reading cycle);

17 Billing Lag - the period of time between the end of the last day of a
18 service period and the day the bill is placed in the mail by the
19 company; and

20 Collection Lag - the period of time between the day a bill is placed in
21 the mail and the day the company receives payment from the ratepayer
22 for services rendered.

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1 Q. Please define how you are using the term "service period."

2 A. For this case, a service period is merely the amount of time, in days, in
3 which a customer receives electric service (i.e., meter read period). In the context of
4 an expense lag discussion, the service period would be the period of time, in days, in
5 which the company received a good or service.

6 Q. How does the lead/lag study illustrate whether the funds are ratepayer
7 supplied or investor supplied?

8 A. After the revenue and expense lags have been computed, the expense
9 lags are subtracted from the revenue lag for each significant day-to-day cash expense
10 the company incurs to arrive at the CWC lags shown in column E of Accounting
11 Schedule 8. If more lag days are involved in collecting revenues from ratepayers than
12 a utility enjoys in the payment of expenses, investors must provide an ongoing CWC
13 allowance in order to fund utility payments which precede receipt of related service
14 revenues. This situation generates a total lead/lag study result that is positive, and
15 indicates a CWC requirement supported by investors. Thus, the investor should be
16 compensated through the inclusion of such funds in rate base, thereby allowing a
17 return on investment.

18 On the other hand, if cash disbursements can be delayed, or revenue collections
19 accelerated, so that average expense lag days exceed revenue lag days, ratepayers can
20 be said to be the net providers of CWC. If the lead/lag study yields a negative result,
21 ratepayers are providing cash to the utility more rapidly than its expenses are being
22 paid, thereby reducing the total amount of investor supplied capital required by the

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1 utility. In turn, ratepayers should be compensated for the CWC funds they provide
2 through a reduction in rate base.

3 Q. Could you please explain the various columns reflected in Accounting
4 Schedule 8, Cash Working Capital?

5 A. Column A of Accounting Schedule 8 is a description of the various
6 expenses for which a lag has been computed. Column B, Annualized Test Year
7 Expense, lists the Missouri jurisdictional adjusted expenses the Company pays on a
8 day-to-day basis. Column C, Revenue Lag, describes the amount of time, expressed
9 in days, between the midpoint of the provision of service by the Company and the
10 payment for the service by the ratepayer. Column D, Expense Lag, describes the
11 amount of time, expressed in days, between the receipt of and payment for the goods
12 and services (i.e., cash expenditures) used to provide service to the ratepayer. Column
13 E, Net Lag, results from the subtraction of the expense lag from the revenue lag.
14 Column F, Cash Working Capital Factor, expresses the CWC lag in days as a fraction
15 of the total days in the year. This is accomplished by dividing the net lags in Column
16 E by 365 days. Column G, Cash Working Capital Requirement, is the average amount
17 of cash necessary to provide service to the ratepayer, which is computed by
18 multiplying the Annualized Test Year Expense (Column B) by the CWC Factor
19 (Column F).

20 If the net lag in Column E for a given line item is positive, the funds for that
21 item have been supplied by the investor and rate base should be increased so that a
22 return may be earned on the funds supplied by the investor. If the net lag in

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1 Column E is negative, the funds for that item have been supplied by the ratepayer and
2 rate base must be decreased so that the ratepayer is compensated for the funds he
3 supplies.

4 Q. Please describe the basic approach which you have utilized in
5 developing your recommended CWC allowance.

6 A. I started with a review of the Company-sponsored lead/lag study,
7 including all supporting workpapers. I first examined the study approach to see if it
8 was sound and consistent with previous Commission orders. Overall, the lags from
9 the Company's study have been accepted for use in the Staff's lead/lag study. In
10 addition, the Staff did calculate a new revenue lag (20.94 days), specifically the billing
11 lag component, and found that during the test year MPS experienced 1.69 days average
12 lag between the meter read date and the date the bill was placed in the mail.

13 Q. Which components of CWC do not appear on Accounting Schedule 8?

14 A. The income tax offsets and the interest expense offset are components
15 of CWC, but are included as separate items in Accounting Schedule 2, Rate Base.

16 Q. Why are the income tax offsets and interest expense offset included in
17 Accounting Schedule 2, Rate Base, rather than Accounting Schedule 8, Cash Working
18 Capital?

19 A. The normalized Missouri jurisdictional expense for these components
20 is directly tied to the mechanical computation of the revenue requirement. The Staff's
21 computer program has the capability to extract these amounts from the Staff's income

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1 tax schedule, apply the CWC factor to each component, and place the CWC
2 requirement directly in the Staff's Rate Base schedule, Accounting Schedule 2.

3 Q. Please explain the income tax offset.

4 A. The income tax expense lag represents the period of time between the
5 midpoint of the tax/calendar year and the dates the income taxes must be paid to the
6 Federal or state taxing authority. The CWC factor was placed in the Rate Base
7 Accounting Schedule and the Staff's computer program calculated the CWC
8 requirement for income taxes.

9 Q. Please explain the interest expense offset.

10 A. Interest expense is included in the Staff's lead/lag analysis because
11 interest is a source of cash to the Company provided by the ratepayer, and therefore
12 should be considered in CWC. The Company has a known and certain obligation to
13 pay cash to the bondholders, in the form of interest on debt. The interest offset
14 percentage was developed using a weighted expense lag for long-term debt, upon
15 which interest is paid semi-annually.

16 Q. Did you determine that MPS' study was consistent with previous
17 Commission practice?

18 A. Yes. The lead/lag study performed by MPS for the current case is
19 consistent with the Staff's and the Commission's standard approach to CWC. The
20 methodologies employed by MPS, overall, appeared to be adequately performed and
21 therefore, an exhaustive CWC study was not performed by the Staff in this case.

22 Q. Please summarize the CWC requirement used by the Staff in this case.

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1 A. The overall CWC requirement, as shown in Accounting Schedule 8, is
2 expressed as a negative amount. This means that the ratepayer, in the aggregate, is the
3 provider of CWC to the Company.

4
5 **MAINTENANCE**

6 Q. Please explain adjustments S-3.1, S-4.1, and S-8.3.

7 A. These adjustments restate accrued non-payroll maintenance expense to
8 reflect the actual level incurred during the test year ending September 30, 1992.

9 Q. Why is the actual level of non-payroll maintenance preferred for
10 ratemaking purposes over the accrued level?

11 A. Each month, MPS books an accrual amount to maintenance expense in
12 order to minimize monthly and quarterly fluctuations in the account that would
13 consequently affect MPS earnings. At the end of each year, the year-to-date accrued
14 amount is adjusted by MPS to reflect the actual level of non-payroll maintenance
15 expense incurred. The actual level of expense is considered superior for ratemaking
16 purposes because it eliminates any under- or over-accrual of non-payroll maintenance
17 expense that occurred during the year, and provides a level of expense that is known
18 and measurable.

19 Q. Did the Staff analyze MPS's non-payroll maintenance for the test year
20 to determine whether it represented a normal level of expense?

1 A. Yes. The Staff performed a three year analysis on test year non-payroll
2 maintenance and found that test year maintenance expense represented a normal
3 ongoing level of expense.

4
5 **BAD DEBTS EXPENSE**

6 Q. Please explain adjustment S-5.1.

7 A. Adjustment S-5.1 adjusts test year MPS bad debts expense to the level
8 of uncollectible account write-offs, net of recoveries, for the test year ending
9 September 30, 1992.

10 Q. How was the annualized level of bad debts expense calculated?

11 A. The annualized level of bad debts expense was calculated by arriving
12 at net account write-offs/recoveries and expressing the result as a percentage of sales.
13 The resulting bad debt factor was then applied to the revenues as annualized by Staff
14 Accounting witness Larry G. Cox.

15 Q. On what basis was the bad debt factor determined?

16 A. The bad debt factor proposed by the Staff was calculated based on a
17 five year average of net write-offs/recoveries, from 1988 to 1992.

18 Q. Why is use of a five year average justified for bad debts expense?

19 A. The Staff believes that five years is an adequate period of time over
20 which to evaluate the trend of uncollectible accounts experienced by MPS. A review
21 of the relationship between annual sales and the level of subsequent write-

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1 offs/recoveries revealed that unusual upward or downward shifts in uncollectible
2 accounts were not encountered by MPS in the most recent five years.

3
4 **ADVERTISING**

5 Q. Please explain adjustments S-5.5, S-7.1 and S-8.11.

6 A. Adjustments S-5.5, S-7.1 and S-8.11 restate the total Company test year
7 advertising levels to reflect allowable gas advertising expense.

8 Q. Please explain the history of such adjustments before the
9 Commission.

10 A. In 1986, Re: Kansas City Power and Light Company, 28 Mo. P.S.C.
11 (N.S.) 228, 75 PUR4th 1 (1986) (KCPL), the Commission adopted the Staff's
12 recommendation to utilize an analysis which separates advertisements into five
13 categories and provides separate rate treatment for each category. The five categories
14 of advertisements recognized by the Commission for purposes of this approach are:

15 (1) General - advertising that is useful in the provision of adequate service;

16 (2) Safety - advertising which conveys the ways to safely use the Company's
17 service and to avoid accidents;

18 (3) Promotional - advertising used to encourage or promote the use of the
19 particular commodity the utility is selling;

20 (4) Institutional - advertising used to improve the Company's public image; and

21 (5) Political - advertising which is associated with political issues.

1 The Commission adopted these categories for advertisements because it
2 believed that a utility's revenue requirement should: (1) always include general and
3 safety ads, provided such costs are reasonable, (2) never include the cost of
4 institutional or political ads, and (3) include the cost of promotional ads only to the
5 extent that the utility can provide cost-justification for the ads, (KCPL, pp. 269-271).

6 Q. What examination has the Staff performed in regard to the Company's
7 advertising expenditures?

8 A. The Staff performed an ad by ad review of all advertisements sponsored
9 by MPS and expensed during the test year. Each ad was reclassified by the Staff
10 independent of the classification already performed by the Company.

11 Q. How did the Staff determine each advertisement's classification under
12 the KCPL standard?

13 A. Each advertisement was reviewed to determine which of the following
14 "primary messages" the advertisement was designed to communicate: (1) the
15 dissemination of information necessary to obtain safe and adequate service (safety,
16 general); (2) the promotion of a particular product or service (promotional); (3) the
17 promotion of the Company's image (institutional); or (4) the endorsement of a political
18 candidate/message (political). The advertisements were then reviewed and independent
19 classifications were made. In addition, the newly classified ad was distributed to either
20 the electric or gas division of MPS.

21 Q. Does MPS classify its advertising in categories?

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1 A. MPS is currently classifying its ads based on the KCPL standard. The
2 Staff notes that many of these ads have been classified incorrectly.

3 Q. What is Schedule 1?

4 A. Schedule 1 (attached to this direct testimony) summarizes the costs
5 associated with advertisements expensed through the Missouri Division, all of which
6 were expensed as "common". "Common" costs are not charged specifically to electric
7 or gas operations, but are allocated between the two by MPS.

8 Q. How has the Staff treated general advertising?

9 A. The Staff proposes to include in the cost of service all general
10 advertising incurred by MPS during the test year. Examples of this type of advertising
11 are ads detailing the business location, office hours, telephone numbers and energy
12 analysis programs offered free of charge by MPS. Attached as Schedule 2 are
13 examples of advertisements which the Staff considers to be in the general advertising
14 category.

15 Q. How has the Staff treated safety advertising?

16 A. The Staff proposes to include in the cost of service all gas safety
17 advertising incurred during the test year. Safety advertising conveys to the customer
18 ways to safely use gas and to avoid accidents. Attached to this direct testimony as
19 Schedule 3 is an example of the Company's gas safety advertisements.

20 Q. How has the Staff treated promotional ads?

21 A. As previously defined, advertising that encourages or promotes the use
22 of a particular form of the Company's product or service (i.e., gas over electric,

1 furnaces over heat pumps) is termed promotional advertising. The Staff deemed such
2 ads as promotional, as well as those ads related to industrial development. Attached
3 as Schedule 4 are examples of Company advertisements the Staff has classified as
4 promotional.

5 Q. Did MPS have any advertising that appeared to fit into more than one
6 category for classification purposes?

7 A. Yes. The Commission has approved, in May, 1992, through File No.
8 9200365 (gas) and 9200364 (electric), MPS' submitted tariff sheets reflecting the
9 addition of new promotional practices for its employee and customer financing plans.
10 The Company ran ads during the test year that mention the availability of financing
11 from the Company to install energy efficient equipment while offering special reduced
12 rates to the customer upon installation, per the new tariffs. Such promotional-type
13 advertising, is also partly informational in nature. As noted previously, promotional
14 advertising has traditionally been disallowed by the Commission in the absence of
15 cost-justification, while informational advertising has been allowed.

16 Therefore, for the instant case, those ads depicting the "promotion" of
17 equipment while emphasizing "information" necessary to obtain financing to purchase
18 the equipment and reduced rates available as a result of the purchase, have been
19 deemed as general by the Staff, and not proposed for disallowance. However, the Staff
20 notes that this type of advertising should be held to a reasonable minimum so as to not
21 become an abusive shelter for the historic promotional advertisements. Merely adding
22 "informational" material to an otherwise promotional-type ad will not automatically

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1 shield it from disallowance in future cases. The Staff reserves the right to analyze the
2 costs associated with this type of advertising in the future, subject to adjustment.

3 Q. Was the Company able to provide cost justification to support the
4 marginal revenues and related expenses generated from its promotional advertising
5 activities?

6 A. No. The cost/benefit analysis provided by MPS in response to Staff
7 Data Request No. 59 (attached as Schedule 5) is not accurate.

8 The Company's analysis does not prove that ratepayers benefit from
9 promotional ads. The Company explicitly states in response to Staff Data Request No.
10 194 in Case No. ER-93-37 (MPS' current electric general rate proceeding) that new
11 revenues experienced by MPS do not result from promotional advertising alone, but
12 also from bill inserts and Company personnel. The Staff notes that new revenues can
13 also result from customer initiated contact. In summary, MPS has failed to identify
14 the direct benefit provided to ratepayers as a result of promotional advertising.

15 Q. How has the Staff treated institutional ads?

16 A. Institutional advertising is designed to enhance the Company's public
17 image. The Staff asserts that this form of advertising is not necessary for the
18 Company to provide safe and adequate service and therefore should not be included
19 in the cost of service. If any benefits are derived from this type of advertising, it is
20 the owners of the utility who benefit from the enhanced public image of the Company.
21 Attached as Schedule 6 are examples of Company advertisements the Staff has
22 classified as institutional.

1 Q. Did the Company provide the Staff with any advertisements of a
2 political nature?

3 A. No. MPS did not submit, nor did the Staff classify, any advertisements
4 as political.

5 Q. Were there any expenditures submitted in the Company's response to
6 test year advertising that are not assignable to one of the five categories with respect
7 to the gas operations of the Company?

8 A. Yes. Electric safety advertising and promotional novelties expenses
9 were found. Since all expenditures associated with advertising were charged as
10 common, those not assignable to one of the five categories with respect to the gas
11 operations are being removed from test year advertising as part of adjustments S-5.5
12 and S-7.1.

13
14 **PSC ASSESSMENT**

15 Q. Please explain adjustment S-8.2.

16 A. Adjustment S-8.2 annualizes the assessment submitted to MPS by the
17 Commission for the fiscal year beginning July 1, 1992.

18
19 **LOBBYING**

20 Q. Please explain adjustment S-8.4.

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1 A. Adjustment S-8.4 disallows MPS expenses recorded above the line that
2 are associated with legislation, lobbying, and public imagery associated with charitable
3 contributions.

4 Q. Are there any MPS employees involved in legislative/lobbying
5 activities?

6 A. Yes, MPS' Manager of Governmental Affairs and the Director of
7 Public Affairs, two employees in the Public Affairs Department, are associated directly
8 with the aforementioned activities. In addition, a secretary is shared between the
9 Public Affairs Department and the Communications Department.

10 Q. What is the proper procedure for gas utilities to report expenditures
11 associated with lobbying activities?

12 A. Reporting guidelines for lobbying as set forth and adopted by this
13 Commission are in accordance with the Federal Energy Regulatory Commission
14 (FERC) Uniform System of Accounts (USOA). Expenditures for the purpose of
15 influencing legislation and influencing the decisions of public officials, as well as
16 certain civic activities, are to be charged to FERC account 426.4, Expenditures for
17 Certain Civic, Political, and Related Activities (a below-the-line account), according
18 to the FERC USOA as stated in paragraph 15,447. Accounts referred to as "below-
19 the-line" are judged not necessary in deriving a utility's net utility operating income,
20 and therefore designate the investor as the provider of the funds included in these
21 accounts.

22 Q. Is this treatment being followed by MPS?

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1 A. No. The Company states in response to Staff Data Request No. 297
2 (Case No. ER-93-37) that it accounts for legislative, lobbying and charitable activities
3 in compliance with the FERC USOA, yet a review of the payroll transactions for the
4 Manager of Governmental Affairs, Director of Public Affairs, and the support secretary
5 reveal that a substantial percentage of payroll for these employees is being borne by
6 the ratepayer as an above-the-line charge to FERC account 401, Operations Expense
7 (Response to Staff Data Request No. 299 in Case No. ER-93-37, attached as Highly
8 Confidential Schedule 7). MPS has provided further conflicting responses regarding
9 this issue in its response to Staff Data Request No. 170 in Case No. ER-93-37, where
10 it states that all lobbying expenses are charged below-the-line.

11 Q. How did the Staff make an assessment regarding the proper accounting
12 treatment for the costs associated with these positions?

13 A. I issued Staff Data Request Nos. 246 and 247 in Case No. ER-93-37
14 requesting a copy of the job description for each of these positions. The responses to
15 these Data Requests are attached as Schedule 8. (A portion of Staff Data Request No.
16 246 has been classified as "highly confidential"). After a review of each job
17 description, a determination was made as to the amount of time that was spent on
18 legislative, lobbying, contributory or other related activities by these MPS employees.

19 Q. Why did this assessment include contributory and public imagery
20 activities?

21 A. While reviewing the job descriptions, attention was directed to these
22 areas because the Company's response to Staff Data Request No. 386 from Case No.

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1 ER-93-37 indicated that the Director of Public Affairs administers the contributions
2 program and her secretary provides clerical support for this program. Compensation
3 given to employees for time spent on charitable activities was not accounted for
4 separately by MPS, and was therefore charged to operation expense.

5 Q. What did the assessment reveal?

6 A. Highlights of the job descriptions are as follows:

7 *MANAGER OF GOVERNMENTAL AFFAIRS*

8 Immediate Supervisor: Director of Public Affairs

9 Principal Purpose: 1) . . . Advise management of pending legislation
10 2) . . . Present the General Assembly with MPS's
11 viewpoint

12 Fundamental Goal: . . . Increase legislative awareness . . . influence
13 legislation in a manner positive for the Division.

14 Scope Measurement: Build rapport with 43 members of General Assembly
15 representing MPS service territory.

16
17 *DIRECTOR OF PUBLIC AFFAIRS*

18 Objective: Create and maintain a favorable legislative and community
19 climate . . .

20 Subordinate: Manager of Governmental Affairs, Secretary

21 Scope Measurement: Plan, schedule, and direct effective use of suites and tickets for
22 Royals/Chiefs games . . .

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1 Major Activities: Create a positive federal legislative climate . . .
2 Create a positive state legislative climate . . .
3 Enhance the image of the Division . . . by conducting an
4 effective charitable contributions program.

6 *SUPPORT STAFF-SECRETARY*

7 Major Function: Provide secretarial support for Public Affairs and
8 Communications . . .
9 . . . Distribute tickets and input guest lists for baseball/football
10 suites.

11 Specific Duties: Distribute Royals and Chiefs tickets . . .
12 Organize MPS participation in various charitable programs . . .
13 Fill requests from schools for giveaways, tickets, etc. . .

14 Q. Were there any other expenditures associated with activities of this
15 nature that were incurred by MPS during the test year?

16 A. Yes. The Staff issued data requests which revealed that the Manager
17 of Governmental Affairs charged \$14,004 in non-labor lobbying expenses during the
18 twelve month period ending September 30, 1992, the Staff's test year. These expenses
19 were booked by MPS to activity code 900594, which is a below-the-line charge to
20 FERC account 426.4 and is consistent with the requirements of the FERC USOA.

21 In addition, MPS provided monetary support to the Missouri Electric Utilities
22 representative in Washington, D.C., in the amount of \$8,093 during the test year.

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1 These expenses were also booked correctly by MPS as a charge to activity code
2 901198, which is a below-the-line charge to FERC account 426.4.

3 Q. What is the Staff's analysis of this situation after reviewing the job
4 descriptions and other pertinent documents submitted by MPS?

5 A. The job descriptions for these employees indicate that the salary expense
6 incurred by MPS for these employees is directly related to lobbying and/or performing
7 contributive activities which should be excluded from the cost of service in this rate
8 case.

9 Q. How is MPS currently allocating the salary and associated expenses
10 distributed to these three employees?

11 A. MPS' response to Staff Data Request No. 299 in Case No. ER-93-37
12 provides the salary and applicable bonus earned by each of these employees during the
13 test year ending September 30, 1992. The Company's response to Staff Data Request
14 No. 296 indicated that MPS employees working on lobbying activities charge their
15 time to FERC account 426. MPS asserts that these employees are also involved in
16 above-the-line activities which result in a separate charge to FERC account 401.

17 An evaluation of the total payroll distributed to these employees during the test
18 year ending September 30, 1992 has shown the following payroll allocations to FERC
19 account 401: Manager of Governmental Affairs - 41%, Director of Public Affairs -
20 91%, and the support secretary - 100 %.

21 Q. Does the Staff agree with MPS' allocation of the salary for each of
22 these positions as shown above?

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1 A. No. The salary for the Manager of Governmental Affairs should be
2 assumed in total by the stockholders because his time is dedicated 100% to conducting
3 activities of a legislative and lobbying nature.

4 The salary for the Director of Public Affairs should be assumed in majority
5 (95%) by the stockholders because a great deal of her time is dedicated to supporting
6 activities of a legislative and lobbying nature, as well as conducting the charitable
7 contributions program for MPS.

8 The salary for the support secretary should be assumed in part (50%) by the
9 stockholders because 50% of her time is dedicated to providing support to the Manager
10 of Governmental Affairs and the Director of Public Affairs. A 50% allocation results
11 due to the fact that a portion of her time is spent providing support to the
12 Communications Department which, in this case, is considered an allowable expense.

13 Q. Has the Commission, in the past, ruled in favor of disallowing expenses
14 associated with legislative or lobbying activities?

15 A. Yes. Commission precedent requires that lobbying expenses be recorded
16 below-the-line. In Case No. 18,180, Missouri Public Service Company, the
17 Commission found that most lobbying activities, in the end, benefit the stockholders
18 more than the ratepayers and therefore should be treated as a below-the-line item.
19 Furthermore, the USOA required, and still requires, that lobbying expenditures be
20 recorded below-the-line in Account 426.4.

21 Q. Is there a MPS employee involved in conducting and maintaining a
22 charitable contributions program?

Direct Testimony of
Linda K. Welschmeyer

1 A. Yes. The Director of Public Affairs has this responsibility.

2 Q. What is the Staff's rationale for excluding from cost of service the
3 portion of her salary that represents public imagery through the Company's charitable
4 contributions program, in addition to the lobbying expenditures already discussed?

5 A. The Staff's premise is that all charitable donations, representative of
6 involuntary ratepayer contributions, are required to be charged below-the-line and the
7 costs associated with administration of a contributions program should be accounted
8 for accordingly. Thus, to the extent that the Director of Public Affairs is compensated
9 for conducting a charitable contributions program and the support secretary provides
10 assistance necessary to supplement the activities of this program, the salary assignable
11 to performing activities associated with the contributions program and related public
12 imagery functions should also be required to be charged below-the-line to FERC
13 account 426.4.

14 Q. What adjustment has the Staff proposed in this case in order to eliminate
15 expenditures included in the cost of service that are associated with lobbying and
16 charitable contribution activities?

17 A. With adjustment S-8.4, for which the calculation is attached as Highly
18 Confidential Schedule 9, the Staff is proposing to remove all payroll expenditures
19 associated with MPS employee involvement in legislation, lobbying, and maintenance
20 of a contributions program that were booked to FERC account 401, but should have
21 been booked below-the-line to FERC account 426.4.

RATE CASE EXPENSE

Q. Please explain adjustment S-8.5.

A. Adjustment S-8.5 annualizes rate case expense based on actual costs incurred by MPS prior to the Staff's direct filing and estimated costs for MPS throughout the remaining proceedings of Case No. GR-93-172.

Q. Were outside consultants employed in this case by MPS?

A. Yes. The outside consultants employed in this case to the point prior to the Staff's filing are John C. Dunn, MPS' witness for cost of capital and the firm of Brydon, Swearingen and England for legal representation.

Q. Over what period of time has the Staff normalized rate case expense for GR-93-172?

A. Rate case expense for Case No. GR-93-172 is being normalized over a period of four years.

Q. Why has the Staff chosen the four year normalization period as opposed to the three year period proposed in MPS' case?

A. The four year normalization period is based on the rationale employed by the Staff in the Company's electric rate filing, Case No. ER-93-37, where MPS' current regulatory plan was for the next electric rate case to be filed in 1996. Thus, going from the operation of law date for Case No. ER-93-37 (September, 1993) to the approximate operation of law date for a 1996 filed rate case, an approximate four year time span results. The Staff believes there is a greater likelihood for an electric and

1 gas utility to file a rate case during the same accounting period; the consistency in
2 applying the four year time period is reflected in this adjustment.

3
4 **NON-RECURRING ITEMS**

5 Q. Please explain adjustment S-8.8.

6 A. Adjustment S-8.8 removes non-recurring items, embodied in the test
7 year financial results, from the cost of service.

8 Q. What particular item is being labeled as non-recurring?

9 A. The report on natural gas constraints conducted by the WEFA Group.

10 Q. Why are non-recurring expenses removed from the cost of service?

11 A. Rates are set prospectively by this Commission. The exclusion of non-
12 recurring expenses from the cost of service is appropriate in order to set rates on a
13 going-forward basis.

14
15 **MEALS INCLUDED IN THE COST OF SERVICE**

16 Q. What does adjustment S-8.9 represent?

17 A. Adjustment S-8.9 reduces the total amount of meals included in the cost
18 of service during the test year by 20%.

19 Q. Please explain the criteria upon which this adjustment is based.

20 A. Upon evaluating the costs associated with MPS memberships in
21 organizations that provide no apparent benefit to the ratepayers, I submitted Staff Data
22 Request No. 261 in Case No. ER-93-37 to ascertain whether there was an inclusion in

Direct Testimony of
Linda K. Welschmeyer

1 the cost of service for meals at the various functions hosted by the organizations to
2 which MPS pays dues.

3 The Company acknowledged that the cost of service did include costs for meals
4 at these various functions, but a quantification of such costs was not available.

5 Q. What is the source of this adjustment?

6 A. Due to the immense scope of locating individual costs applicable to
7 meals of this nature, a less time consuming approach was taken. Thus, the Cost
8 Element Charges Analysis served as the source for this adjustment.

9 Q. What is the Cost Element Charges Analysis?

10 A. This document was provided by MPS in response to Staff's Data
11 Request No. 261, in which the amount of any meals at various functions hosted by the
12 organizations to which MPS is a member and serves as a record of all personal
13 employee meal expenses reimbursed by MPS. This document serves as MPS' source
14 document for computing MPS' federal income tax deduction for meals and
15 entertainment expenses.

16 Q. How was this report utilized in arriving at this adjustment?

17 A. Each line item is identified in part by a document/sequence number, an
18 activity code, and applicable meal amount charged. Amounts corresponding with
19 entries charged below-the-line were subtracted from each month's total and therefore
20 excluded from this adjustment. Only those amounts charged above-the-line are
21 represented in the test year total of meals included in the cost of service.

1 Q. Why has the Staff chosen to reduce the level of meals included in the
2 cost of service by 20 percent?

3 A. To the extent that an exhaustive study could not be made regarding the
4 individual meals charged to the cost of service, coupled with the inability to confirm
5 whether all meals being reimbursed by MPS were truly representative of business
6 related meals or whether they represented mere social appointments, the Staff relied
7 upon Internal Revenue Service (IRS) Code 916 and applied the 80 Percent Limitation
8 Rule to the total amount of meals included in the cost of service, whereby an
9 assumption was made that legitimate business meals make up 80% of the total and the
10 questionable meals represent the 20% remainder.

11 Q. Why has the Staff relied upon IRS Code 916 for this issue?

12 A. The method utilized in IRS Code 916 was chosen because (for tax
13 purposes) MPS's deduction for federal income tax purposes is limited to 80% of
14 allowable meal expenses. In terms of consistency and acceptability, the same rationale
15 was applied to the amount of meals included in the cost of service during the Staff's
16 test year.

17
18 **INDUSTRY ASSOCIATION DUES**

19 Q. Please explain adjustment S-8.10.

20 A. Adjustment S-8.10 has two parts, the first of which decreases test year
21 expense for a portion of the annual payment made by MPS to the American Gas

Direct Testimony of
Linda K. Welschmeyer

1 Association (AGA) which is related to lobbying, advertising and community affairs
2 activities.

3 Q. What is the AGA?

4 A. The AGA is a national trade association of the natural gas industry, the
5 primary function of which is to act as a spokesman for the gas utility industry.

6 Q. Please explain the basis for your adjustment.

7 A. The Commission has traditionally disallowed expenses related to trade
8 association lobbying activities. With regard to advertising, the AGA sponsored a
9 substantial amount of marketing campaigns during the test year which, unless proven
10 to benefit customers by the company, cannot be shown to release any benefit to the
11 ratepayer. Accordingly, the company's response to Staff Data Request No. 81 failed
12 to provide such justification. The AGA's community affairs cost center serves to
13 implement national consumer and community affairs programs while supporting yet
14 another gas industry advocate, the American Gas Foundation. To the extent these
15 programs are national and lend support to other industry organizations likely to have
16 interests similar to the AGA, the Staff is proposing to remove from the cost of service
17 the portion of AGA dues assigned to the consumer and community affairs programs
18 by the applicable ratio.

19 Q. How did you determine the amount of AGA dues subject to adjustment?

20 A. The AGA budget was reviewed to derive ratios of lobbying, advertising
21 and community affairs to the total AGA budgeted expenses. The ratios were then

1 applied to the Company's AGA membership dues to arrive at the adjustment amount.

2
3 **MEMBERSHIP DUES**

4 Q. Please explain the second part of adjustment S-8.10.

5 A. The second part of adjustment S-8.10 decreases test year expense
6 included in the cost of service attributable to membership dues which have not been
7 proven by MPS as necessary for the utility to provide safe and adequate service, as
8 well as dues which pertain to electric operations only.

9 The Company was not able to quantify specific benefits accrued to ratepayers
10 as a result of membership within these organizations; thus the Staff proposes that these
11 expenses be disallowed.

12 Q. Please explain the approach taken by the Staff to remove organizational
13 dues from the cost of service.

14 A. The Company submitted, on an individual basis, all dues paid during the
15 test year in response to Staff Data Request No. 103 in Case No. ER-93-37. Additional
16 membership dues were discovered by the Staff during its ad-by-ad review of MPS's
17 advertising. All dues removed from the cost of service by the Staff were categorized
18 as either:

- 19 1. Representative of involuntary ratepayer contributions;
- 20 2. Supportive of activities which are duplicative of those performed by
21 other organizations to which the Company belongs, or to which there is more
22 than one employee holding membership;

Direct Testimony of
Linda K. Welschmeyer

1 3. Payment made in exchange for meals at various organizational
2 functions; or

3 4. Payment representing other activities which have not been demonstrated
4 to provide direct benefit to the ratepayer.

5 Q. Did the Company quantify monetary benefits accrued to the ratepayer
6 that were derived from these memberships?

7 A. No. I issued Staff Data Request Nos. 112 and 311 in Case No. ER-93-
8 37 asking the Company for any quantifiable benefits accrued to the ratepayers as a
9 result of MPS' membership in a given organization. An allocation of benefits between
10 ratepayers and shareholders was also requested in those data requests. The Company's
11 response stated that the cost of dues and membership fees are charged 100% to the
12 ratepayers, but a quantification of the benefits derived had not been made by MPS.
13 The Company was not able to quantify specific benefits accrued to ratepayers as a
14 result of membership within these organizations and did not choose to allocate the
15 costs between ratepayers and shareholders. Thus, the Staff proposes that any expenses,
16 for which a direct benefit to customers could not be demonstrated, should be removed
17 from the cost of service.

18 Q. How was the nature of each organization assessed?

19 A. Staff Data Request No. 103 in Case No. ER-93-37 was submitted to
20 determine the nature of those organizations to which MPS is a member. The Company
21 provided a brief narrative for each organization under review.

22 Q. Please explain Schedule 10.

Direct Testimony of
Linda K. Welschmeyer

1 A. Schedule 10 (attached to this direct testimony) is an itemized list of all
2 organizations MPS belonged to during the test year. The cost of membership
3 associated with each line item has been evaluated and itemized as "allowed" (A), or
4 "disallowed" (D). The reason for excluding a particular expenditure from the cost of
5 service is shown adjacent to the name of the organization. Each number relates to one
6 of the four reasons previously categorized on page 30.

7 Q. Does this conclude your direct testimony?

8 A. Yes, it does.

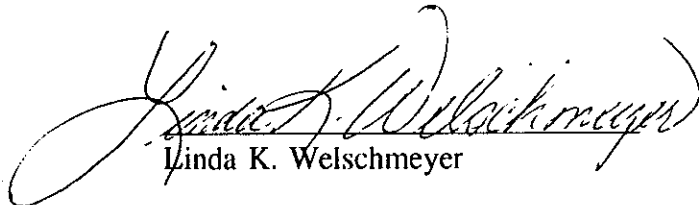
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the matter of Missouri Public Service,)
a division of UtiliCorp United, Inc.'s)
proposed tariffs to increase rates for) Case No. GR-93-172
gas service provided to customers in)
the Missouri service area of the company.)

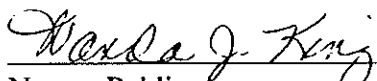
AFFIDAVIT OF LINDA K. WELSCHMEYER

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

Linda K. Welschmeyer, of lawful age, on her oath states: that she has participated in the preparation of the foregoing Direct Testimony in question and answer form, consisting of 31 pages to be presented in the above case; that the answers in the foregoing Direct Testimony were given by her; that she has knowledge of the matters set forth in such answers; and that such matters are true and correct to the best of her knowledge and belief.


Linda K. Welschmeyer

Subscribed and sworn to before me this 27th day of May, 1993.


Notary Public
Cole County Missouri

My Commission Expires: 9/4/95

ADVERTISING EXPENSE
SCHEDULE OF ACTUAL/BUDGET ACTIVITY
12 MONTHS ENDED 9/30/92
(excludes payroll)

S:\93E_CASE\ADVERTIS.WK1

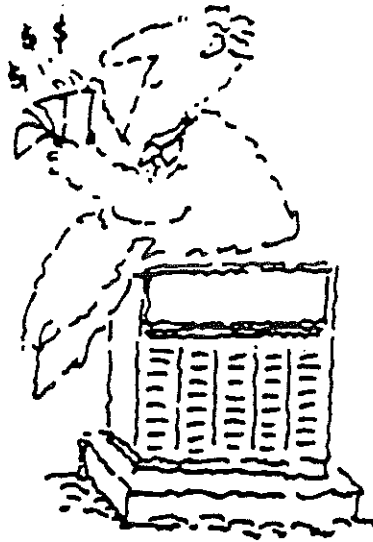
<u>FERC</u>	<u>Act.</u>	<u>Description</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>Sept</u>	<u>Total</u>
90900	900277	Info & Instruct Adv E	0	15,751	4,640	565	0	7,242	3,056	1,324	43	276	908	191	\$33,996
90900	900494	Safety Adv-Sales Exp	0	420	3,411	0	59	84	0	4,043	0	0	28,702	7,520	\$44,239
91000	900278	Misc Cust Serv/Info E	20,067	3,412	978	5	113	12,393	21,116	2,753	5,942	15,098	2,503	2,797	\$87,177
91000	900495	Home Show Expenses	2,016	209	225	3,750	1,830	1,525	6,583	0	375	0	375	0	\$16,888
91300	900281	General Adv-Sales Ex	1,915	0	19	115	64	0	0	0	1,269	25	7	1,676	\$5,090
91300	900488	Mkt Media/Mail Adv	0	6,145	0	0	36	41	0	6,000	3,000	4,141	34,464	8,743	\$62,570
91300	900493	Coop Adv (by district)	567	1,376	3,829	268	1,951	2,178	1,458	1,878	5,341	2,512	4,295	4,342	\$29,995
93010	900335	General Advertising	4,017	36,282	658	6,447	2,145	1,005	5,628	2,474	1,269	4,151	3,405	2,380	\$69,861
93010	901197	Industrial Developmen	4,065	(4,200)	6,154	505	3,090	1,310	1,647	0	2,189	323	13,089	(301)	\$27,871
93010	901533	Institutional Adv	0	0	(10)	0	0	0	0	120	(120)	0	0	0	(\$10)
TOTAL			\$32,647	\$59,395	\$19,904	\$11,655	\$9,288	\$25,778	\$39,488	\$18,592	\$19,308	\$26,526	\$87,748	\$27,348	\$377,677

Total Company	
General	\$196,124
Safety	\$44,239
Promotional	\$109,453
Industrial Develop	\$27,871
Institutional	(\$10)
Political	\$0
Total	<u>\$377,677</u>

Electric Retail	
General	\$162,563
Safety	\$36,669
Promotional	\$90,723
Industrial Develop	\$23,102
Institutional	(\$8)
Political	\$0
Total	<u>\$313,048</u>



MISSOURI PUBLIC SERVICE



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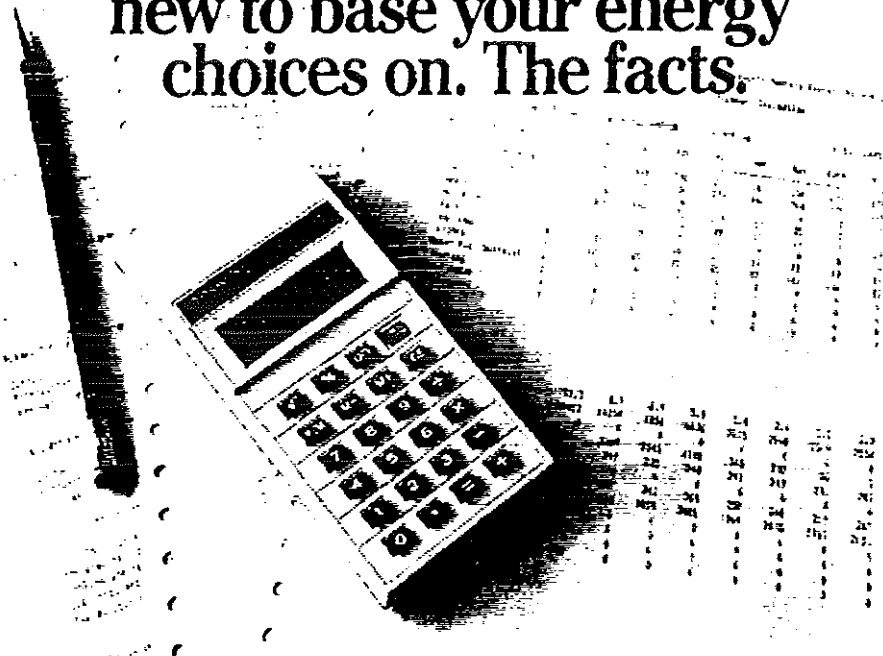
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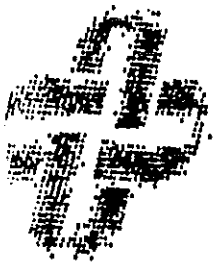
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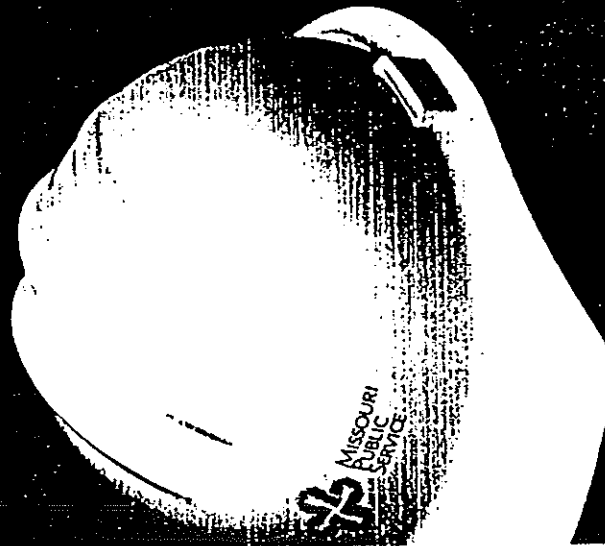
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*Missouri
Public Service
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**MISSOURI PUBLIC SERVICE
DATA INFORMATION REQUEST
Case No. GR-93-172**

No. PSC 59

Requested From: Gary Clemens

Date Requested: March 25, 1993

Information Requested: Please provide a marginal revenue analysis between increased revenues and promotional advertising.

Requested By: Linda K. Welschmeyer

Information Provided: The September 1992 YTD margin for gas sales is \$64,898 (Attachment #1). Associated advertising expenses incurred under Responsibility Center 132 for the same time period were \$9,318.62 (Attachment #2). The benefit/cost ratio for September 1992 YTD is 7.0 for all gas customers. The December 1991 YTD margin for gas sales is \$44,048 (Attachment #3). Associated advertising expenses incurred under Responsibility Center 132 for the same period were \$2,311.55 (Attachment #4). The benefit/cost ratio for December 1991 YTD is 19.1 for all gas customers. Both ratios indicate that the amount of money spent on advertising during both time periods is a good use of our Division's funds. Through September 1992 YTD we realized 34,520 additional MCF sales (Attachment #1) and through December 1991 YTD we realized 1,320 additional MCF sales (Attachment #3).

Date Information Provided: April 1, 1993

02/02/93

**ANNUAL REVENUE/MARGIN ESTIMATES FROM SALES RESULTS
FOR THE MONTH OF: SEPTEMBER 1992 YTD**

Sales Categories	Total Unit Sales	Energy Sales Per Cust	Annual Sales	Revenue		Margin	
				Per Mrktg Unit \$	Annual	Per Mrktg Unit \$	Annual
RES-NEW CONSTRUCTION:							
Nat Gas Heating--	121	110 Mcf	13310 Mcf	\$660.00	\$79,860	\$206.80	\$25,023
RES-CONVERSIONS:							
Nat Gas Heat--	168	110 Mcf	18480 Mcf	\$660.00	\$110,880	\$206.80	\$34,742
COML SPACE HEATING:							
New Nat Gas--	6	210 Mcf	1260 Mcf	\$1,121.40	\$6,728	\$394.80	\$2,369
Nat Gas Conversions--	7	210 Mcf	1470 Mcf	\$1,121.40	\$7,850	\$394.80	\$2,764
TOTALS:							
Natural Gas--	302		34520 Mcf		\$205,318		\$64,898
GRAND TOTALS:					\$205,318		\$64,898

NOTES: Gas margin is based on \$1.88 margin from last gas rate case.

Attachment #2

January-September 1992 RC 132 Advertising Expenses

900277	Inform. & Instruc. Advertising Expense	\$10,667.41
900488	Marketing Media/Mail Advertising	22,417.00
900493	Co-op Advertising - By District	24,082.09
901197	Industrial Development Advertising	<u>2,530.00</u>
	Total	\$59,696.50
	Gas Allocation Factor	<u>15.61%</u>
	Total Gas RC 132 Advertising Expense	\$ 9,318.62

02/02/93

MPS 1992 REVENUE/MARGIN ESTIMATES FROM 1991 SALES -- 1991 ACTUAL

	1991 ACTUAL CUST/UNITS	SALES PER CUST (KWH/MCF)	REVENUE PER UNIT \$	MARGIN-\$ PER UNIT	ANNUAL REVENUE \$	ANNUAL MARGIN \$	MARGIN PER MKTG UNIT \$
RES-NEW CONSTRUCTION:							
Nat Gas Heating--	0	0 mcf	6.00	1.88	0	0	\$0.00
RES-CONVERSIONS:							
Nat Gas Heat--	150	110 mcf	6.00	1.88	99,000	31,020	\$206.80
COML SPACE HEATING:							
New Nat Gas--	0	0 mcf	5.34	1.88	0	0	\$0.00
Nat Gas Conversions	33	210 mcf	5.34	1.88	37,006	13,028	\$394.80
TOTALS:	183				\$136,006	\$44,048	\$240.70

NOTES: 1. Gas margin is based on \$1.88 margin from last gas rate case.

Attachment #4

January-December 1991 RC 132 Advertising Expenses

900281	Miscellaneous Advertising Expense	\$ 40.00
900493	Co-op Advertising - By District	<u>14,768.14</u>
	Total	\$14,808.14
	Gas Allocation Factor	<u>15.61%</u>
	Total Gas RC 132 Advertising Expense	\$ 2,311.55

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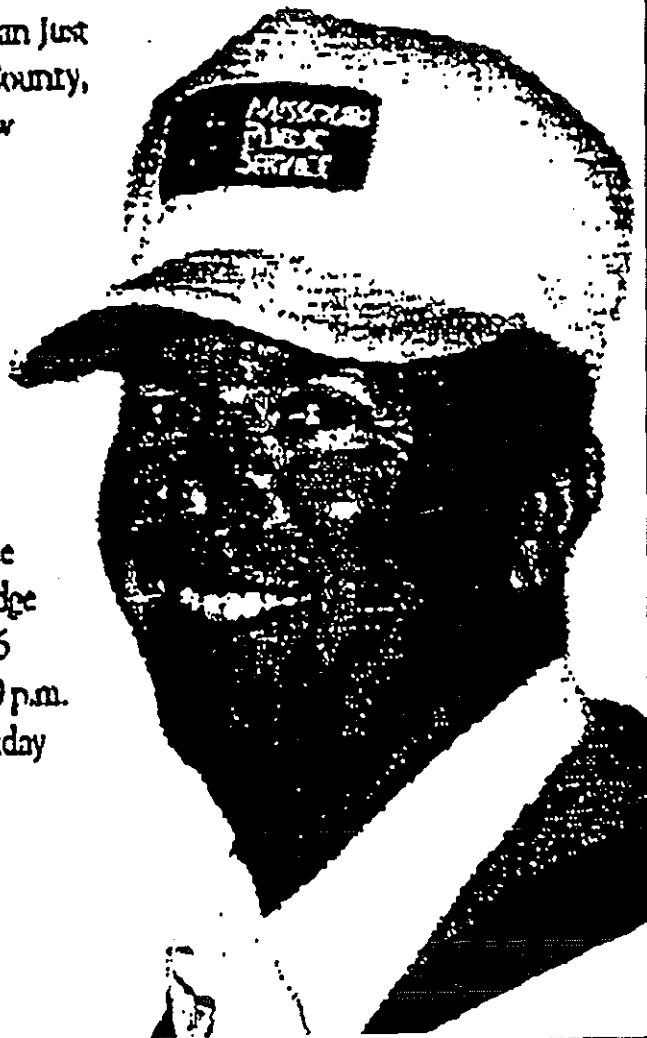
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Monday-Friday

Smithville
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532-0836

8 a.m. to 4:30 p.m.
Monday-Friday



MISSOURI
PUBLIC
SERVICE



**MISSOURI PUBLIC SERVICE
DATA INFORMATION REQUEST
Case No. ER-93-37**

No. PSC 299

Requested From: Brad Lewis

Date Requested: November 18, 1992

Information Requested: Please provide the amount of salary along with any bonuses charged above and below the line for the twelve-month period ending 9-30-92 for the following:

Requested By: Linda K. Welschmeyer

Information Provided:

	FERC Acct	Salary (Bare Payroll)	Bonus
1. Manager-Governmental Affairs.	401	**	**
	426	**	**
	Totals	**	**
2. Director-Public Affairs.	401	**	**
	426	**	**
	Totals	**	**
3. Any support staff of 1. and 2. above.	401	**	**
	Totals	**	**

Date Information Provided: November 24, 1992

**MISSOURI PUBLIC SERVICE
DATA INFORMATION REQUEST
Case No. ER-93-37**

No. PSC 246

Requested From: Brad Lewis

Date Requested: November 12, 1992

Information Requested:

1. Please provide the name, position, and job description for any support staff of the Manager-Government Affairs and the Director of Public Affairs.
2. Please provide the annual salary of each employee referenced in 1. above for the test year ended 9-30-92.

Requested By: Linda K. Welschmeyer

Information Provided:

1. The only support staff is a Secretary, who is shared with the Communications Department. That position was filled by Joy McGuire during the period October 1, 1991, through July 17, 1992. Lori Setty moved to that position on July 15, 1992, and continues to fill that position. A position description is attached.
2. The total salary, including vacation, sick leave, holidays and overtime, paid to the Secretary for the Public Affairs Department for the test year period was ** _____ **

Date Information Provided: November 20, 1992

MISSOURI PUBLIC SERVICE
NONEXEMPT POSITION QUESTIONNAIRE

JOB TITLE: Secretary DATE: 11/19/91
DEPARTMENT: Secretarial Services
INCUMBENT: Joy McGuire
IMMEDIATE SUPERVISOR Title: Coordinator
Name: Terry Lutes

=====

This questionnaire is designed for you to explain or define the duties and scope of your job. It is not an attempt to determine how well you perform, but to describe what your job involves.

=====

1. MAJOR FUNCTION: Briefly state your job's overall purpose, emphasizing the general function or duty for which your position is responsible. (Limit this statement to one or two sentences.)

Provide secretarial support for Public Affairs and Communications. Type correspondence, distribute periodicals, file, answer phone, distribute tickets, input guest lists, etc., for baseball and football suites.

2. EQUIPMENT OPERATION: What percentage of your total working time is spent operating equipment? 50. List the various equipment you must operate as part of your job and the percentage of your total working time spent on each. Do you also service or repair the equipment? yes X no. If so, please describe.

<u>EQUIPMENT USED</u>	<u>% OF TIME</u>
PC	40
Typewriter	5
Copier	5

3. **SPECIFIC DUTIES:** Starting with the most important, list and describe the duties which make up your regular assignments. This should include all the duties you perform. Use specific verbs of action, such as file, compile, operate, etc; avoid process, prepare, handle and assist. State the frequency (i.e., daily, weekly, monthly, occasionally) and the approximate percentage of your total time spent on each duty. If necessary, attach additional sheets of paper.

DUTIES

FREQUENCY

% OF TIME

Distribute news releases, news letters, holiday notices, many other publications, materials, and information, including UCU publications and news releases. All go to all employees. All news releases are posted on bulletin boards in G.O. buildings. Print, order or handwrite labels.	Daily	20
Type correspondence, operate PC file, run copier. Answer phones, take and deliver messages. Open and distribute mail.	Daily	40
Enter accounting information on all invoices, get approved, input into PC records, send to accounting, receive checks, type letters if necessary, xerox. At end of month compile monthly contributions and membership reports to be attached to Public Affairs status report.	Daily	5
Distribute Royals and Chiefs tickets, update suite and ticket schedules, input guests lists, order food, order repairs to suites, drive to stadiums to pick up extra tickets. Begin March, end December.	Daily	10
Have posters, information sheets and scholarship applications printed. Send materials to district offices along with instructions. Follow through with all work necessary to finalize program. Begin in Jan., finish in May.	Annually	10
Fill numerous special requests from employees, other divisions, outside firms and schools for publications, giveaways, tickets, etc.	Daily	3
Distribution of annual reports. Send previous year's lists to officers and departments for updating. Input changes. Have enclosure cards printed, labels run, stuff, seal, mail. Begin in March, finish in May.	Annually	3
Organize MPS participation in various charitable programs such as the Bowl-A-Thon, Harvesters and Telemarketing and follow through to completion.	Occasionally	5

Tree trimming letters. Find out all necessary information from district office. Fill in proper letter on PC and print. Attach information sheet on natural tree trimming. Order number needed from printing. Have them sent to district office.	Occasionally	2
Send out senate and house bills for employees' comments.	Annually	2

4. **CONTACT WITH OTHERS:** During the regular course of your job, what persons in other departments within the Division or groups outside the Division are you required to contact and/or work with, approximately how often, and for what purpose (i.e., fact finding, clarification, negotiation, persuasion etc.)

<u>Internal Contacts</u>	<u>Frequency</u>	<u>Purpose</u>
Word Processing	Varies-Weekly	For their assistance.
Printing	Varies-Daily	For their assistance.
Department Heads	Varies	Fact finding and giving information to them.
Most Divisions	Varies	Fact finding & clarification
District offices.	Varies-Daily	Fact finding & clarification
<u>Outside Contacts</u>	<u>Frequency</u>	<u>Purpose</u>
Chambers of Commerce, civic organizations, etc.	Daily	Fact finding & verification
Royals and Chiefs.	Daily, April - Dec.	Fact finding & verification
School teachers & librarians .	Varies	Furnish information.

5. **WORK DIRECTIONS:** Do you have responsibility for directing the work of other employees (distributing work to others, guiding the work flow within a specific area, reviewing the work of others, assigning persons to specific tasks or training new employees)? Yes _____ No x
- Do you have the authority to make hiring and dismissal decisions? Yes _____ No x
- If you answered "yes" to either question, please describe the duties of your work direction and the titles of the positions you direct.

6. **DIFFICULTY OF WORK:** What is the most difficult part of your job: What really makes you think?

Prioritizing projects. Several are usually in progress at the same time. They must be organized so as to take as little time as possible, be done correctly and all deadlines met.

7. **KNOWLEDGE, SKILLS, ABILITY:** What knowledge, skills and abilities are necessary to perform your job completely? Be specific.

PC and typing skills. Knowledge of WordPerfect or comparable software. Ability to work under pressure; be a self-starter with initiative to follow through.

8. **EDUCATION, TRAINING, AND EXPERIENCE:** Describe (a) the minimum level of formal education or equivalent required for a new employee in your position; (b) special courses that are necessary; and (c) the type and length of prior experience required to do your job fully.

a) High School graduate.

b) Basic secretarial courses. PC training. Public relations courses would be helpful.

c) Prior experience in public affairs would be helpful. Position now has responsibility of maintaining news release lists, so a little experience in communications would also be helpful.

9. **LEARNING PERIOD:**

a) How long would a new employee with the background specified in 7 and 8 above need to be in this job to perform it competently?

Many of the duties are on a semiannual or annual schedule. Therefore, two years would be required to perform the job competently.

b) What aspects of this job take longest to learn and why?

Preparing invoices for payment. There are three budgets (Public Affairs, Governmental Affairs and Communications) and all account numbers must be furnished to Accounting Dept.

10. CAREER PATH: Describe a typical career path that an individual might take to gain the skills or experience necessary for this position. What sequence of education and previous jobs would best prepare the individual? Please list the desired background, not your own experience.

An individual should take typing, computer training and accounting in high school, or business school. Previous jobs in government or politicians offices, or in any company in their public affairs, communications or marketing departments would be good experience.

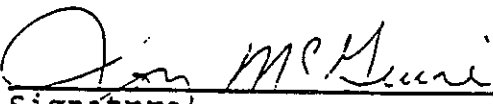
11. WORKING CONDITIONS: (a) Describe the physical environment in which you work (office, open area, outdoors); (b) the degree of strenuous activity in your job (continual lifting, degree of physical effort); and (c) the level of concentration required (give an example).

a) cube in open area

b) Not strenuous but requires a good deal of walking.

c) Total concentration ^{to} ~~and~~ eliminate most errors and get the job completed on time.

12. ADDITIONAL INFORMATION: List any information not included in your previous answers that would help someone better understand your position.


Signature

11-25-91
Date

SUPERVISOR'S SECTION

(To be completed by position's immediate supervisor)

1. Are there any items that will make the questionnaire more complete or accurate?

Lynda Hammond
Signature

11-25-91
Date

IMPORTANT: Significant differences between the employee's and the supervisor's view should be discussed and resolved prior to submission of the questionnaire.

**MISSOURI PUBLIC SERVICE
DATA INFORMATION REQUEST
Case No. ER-93-37**

No. PSC 247

Requested From: Brad Lewis

Date Requested: November 12, 1992

Information Requested: Please provide the job description for the Manager-Government Affairs and the Director-Public Affairs.

Requested By: Linda K. Welschmeyer

Information Provided: The most recent job descriptions are attached.

Date Information Provided: November 24, 1992

MISSOURI PUBLIC SERVICE
EXEMPT POSITION QUESTIONNAIRE

JOB TITLE: Manager-Governmental Affairs TODAY'S DATE: 1/30/92
DEPARTMENT: Public Affairs
INCUMBENT: Steve Murray
IMMEDIATE SUPERVISOR Title: Director-Public Affairs
 Name: Judith L. Ness

PART I. DESCRIPTION OF POSITION

- A. POSITION PURPOSE: State briefly the principal purpose or focus of your position. Describe the primary function of your position (what the position must accomplish) and the major objective (why that function is performed).

The principal purpose is twofold:

- 1) To advise and recommend positions to management on pending legislative and regulatory matters.
- 2) To present members of the General Assembly with the MPS viewpoint on issues in an effective, organized manner.

The fundamental goal is to increase legislative awareness of the issues important to MPS and influence legislation in a manner that is positive for the Division.

- B. SUBORDINATE POSITIONS: What are the titles of subordinates who directly report to you? Provide a brief description of each position. Indicate the total number of exempt and non-exempt employees reporting directly or indirectly to your position. Attach additional sheets if necessary.

1.	Subordinate Title:	No. of Employees Reporting Directly/Indirectly To This Position	
		Exempt:	Non-Exempt:
	Position's Function: None		
2.	Subordinate Title:	No. of Employees Reporting Directly/Indirectly To This Position	
		Exempt:	Non-Exempt:
	Position's Function:		
3.	Subordinate Title:	No. of Employees Reporting Directly/Indirectly To This Position	
		Exempt:	Non-Exempt:
	Position's Function:		
4.	Subordinate Title:	No. of Employees Reporting Directly/Indirectly To This Position	
		Exempt:	Non-Exempt:
	Position's Function:		
5.	Subordinate Title:	No. of Employees Reporting Directly/Indirectly To This Position	
		Exempt:	Non-Exempt:
	Position's Function:		

C. QUANTITATIVE DATA: Indicate important scope data which impacts how you do your job and demonstrates its size or effect on the organization. State all figures on an annual basis. Estimated numbers are satisfactory.

1. Dollar Measures: e.g., revenue, project budgets, capital expenditures, accounts payable or receivable, relevant expenses, volume of purchases, sales, etc.

ITEM	ANNUAL AMOUNT
<u>Negative impact on revenue of SB544</u>	<u>\$ 200,000</u>
<u>Potential cost of Public Counsel</u>	<u>\$ 25,000</u>
<u>Potential cost of HB 1491</u>	<u>\$ 12,000,000</u>

2. Unit Measures: e.g., number of projects supervised, number of contracts, number of plans, number of requests processed, number of applications, etc.

ITEM	ANNUAL AMOUNT
<u>Service area legislators call on</u>	<u>43</u>
<u>Bills followed each year</u>	<u>1,200 to 1,500</u>
<u> </u>	<u> </u>

3. Total annual budget for which you are held accountable (if any):

\$ 37,170

4. Any other scope measurements pertinent to your job.

ITEM

- 1) Monitor 1200-1500 bills introduced in General Assembly.
- 2) Prepare position paper on legislative and regulatory matters.
- 3) Maintain and update MPS Guide to Government..
- 4) Build rapport with 43 members of General Assembly representing MPS service territory.
- 5) Prepare "Inside the Dome" newsletter on regular basis.
- 6) Represent MPS on State Affairs Committee.
- 7) Represent MPS on Mo. Electric Utilities Legislative Committee.
- 8) Administer MoPub Political Action Committee.
- 9) Serve on UCU Government Relations Task Force.

- D. **PRINCIPAL ACCOUNTABILITIES:** List five to eight brief statements which describe only the major activities for which your position is accountable. Identify each activity's relative weight or ranking and the result it is intended to accomplish. (Note: No activity should be less than 5%). Do not list all individual tasks or steps which must be performed to accomplish the end result.

WEIGHT	END RESULT (WHY YOUR POSITION EXISTS)	MAJOR ACTIVITIES TO ACCOMPLISH END RESULT (WHAT DO YOU DO? HOW DO YOU DO IT?)
45	Inform management of pending legislation.	1) Monitor legislation introduced. 2) Draft position papers. 3) Chair advisory committees & task forces. 4) Confer with other departments.
45	Influence positive outcome of legislation.	1) Maintain constant personal contact with legislators. 2) Provide accurate, timely & credible information. 3) Provide testimony.
10	Plan annual PAC meeting & events.	1) Plan meeting. 2) Solicit new PAC members. 3) Arrange for legislators to speak at meetings.

E. PRINCIPAL CHALLENGES: Describe the nature and variety of the most typical and the most complex problems you face in this position and your long- and short-range challenges.

1. Typical Problems:

- Responding quickly to information requests.
- Preparing reports in a timely manner.
- Staying current on a wide variety of issues.

2. Most Complex Problems:

- Distilling technical information into form understood by laymen.

3. Challenges:

- Providing information in a timely manner.
- Staying current with new information.
- Communicating effectively with legislators.
- Staying organized in the face of constant travel.

G. **KEY CONTACTS:** Many positions require contact with other sources to accomplish tasks such as gathering information or ensuring coordination. These sources are considered key contacts.

1. What are the most significant professional contacts you have within the organization? Describe approximately how often per month they occur and their purpose. Consider only contacts other than your work unit. Contacts may be individuals (by title) or groups (departments, task forces, committees, etc.). Describe the purpose of the contact (e.g. fact finding, clarification, negotiation, persuasion, etc.)

<u>Contact</u>	<u>Frequency</u>	<u>Purpose</u>
Marketing	Weekly/Monthly	Get information. Research
Customer Services	Weekly/Monthly	"
Transmission & Distribution Eng.	"	"
Regulatory Affairs	"	"
Fuels Dept.	"	"
Tax Dept.	"	"
Environmental	"	"
Power Supply	"	"

2. What (by title or group) are the most significant job related contacts you have outside the organization? (i.e., customers, vendors, etc.).

<u>Contact</u>	<u>Frequency</u>	<u>Purpose</u>
Legislators (Elected Officials)	Daily/Weekly	Communication & coordinating positions.
K.C. Chamber of Commerce	Weekly	"
Mo. Electric Utility Leg. Committee	Daily/Weekly	"
MAMU	Monthly	"
MAREC	Monthly	"

PART II. KNOWLEDGE AND BACKGROUND REQUIREMENTS

- A. In Section I, list the minimum requirements of knowledge and the type and length of previous experience necessary for an individual to be considered for this position. In Section II, give additional characteristics that are desirable but not essential.

I. Minimum:

- College degree.
- Good written and verbal communications skills.
- Good human relations skills.

II. Desirable But Not Essential:

- Technical knowledge of utilities.
- PUR Guide training.
- Regulatory knowledge.
- PC training.

- B. What aspects of this position take the longest to learn and why?

Legislative issues cover a broad range of topics. You often need a historical perspective of both the company's position and the legislature's. Also the complexity of the utility business requires time to learn.

PART III. REVIEW BY SUPERVISOR

(To be completed by position's immediate supervisor)

A. Are there any items that will make the questionnaire more complete or accurate?

- This position has significant impact on the Division because of the potential cost and effect of the wide variety of legislation that can be introduced.
- The incumbent is the Division's primary contact with legislators. The relationship developed with legislators by the incumbent is key to maintaining a positive legislative climate for the Division.
- The position requires that the incumbent spend four days out of town each week for the 5 1/2 months the Missouri legislature is in session.



SUPERVISOR'S SIGNATURE

2/4/92

DATE

IMPORTANT: Significant differences between the supervisor's view should be discussed and resolved prior to submission of the questionnaire.

EXEMPT POSITION QUESTIONNAIRE

JOB TITLE: Director-Public Affairs TODAY'S DATE: 9/8/92
DEPARTMENT: Public Affairs
INCUMBENT Judy Ness
IMMEDIATE SUPERVISOR Title: Senior Vice President-Customer Services
Name: Alan Caron

PART I. DESCRIPTION OF POSITION

- A. **POSITION PURPOSE:** State briefly the principal purpose or focus of your position. Describe the primary function of your position (what the position must accomplish) and the major objective (why that function is performed).

The Director-Public Affairs plans, directs and implements the activities of the Public Affairs Department - including developing and conducting effective federal and state governmental affairs programs that enable the Division to operate efficiently, effectively and profitably; identifying, planning and implementing community relations programs to position the Division as a leading corporate citizen in its communities; enabling the Division to make significant contributions to its communities by planning and implementing the Division and Missouri Public Service Charitable Foundation's charitable contribution programs; initiating and conducting programs to strengthen relationships with key constituents; and developing and conducting programs that foster a positive image for the Division.

The objective of the Public Affairs Department is to create and maintain a favorable legislative and community climate that positions Missouri Public Service as a recognized leader in the energy industry and enhances Missouri Public Service's long-term profitability.

- B. **SUBORDINATE POSITIONS:** What are the titles of subordinates who directly report to you? Provide a brief description of each position. Indicate the total number of exempt and non-exempt employees reporting directly or indirectly to your position. Attach additional sheets if necessary.

1.	Subordinate Title: Manager-Governmental Affairs	No. of Employees Reporting Directly/Indirectly To This Position	
		Exempt: 0	Non-Exempt: 0
	Position's Function: To initiate and implement effective Missouri Governmental Relations programs designed to pass legislation required to enhance the Division's competitive and social position and assure profitable long term operations and to prevent passage of legislation that negatively affects the Division's customers, employees and shareholders.		
2.	Subordinate Title: Secretary	No. of Employees Reporting Directly/Indirectly To This Position	
		Exempt: 0	Non-Exempt: 0
	Position's Function: To provide secretarial support for the Public Affairs and Communications Departments and to assist with community relations activities.		
3.	Subordinate Title:	No. of Employees Reporting Directly/Indirectly To This Position	
		Exempt:	Non-Exempt:
	Position's Function:		
4.	Subordinate Title:	No. of Employees Reporting Directly/Indirectly To This Position	
		Exempt:	Non-Exempt:
	Position's Function:		
5.	Subordinate Title:	No. of Employees Reporting Directly/Indirectly To This Position	
		Exempt:	Non-Exempt:
	Position's Function:		

C. **QUANTITATIVE DATA:** Indicate important scope data which impacts how you do your job and demonstrates its size or effect on the organization. State all figures on an annual basis. Estimated numbers are satisfactory.

1. Dollar Measures: e.g., revenue, project budgets, capital expenditures, accounts payable or receivable, relevant expenses, volume of purchases, sales, etc.

ITEM	ANNUAL AMOUNT
<u>Cost to MPS if bill levying 4 1/2 % energy conservation tax had passed</u>	<u>\$ 12,000,000</u>
<u>Charitable Contributions Budget</u>	<u>\$ 500,000</u>
<u>Community/customer relations activities</u>	<u>\$ 300,000</u>
<u>Company Memberships Budget</u>	<u>\$ 225,000</u>

2. Unit Measures: e.g., number of projects supervised, number of contracts, number of plans, number of requests processed, number of applications, etc.

ITEM	ANNUAL AMOUNT
<u>Service area legislators</u>	<u>50</u>
<u>Legislation analyzed and acted on</u>	<u>200</u>
<u>Charitable programs reviewed</u>	<u>250</u>

3. Total annual budget for which you are held accountable (if any):

\$ 2,100,000*

* Includes \$752,000 EPRI dues.

4. Any other scope measurements pertinent to your job.

ITEM
<u>Plan and direct effective use of suite and tickets for 81 Royals and 10 Chiefs Games</u>

D. **PRINCIPAL ACCOUNTABILITIES:** List five to eight brief statements which describe only the major activities for which your position is accountable. Identify each activity's relative weight or ranking and the result it is intended to accomplish. (Note: No activity should be less than 5%). Do not list all individual tasks or steps which must be performed to accomplish the end result.

WEIGHT	END RESULT (WHY YOUR POSITION EXISTS)	MAJOR ACTIVITIES TO ACCOMPLISH END RESULT (WHAT DO YOU DO? HOW DO YOU DO IT?)
25%	Create a positive federal legislative climate that enhances the Division's competitive and social position and long-term profitability by developing positions on federal legislative issues and persuading legislators to support the Division's position.	Consult frequently with UCU's Manager of Governmental Affairs on federal legislative issues; strengthen relationships with area federal legislators and their staffs and educate them about the effect of issues on the Division, its customers and shareholders; consult with appropriate Division personnel to determine impact of legislation on the Division, provide legislative analysis of issues to management and develop positions on issues.
20%	Create a positive state legislative climate that enhances the competitive and social position and long-term profitability of the Division by initiating appropriate legislation, developing positions on state legislative issues and persuading legislators to support the Division's position.	Direct the activities of the Manager-Governmental Affairs, strengthen strategic relationships with key area and state legislators and officials, coordinate activities with the Missouri electric utilities' legislative committee, advise management on issues and develop positions on those issues.

20%	Create a community climate that promotes the ability of the Division to operate effectively and efficiently and that projects a positive image for the Division in its communities by conducting an effective community relations program.	Initiate and implement community relations programs designed to enhance the Division's image in its communities. Serve as a consultant for district personnel on community relations programs and direct their participation in such programs. Community relations programs include the Speakers' Bureau; the 75th Anniversary Celebration; National Night Out observance; MPS scholarship program; Energy Education Programs; school/business partnerships; the Gatekeeper program; participation in United Way campaign, Harvester Food Drive, Corporate Challenge and other community activities; and employee volunteerism.
15%	Enhance the image of the Division in its communities by positioning the Division as a good corporate citizen by conducting an effective charitable contributions program.	Prepare budget and recommendations for contributions by reviewing charitable organization programs, setting guidelines for contributions to ensure that maximum impact is made by contributions, meeting with agency representatives to determine appropriateness of contributions, consulting with District Managers on the requests they receive, analyzing distribution of contributions, and directing the operation of and administering the MPS Charitable Foundation.

10%	Enhance the ability of the Division to operate effectively in its communities by strengthening relationships with key "customers" by ensuring the Division takes a leadership position in participation in community events and activities and makes effective use of community relations assets.	Initiate and develop opportunities for strengthening Division relationships with key constituents. Plan, schedule and direct use of the Royals' and Chiefs' suites and tickets, Starlight tickets, tickets to fundraising events such as golf tournaments and charity dinners, Chamber of Commerce luncheons and other activities that provide visibility for the Division and an opportunity for interaction between key Division personnel and community leaders.
10%	Ensure that Division district personnel deal effectively with public affairs issues by serving as a consultant and advising them on public affairs matters.	Develop and implement plans to educate district personnel on public affairs issues, serve as a consultant as situations arise, develop relationships with local elected officials, consult with district personnel on renewal of franchises and street lighting contract.

E. **PRINCIPAL CHALLENGES:** Describe the nature and variety of the most typical and the most complex problems you face in this position and your long- and short-range challenges.

1. **Typical Problems:**

More than 200 bills affecting MPS are introduced in the Missouri legislature each year. Working with the Manager-Governmental Affairs and appropriate departments, the incumbent must analyze the bills, decide which have the most significant impact, develop positions on those bills and communicate positions to legislators in manner that supports our position.

Issues often arise in our communities that have the potential of creating a negative image for the Division. The incumbent must work with the districts to create a climate that will head off problems before they occur whenever possible.

A large number of worthwhile charitable organizations request contributions from MPS. Requests exceed funds available. The incumbent must determine which contributions have the most significant impact and should receive support.

The Division makes a significant investment in the Royals' and Chiefs' suites and tickets. More people want to use the Chiefs' and Royals' suites and tickets than there are dates available. The incumbent must evaluate those requests in a manner that balances the needs with the most effective use of these assets. Once assignments are made, there are frequent requests for changes.

2. Most Complex Problems:

The U.S. Congress considers highly technical issues that have major impacts on our business. The incumbent must track the issues, educate the appropriate people within MPS so they can assist in analyzing the impact, develop and recommend positions on the issues that will enhance the competitive and financial position of the Division, then communicate with the UCU Manager of Governmental Affairs and appropriate legislators. This can be difficult because of the complexity of the issues, the difficulty of keeping track of Congressional actions from a distance and the significant number of issues that arise. A corresponding situation occurs with the Missouri legislature.

3. Challenges:

Elected officials can find utilities easy targets for political rhetoric. It is important to develop relationships with elected officials so they don't make utilities political issues.

Balancing responsibility for a variety of functions: federal legislation, state legislation, charitable contributions, community relations, suites and tickets, etc. This is accomplished with minimal staff.

- G. KEY CONTACTS: Many positions require contact with other sources to accomplish tasks such as gathering information or ensuring coordination. These sources are considered key contacts.

1. What are the most significant professional contacts you have within the organization? Describe approximately how often per month they occur and their purpose. Consider only contacts other than your work unit. Contacts may be individuals (by title) or groups (departments, task forces, committees, etc.). Describe the purpose of the contact (e.g. fact finding, clarification, negotiation, persuasion, etc.)

<u>Contact</u>	<u>Frequency</u>	<u>Purpose</u>
Officers	Daily	Consult with, educate and develop positions on legislative issues, initiate participation in community activities, advise on public affairs issues.

District Managers	Daily	Develop grass roots support with legislators in their area, consult with and direct them on public affairs issues, evaluate requests for charitable contributions, coordinate and assist on community relations activities, direct use of Royals' and Chiefs' suites and tickets, serve as a consultant on renewal of franchises and street lighting contracts.
Task Forces	Weekly	Participate in UCU Governmental Affairs Task Force, Customer Satisfaction Team, EMF Task Force, Customer Communication Task Force, Transmission Access Task Force. Provide analysis of legislative and public affairs impact and recommend appropriate actions.
UCU Manager- Government Affairs	Weekly	Provide analysis and recommendations on impact of federal legislative issues on Division, cooperate on contacts and relationships with key area federal legislators.
Department Heads	Daily	Educate and develop positions on legislative issues, coordinate participation in community activities, advise on public affairs issues.

2. What (by title or group) are the most significant job related contacts you have outside the organization? (i.e., customers, vendors, etc.).

<u>Contact</u>	<u>Frequency</u>	<u>Purpose</u>
Federal Legislators and staff	Monthly	Educate about the impact of legislative issues on the Division's competitive and financial position, persuade to support our position.
State legislators	Weekly	Educate about the impact of legislative issues, persuade to support our position, resolve constituent problems.

Government affairs representatives of other corporations	Weekly	Advise of positions on legislative issues and develop cooperation on issues of mutual interest.
Local elected officials	Monthly	Persuade to support MPS position on local issues.
Executives of other Missouri companies	Weekly	Work with on Missouri Chamber Board, on education issues, on legislative issues of mutual concern.
Community Leaders	Weekly	Enhance image of Division, involve in community activities.
Educators	Monthly	Inform of education services available and persuade to use.

PART II. KNOWLEDGE AND BACKGROUND REQUIREMENTS

- A. In Section I, list the minimum requirements of knowledge and the type and length of previous experience necessary for an individual to be considered for this position. In Section II, give additional characteristics that are desirable but not essential.

I. Minimum:

Bachelor's degree.

Thorough understanding of state and federal legislative processes.

Good oral and written communication skills.

Good human relations skills.

Five years experience in utility and/or public affairs field.

II. Desirable But Not Essential:

Experience as a lobbyist.

Bachelor's degree in area such as public affairs, public relations

10 years of public relations experience with a proven record of success

B. What aspects of this position take the longest to learn and why?

State and federal legislative processes - Both are very intricate and complicated.

Key constituencies - Must develop relationships with key legislators, local officials and community leaders. Must determine which can have the greatest impact on the Division.

Identification of key issues - A large number of issues affect the Division. It takes time to identify issues that have the most significant impact and to assess the impact on the Division.

MISSOURI PUBLIC SERVICE
CASE NO GR-93-172
ANNUALIZATION-LOBBYING DISALLOWANCE

WP NO
ADJ NO
SPONSOR

LOBBY
S-8.4
LKW

	CURRENT ANNUAL SALARY	9-30-92 TEST YEAR BONUS	PAYROLL TO BE ADJUSTED	MAY, 1993 INCREASE	ADJUSTED ANNUAL SALARY	% OF TIME SPENT LBYG/ CHAR/DONTNS	SALARY ATT TO LBYG/ CHAR/DONTNS	PERCENTAGE FUNDED BY RATEPAYER	ADJUSTMENT
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Manager of Gov't Affairs **									**
Director of Public Affairs**									**
Secretary:Pub Affs/Comm **									**
SALARY (TOTAL CO) TO BE MOVED BELOW-THE-LINE **									**
X GAS FACTOR (A&G) **									**
ADJ A&G TO MOVE LOBBYING EXP TO (426.4) BELOW THE LINE **									**

SOURCE:

COLUMN A RESPONSE TO STAFF DATA REQUEST NO. 245,246 (CASE NO. ER-93-37)
COLUMN B RESPONSE TO STAFF DATA REQUEST NO. 299 (CASE NO. ER-93-37)
COLUMN F JOB DESCRIPTIONS, RESPONSE TO STAFF DATA REQUEST NO. 246,247 (CASE NO. ER-93-37)

CATEGORY	ORGANIZATION	CHECK NO.	DATE	ACTIVITY CODE/ACCT NO.	DUE AMOUNT	COMMON (DISALLOWED)	EEI (DISALLOWED)	GAS (DISALLOWED)
4 D	Gas Research Institute		10/21/91	930.23	100.00			(120.00)
4 D	Associated Industries of MO		10/24/91	930.23	2,700.00	(2,700.00)		
4 D	MO Chamber of Commerce		10/25/91	930.23	2,700.00	(2,700.00)		
4 D	Electric Assn of MO & KS		11/06/91	930.23	7,225.00	(7,225.00)		
4 XD	EEI		12/11/91	165.00	74,124.00		(74,124.00)	
*	Electric Assn of MO & KS		12/16/91	930.23	7,225.00			
#	Elec Assn of MO&KS pd twice in error		02/02/92	930.23	(7,225.00)			
2 D	KC Area Development Council		12/18/91	930.23	15,750.00	(15,750.00)		
4 D	Midwest Gas Association		12/27/91	930.23	3,711.00			(3,711.00)
4 D	Nat'l Assn of Town Watch		01/09/92	930.23	1,500.00	(1,500.00)		
A	Raytown Area Chamber of Comm		02/26/92	930.23	250.00			
4 D	Corporate Volunteer Council		02/28/92	930.23	250.00	(250.00)		
2 D	Raytown Area Chamber of Comm		03/04/92	930.23	500.00	(500.00)		
4 D	Nat'l Assn of Manufacturers		03/05/92	930.23	3,700.00	(3,700.00)		
A	Greater KC Chamber of Comm		03/09/92	930.23	15,519.00			
4 D	Newcomen Society of the U.S.		03/13/92	930.23	50.00	(50.00)		
A	MO Farm Elec Council		03/26/92	930.23	256.25			
A	The Urban League		05/01/92	930.23	150.00			
4 D	American Gas Assn		05/21/92	930.23	12,657.00			(12,657.00)
4 XD	EEI		07/07/92	165.00	78,397.00		(78,397.00)	
* D	Associated Industries of MO		07/09/92	930.23	2,700.00	(2,700.00)		
4 D	Gas Research Institute		07/15/92	930.23	100.00			(100.00)
4 D	EEI-EEE Program		08/17/92	930.23	14,700.00		(14,700.00)	
4 D	Missouri Valley Electric Assn		08/19/92	930.23	7,912.33	(7,912.33)		
4 D	MO Chamber of Commerce		09/04/92	930.23	2,950.00	(2,950.00)		
A	Per Mgmt Assn of Greater KC-Arsenber	134667	03/05/92	930.23	75.00			
A	Osceola Chamber of Commerce	134930	03/09/92	930.23	100.00			
4 D	Platte Cty Women's Exchange-Murphy	135059	03/09/92	930.23	35.00	(35.00)		
A	National Speakers Assn	135537	03/11/92	930.23	150.00			
A	Dearborn Community Betterment	136662	03/23/92	930.23	10.00			
A	Utilities Telecommunications	136696	03/23/92	930.23	5,765.00			
A	Smithville Chamber of Commerce-Beggs	138578	04/06/92	930.23	100.00			
2 D	Am Society-Training & Dev-Cole	139255	04/09/92	930.23	60.00	(60.00)		
A	S & H Cncl of Wstn MO&KS-Burgess	140491	04/21/92	930.23	150.00			
2 D	Am Society-Training & Dev-Arsenberg	140663	04/22/92	930.23	50.00	(50.00)		
A	S & H Cncl of Wstn MO&KS-MPS	141134	04/27/92	930.23	680.00			
A	Nev/Vernon Cty Chamber 1 qtr dues-1	142201	05/05/92	930.23	37.50			
2 D	Nev/Vernon Cty Chamber 1 qtr dues-6	142201	05/05/92	930.23	225.00	(225.00)		
A	Nev/Vernon Cty Chamber 2 qtr dues-1	142201	05/05/92	930.23	37.50			
2 D	Nev/Vernon Cty Chamber 2 qtr dues-6	142201	05/05/92	930.23	225.00	(225.00)		
4 D	MO Ind Dev Council-Martinette	144201	05/22/92	930.23	40.00	(40.00)		
4 D	MO Ind Dev Council-Ryan	144201	05/22/92	930.23	40.00	(40.00)		
A	Grandview Chamber of Commerce	144383	05/26/92	930.23	437.50			
A	Rich Hill Chamber of Commerce	144437	05/26/92	930.23	25.00			
A	Warrensburg Chamber of Commerce	146751	06/15/92	930.23	145.00			
2 D	Warrensburg Chamber of Commerce	146751	06/15/92	930.23	145.00	(145.00)		
2 D	Warrensburg Chamber of Commerce	146751	06/15/92	930.23	145.00	(145.00)		
2 D	Warrensburg Chamber of Commerce	146751	06/15/92	930.23	145.00	(145.00)		
2 D	Warrensburg Chamber of Commerce	146751	06/15/92	930.23	145.00	(145.00)		
2 D	Warrensburg Chamber of Commerce	146751	06/15/92	930.23	145.00	(145.00)		
2 D	Warrensburg Chamber of Commerce	146751	06/15/92	930.23	145.00	(145.00)		
2 D	Warrensburg Chamber of Commerce	146751	06/15/92	930.23	145.00	(145.00)		
2 D	Warrensburg Chamber of Commerce	146751	06/15/92	930.23	145.00	(145.00)		
2 D	Warrensburg Chamber of Commerce	146751	06/15/92	930.23	145.00	(145.00)		
2 D	Warrensburg Chamber of Commerce	146751	06/15/92	930.23	145.00	(145.00)		
2 D	Warrensburg Chamber of Commerce	146751	06/15/92	930.23	145.00	(145.00)		
2 D	Warrensburg Chamber of Commerce	146751	06/15/92	930.23	145.00	(145.00)		
2 D	Warrensburg Chamber of Commerce	146751	06/15/92	930.23	145.00	(145.00)		
4 D	Warrensburg Jaycees	146751	06/15/92	930.23	35.00	(35.00)		
A	Belton Corp for Econ Dev	147083	06/17/92	930.23	50.00			
A	Brookfield Chamber of Commerce	147380	06/18/92	930.23	165.00			
A	South KC Chamber of Commerce	148435	06/25/92	930.23	300.00			
4 D	Gas Research Institute	153540	08/05/92	930.23	100.00			(100.00)
A	Nev/Vernon Cty Chamber 3 qtr dues-1	160151	09/29/92	930.23	37.50			
2 D	Nev/Vernon Cty Chamber 3 qtr dues-6	160151	09/29/92	930.23	225.00	(225.00)		
4 D	Officers Club-Ryan	118313	10/18/91	930.24	5.00	(5.00)		
4 D	Southern Ind Dev Council-Ryan	126413	12/30/91	930.24	75.00	(75.00)		
4 D	Soc of Ind & Office Realtors	128571	01/13/92	930.24	650.00	(650.00)		
4 D	MO Comm Dev Soc-Ryan	129214	01/17/92	930.24	10.00	(10.00)		

CATEGORY	ORGANIZATION	CHECK NO.	DATE	ACTIVITY CODE/ACCT NO.	DUE AMOUNT	COMMON (DISALLOWED)	EEI (DISALLOWED)	GAS (DISALLOWED)
4 D	MO Comm Dev Soc-Martinette	129214	01/17/92	930.24	10.00	(10.00)		
4 D	Wstn MO-KS SIOR Chp-Martinette	130536	01/29/92	930.24	75.00	(75.00)		
4 D	Wstn MO-KS SIOR Chp-Martinette	130536	01/29/92	930.24	75.00	(75.00)		
A	Eggs&Issues-Sildon Law Group-Ryan	131340	02/05/92	930.24	15.00			
4 D	Am Econ Dev Council-Martinette	136849	03/24/92	930.24	81.67	(81.67)		
4 D	MO Tax Increment Fin Assn-Ryan	142698	05/08/92	930.24	500.00	(500.00)		
4 D	Southern Ind Dev Council-Martinette	159913	09/18/92	930.24	100.00	(100.00)		
4 D	Ind Dev Research Council	159027	09/21/92	930.24	400.00	(400.00)		
A	Windsor Chamber of Commerce	116520	10/04/91	930.23	75.00			
2 D	Windsor Chamber of Commerce	116520	10/04/91	930.23	75.00	(75.00)		
4 D	Am Econ Dev Council-Ryan	118225	10/18/91	930.23	265.00	(265.00)		
4 D	Am Econ Dev Council-Martinette	118225	10/18/91	930.23	265.00	(265.00)		
4 D	Gas Research Institute	118577	10/21/91	930.23	100.00			(100.00)
A	Odessa Chamber of Commerce	118619	10/22/91	930.23	75.00			
4 D	Missouri Municipal League-Murray	120281	11/05/91	930.23	225.00	(225.00)		
A	IEEE Dues-Heidtbrink	123039	11/27/91	930.23	112.00			
A	The EDP Auditors Assn	124753	12/12/91	930.23	100.00			
A	Pleasant Hill Chamber of Commerce	125169	12/16/91	930.23	50.00			
A	Nev/Vernon Cty Chamber 4 qtr dues-1	126900	01/02/92	930.23	37.50			
2 D	Nev/Vernon Cty Chamber 4 qtr dues-6	126900	01/02/92	930.23	225.00	(225.00)		
A	KCI/Northland Chamber of Comm	127186	01/03/92	930.23	750.00			
2 D	Platte Cty Econ Dev Council	127519	01/06/92	930.23	2,500.00	(2,500.00)		
A	Per Mgmt Assn of Greater KC-Cole	128567	01/13/92	900694	75.00			
A	Per Mgmt Assn of Greater KC-Heider	128567	01/13/92	900293	75.00			
A	Per Mgmt Assn of Greater KC-Smith	128567	01/13/92	900293	75.00			
A	Per Mgmt Assn of Greater KC-Egan	128567	01/13/92	900293	75.00			
A	Missouri Press Service	129359	01/20/92	930.23	150.00			
A	Liberty Area Chamber of Commerce	129510	01/21/92	930.23	425.00			
A	Clay Cty Econ Dev Council	129831	01/23/92	930.23	500.00			
A	Clinton Area Chamber of Commerce	130110	01/27/92	930.23	900.00			
A	Int'l Cust Serv Assn	131046	02/03/92	930.23	135.00			
2 D	Am Soc Training & Dev-Dodge	131442	02/06/92	930.23	50.00	(50.00)		
2 D	Utility Communicators Int'l	132663	02/18/92	930.23	225.00	(225.00)		
A	Platte City Chamber of Commerce	132759	02/19/92	930.23	50.00			
A	Holden Chamber of Commerce	132761	02/19/92	930.23	40.00			
2 D	Holden Chamber of Commerce	132761	02/19/92	930.23	40.00	(40.00)		
2 D	Holden Chamber of Commerce	132761	02/19/92	930.23	40.00	(40.00)		
A	Knob Noster Chamber of Commerce	132761	02/19/92	930.23	35.00			
2 D	Knob Noster Chamber of Commerce	132761	02/19/92	930.23	35.00	(35.00)		
2 D	Knob Noster Chamber of Commerce	132761	02/19/92	930.23	35.00	(35.00)		
2 D	Knob Noster Chamber of Commerce	132761	02/19/92	930.23	35.00	(35.00)		
A	IEEE Publications Sales Dept-Kreher	132846	02/19/92	930.23	95.00			
4 D	Construction Users Council	133123	02/21/92	930.23	562.50	(562.50)		
A	Nat'l Society of Prof Engineers	133230	02/21/92	930.23	22.00			
A	Belton Chamber of Commerce	133385	02/24/92	930.23	268.00			
A	Raymore Chamber of Commerce	133386	02/24/92	930.23	350.00			
2 D	Am Soc Training & Dev-Cole	133497	02/25/92	930.23	150.00	(150.00)		
A	Am Society of Mech Engineers	133725	02/26/92	930.23	60.00			
4 D	Midwest Gas Association-Cummings	133984	02/28/92	930.23	30.00			(30.00)
A	Sedalia Area Chamber of Commerce	134033	02/28/92	930.23	2,084.00			
A	Eldorado Springs Chamber of Commerce	134138	03/02/92	930.23	200.00			
2 D	Grandview Chamber of Commerce	134520	03/04/92	930.23	437.50	(437.50)		
4 D	Missouri Valley Elec Assn		05/04/92	900278	50.00	(50.00)		
4 D	Intl Assn for Energy Economics		01/20/92	900278	60.00	(60.00)		
A	Am Soc of Htg/Refrig/AC-Kane		11/12/91	900278	135.00			
4 D	Lee's Summit Optimist Club-Kane		11/26/91	900278	60.00	(60.00)		
4 D	EEI Media Communication Fund		12/06/91	900335	34,668.00		(34,668.00)	
A	Assn of Energy Engineers-Kane		01/07/92	900278	120.00			
4 D	SAVE Council		02/24/92	900278	75.00	(75.00)		
4 D	KC Royals Stadium Club-Itteilag		03/10/92	900278	42.59	(42.59)		
4 D	Home Builders Association		03/10/92	900278	275.00	(275.00)		
A	American Marketing Association		05/20/92	900278	205.00			
A	Lee's Summit Chamber of Commerce		05/15/92	900278	60.00			
A	Assn of Energy Engineers-Lennan		05/29/92	900278	122.50			
2 D	Raytown Chamber of Commerce		05/19/92	900278	125.00	(125.00)		
A	Am Soc of Htg/Refrig/AC-Lennan		06/29/92	900278	135.00			
* D	Am Soc of Htg/Refrig/AC-Kane		06/29/92	900278	125.00	(125.00)		
A	Missouri Heat Pump Association		07/31/92	900278	100.00			
4 D	JA Cty Blors-Entry fee-golf tourn		09/01/92	900278	200.00	(200.00)		

CATEGORY	ORGANIZATION	CHECK NO.	DATE	ACTIVITY CODE/ACCT NO.	DUE AMOUNT	COMMON (DISALLOWED)	EEI (DISALLOWED)	GAS (DISALLOWED)
4 D	KC ACCA-Murphy		09/03/92	900278	150.00	(150.00)		
4 D	MO Valley Elec Assn-Itteilag		09/24/92	900278	235.00	(235.00)		
4 D	MO Valley Elec Assn-Kane		09/28/92	900278	235.00	(235.00)		
4 D	Oak Grove COC-Entry fee-golf tourn		09/11/92	900278	140.00	(140.00)		
A	American Marketing Assn-Lennan		09/01/92	900278	130.00			
A	ASM Intl		09/16/92	900278	53.00			
4 D	MO Valley Elec Assn-regis fee (2)		10/01/92	900278	510.00	(510.00)		
4 D	EEI-Committee registration fee		09/14/92	901166	250.00		(250.00)	
4 D	EEI-Committee registration fee		10/18/91	901166	250.00		(250.00)	
4 D	EEI-Committee registration fee		08/10/92	901166	298.00		(298.00)	
4 D	EEI-Committee registration fee		11/06/91	901166	290.00		(290.00)	
4 D	EEI-Committee registration fee			901166	305.00		(305.00)	
DUES PAID DURING 9-30-92 TY					\$312,605.84			
TOTAL COMPANY ADJUSTMENT						(\$60,196.59)	(\$203,282.00)	(\$16,798.00)

NOTE:

REFERENCE TO STAFF DATA REQUEST NO. 103
 RE W/P ADWS
 previously paid in the TY
 amount refunded to MPS
 prepaid