

1

2

3

STATE OF MISSOURI

4

PUBLIC SERVICE COMMISSION

5

6

TRANSCRIPT OF PROCEEDINGS

7

Public Hearing

8

November 5, 2009

9

Nevada, Missouri

10

Volume 2

11

12

In The Matter Of The Empire)

District Gas Company Of Joplin,)

13

Missouri For Authority To File)

Tariffs Increasing Rates For Gas) GR-2009-0434

14

Service Provided to Customers in)

the Missouri Service Area Of The)

15

Company)

16

17

ROBERT M. CLAYTON, III, Chairman

18

19

REPORTED BY: KAREN S. ROGERS, Registered

Professional Reporter, Certified Realtime Reporter

20

21

22

23

24

25

1

2

3

A P P E A R A N C E S

4

5

6 For Empire Electric:

7 MS. DIANA C. CARTER

8 BRYDON SWEARENGEN & ENGLAND

9 312 East Capitol Avenue

10 Jefferson City, Missouri 65102

11 (573) 635-7166

12 dcarter@brydonlaw.com

13

14

15 For Office of the Public Counsel:

16 MR. MARC D. POSTON

17 OFFICE OF THE PUBLIC COUNSEL

18 200 Madison Street, Suite 650

19 Jefferson City, Missouri 65102

20 (573) 751-5558

21 marc.poston@ded.mo.gov

22

23

24

25

1

2

3

A P P E A R A N C E S

4

(Continued)

5

6 For the Public Service Commission Staff:

7

MR. THOMAS A. SOLT, CPA, Regulatory Auditor

8

MR. KEVIN KELLY, Public Information Officer

9

STATE OF MISSOURI PUBLIC SERVICE COMMISSION

10

200 Madison Street, Suite 500

11

Jefferson City, Missouri 65102

12

(573) 751-7526

13

tom.solt@psc.mo.gov

14

kevin.kelly@psc.mo.gov

15

16

17 Court Reporter:

18

MS. KAREN S. ROGERS, RPR, CCR No. 846

19

MIDWEST LITIGATION SERVICES

20

1911 South National Avenue, Suite 402

21

Springfield, Missouri 65804

22

(417) 877-9700

23

krogers@midwestlitigation.com

24

25

1 * * * * *

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

3

4 (Proceedings began at 6:09
5 p.m. on Thursday, November
6 5, 2009, with appearances
7 as noted.)

8 CHAIRMAN CLAYTON: Then without objection
9 with anyone here, why don't we go ahead and go on
10 the record.

11 Welcome, everyone, to the local public
12 hearing tonight.

13 This is case number GR-2009-0434, Empire
14 District Gas Company. It's a local public hearing
15 in Nevada, Missouri.

16 As I mentioned before, my name is Robert
17 Clayton, chairman of the Missouri Public Service
18 Commission.

19 We're here tonight to take testimony
20 relating to a natural gas rate increase request that
21 has been filed by the company.

22 We're here in Nevada as one of the
23 communities that would be subject to that potential
24 rate increase. We have a number of witnesses that
25 are here with us here tonight.

1 We're here to take information, any
2 comments that you might have relating to service, to
3 billing, to prices, to cost, anything is fair game
4 here tonight.

5 This session should have been preceded by a
6 question and answer opportunity where you had an
7 opportunity to ask questions of the company
8 officials who are here, ask questions of our staff
9 that are here.

10 And in fact, I think they've already been
11 identified I think. Would the Empire folks raise
12 their hands?

13 My gosh, we've got half the company here.
14 Take advantage of them if you want to tell them
15 what's on your mind.

16 I also want to ask that the staff members
17 here raise their hand from the Public Service
18 Commission.

19 So we've got a few staff members that are
20 here. Please take advantage of them if you have
21 questions that you want to ask.

22 We also a representative from the Office of
23 Public Counsel who is here. So -- and that person
24 is your advocate as the representative of the rate
25 payers that pay the bills associated with this

1 utility.

2 So having said that, I'd like to go ahead
3 and ask for entries of appearance for the attorneys
4 that are here.

5 Let's start with the attorney for Empire
6 District Electric.

7 MS. CARTER: Diana Carter, Brydon
8 Swearngen & England, Jefferson City, for the Empire
9 District Gas Company.

10 CHAIRMAN CLAYTON: And public counsel
11 that's here?

12 MR. POSTON: Mark Poston appearing for the
13 Office of the Public Counsel and the public.

14 CHAIRMAN CLAYTON: Generally we also have
15 an attorney that is appearing for the Missouri
16 Public Service Commission staff. I don't think we
17 have any staff attorneys that are here tonight.

18 They were going to take the easy way out
19 and join in from their hometown of Jefferson City by
20 webcast.

21 They did not make the three-hour trip here
22 to Nevada, so we won't be able to take that entry of
23 appearance.

24 As it was mentioned earlier, tonight is the
25 opportunity for you to state your opinion or any

1 concerns that you have relating to the company.

2 I won't be able to answer any questions
3 that you might have. That's why I identify the
4 folks that are here. If you have questions, please
5 relay those to them.

6 I will be one of five commissioners that
7 will eventually decide this case. There are five
8 commissioners pointed by the governor and that are
9 subject to senate confirmation.

10 I can assure you that each of the
11 commissioners will review this transcript. We have
12 commissioners that will be sharing these
13 responsibilities throughout the state.

14 We'll be going to Maryville, Sedalia. Last
15 night on another case, we were in Rolla.

16 So we are out and about, and the transcript
17 is made to provide all commissioners an opportunity
18 to review the comments.

19 Having that said, have I missed anything to
20 go ahead and call our first witness? This is not my
21 normal role here, so you got to bear with me.

22 The first witness on the list tonight is
23 Joe Willis?

24 MR. WILLIS: Yes.

25 CHAIRMAN CLAYTON: If you want to come on

1 up and -- if you'd like to testify, come up to this
2 chair.

3 MR. WILLIS: Okay.

4 * * * * *

5 (Mr. Joseph Willis takes
6 the stand.)

7 CHAIRMAN CLAYTON: And make sure that we're
8 close to the court reporter.

9 And you do not -- if you've signed up and
10 you don't want to testify, don't feel like you have
11 to.

12 But before you sit down, would you raise
13 your right hand.

14 (The witness was placed
15 under oath by Chairman
16 Clayton.)

17 CHAIRMAN CLAYTON: You're under oath. Have
18 a seat.

19 Tell us your name, your address, and
20 whether you're a customer of Empire.

21 MR. WILLIS: My name is Joe Willis or
22 Joseph E. Willis, and I live at 1002 South College
23 here in Nevada. And I am a customer of Empire Gas.

24 I have several concerns. I have enjoyed
25 the service since Aquila split up, and I think KCP &

1 L got our electricity. I've been pleased with their
2 service. I've been pleased with Empire's service
3 with me.

4 But what has -- is concerning me and why
5 I'm here primarily is the fact that there's so many
6 things that are expenses within my life now that are
7 under control by me and with gasoline and with the
8 natural gas, with energy from electricity, and I'm
9 retired.

10 And as you've probably heard, social
11 security has not giving us a raise for two years.
12 And I know that my 401(k) has gone down to a 201(k),
13 if you want to think of it in that way.

14 And it's worked its way back up to a -- to
15 a, you know, maybe a 201 and a half K now. It's
16 working its way back up.

17 And because of the fact that I was coming
18 in to -- I have insulated my house. I spent \$8,000
19 on windows to try to hold down what my different
20 fees and charges will be.

21 Like I said, to be able to control the
22 things that I can control. And I got the letter and
23 it mentioned that they're looking at a -- like a \$30
24 flat rate charge for -- you know, for everybody.

25 And I've cut mine down. I got a hot water

1 tank. I've got a grill out back that we cook on.

2 I've also got a fireplace, which -- where I
3 used to have two gas -- I've got a wall furnace
4 that's gas.

5 And I had this other one because of the --
6 buying this one that's a nonvent, direct type of
7 thing, I can heat my whole house with it.

8 So I've done things that I can to try to
9 hold -- you know, hold my expenses down.

10 And like this month, I can't really
11 complain. I had a \$15.57 bill. That was all I
12 had.

13 But of that, customer charge was \$9.50.
14 The usage charge was 1.37. The PGA charge was 3.82,
15 and then 88 cents of franchise fee.

16 But if this had gone into effect, my bill
17 would have been about 3 percent -- you know, 30 --
18 oh, golly, 60 percent probably higher than that.

19 What I would hope -- and I was explaining
20 to the gentleman that -- over here, that we was
21 talking earlier.

22 You know, I could go on level pay. I could
23 do some other things. But my level pay works out
24 because my heat is in the winter, and I use the
25 gas.

1 And then I use the electricity during the
2 summer for the air conditioning. So it would make
3 me kind of rethink that with what's going on. And
4 as a rule, I only have maybe around \$150 gas bill.

5 It's gotten better since Empire has taken
6 it over than what I used to get from Aquila, and I
7 thank you all for that.

8 I think what I'm doing now is drawing a
9 line in the sand at the Alamo, you know.

10 There -- I want to see what -- have people
11 think over the fact that, you know, there are many
12 of us that's on limited incomes. We have done the
13 things that we could to save energy.

14 I remember in '60 -- oh, I guess it was in
15 the early '70s, some things was going up, and people
16 cutting back on using the things.

17 And the next thing you know, they was
18 charging more for the things because people wasn't
19 using them. So it's a cat chasing its tail
20 sometimes.

21 You know, you try to do the things that you
22 can, and then it still comes around and bites you in
23 the butt every once in a while, so.

24 That's primarily what I -- if you could
25 take and do something which was maybe like a

1 percent -- and you know, that 11 percent, that's not
2 bad.

3 You know what I got on my savings? .3. .3
4 for them keeping my money. Three-tenths of one
5 percent. I found a bank, Liberty Bank in Stockton,
6 Missouri, that will pay me 5 percent for my
7 checking.

8 They have all my money right now. They'll
9 do it up to \$30,000. And I'm glad to get 5. Boy,
10 I'd love to get 11 or 9 or 7 or something like that.
11 That would be nice for me.

12 Maybe you could borrow the money from the
13 government because they're loaning it out at .025
14 percent.

15 If you could get it there, see, then you
16 could take and really get good money for your -- for
17 your effort.

18 You know, I'm just kind of ventilating, if
19 you'll excuse me for that. But I am concerned.

20 If it was tied to a percentage like I use
21 very little, and what you're talking about is
22 maintenance, well, why should I pay as much
23 maintenance as somebody that uses a whole lot?

24 That's what concerns me. So maybe my usury
25 fee should be considerably less on a percentage.

1 And the months during the summer -- or
2 during the winter when I am using more gas, then
3 that percentage would give the company more money
4 for it.

5 Because I realize you have to maintain your
6 lines. There was a big explosion today in Texas.
7 And I'm sure that's going to cost somebody somewhere
8 in fees. Prices will probably go up because of
9 that, so.

10 I guess that's just about all I have.

11 CHAIRMAN CLAYTON: May I ask you some
12 questions, Mr. Wilson?

13 MR. WILLIS: Yes, you may.

14 CHAIRMAN CLAYTON: You mentioned some items
15 that perhaps would improve the efficiency of your
16 house. You said you put in some windows?

17 MR. WILLIS: Yes.

18 CHAIRMAN CLAYTON: And --

19 MR. WILLIS: They were like --

20 CHAIRMAN CLAYTON: What prompted you to do
21 that? Were they just needing repair or was there an
22 incentive by the company or a government plan?

23 MR. WILLIS: No. I -- matter of fact, I
24 didn't get any tax breaks or anything over it.

25 My wife is from southern Alabama, and we

1 saw this house on College Street that was a
2 two-story with columns.

3 And she said, "Tara. There's Tara, you
4 know."

5 And so -- and when I bought that thing, I
6 remember the first cold winter we had. I had a --
7 and this has been 15 years ago.

8 MRS. WILLIS: 25.

9 MR. WILLIS: Huh?

10 MRS. WILLIS: 25.

11 MR. WILLIS: When?

12 MRS. WILLIS: 25 years.

13 MR. WILLIS: 25 years ago. There was no
14 insulation whatsoever, man.

15 We woke up one morning, and it was 45
16 degrees in the living room. And both furnaces that
17 I was telling you about, one would go off and the
18 other one would come on.

19 And they was working theirselves to death.
20 We could have burnt the house down. And so I had
21 insulation blown in.

22 And then --

23 CHAIRMAN CLAYTON: So this wasn't a recent
24 occurrence?

25 MR. WILLIS: Oh, no, over the years --

1 CHAIRMAN CLAYTON: Okay.

2 MR. WILLIS: -- we have done this.

3 CHAIRMAN CLAYTON: Okay.

4 MR. WILLIS: -- because you know, just kind

5 of, you know, watching out for what we had to do.

6 We had the siding done. And while they was

7 doing the siding, they had these -- the double-pane

8 windows that cut out the sun and all this, but they

9 were about \$400 apiece.

10 CHAIRMAN CLAYTON: Have you done -- when

11 did you do the windows?

12 MR. WILLIS: Oh, golly, what? About seven

13 or eight years ago.

14 CHAIRMAN CLAYTON: Okay. So a while ago.

15 So that wasn't a recent investment?

16 MR. WILLIS: No, no.

17 CHAIRMAN CLAYTON: Okay.

18 MR. WILLIS: They had -- I think they had

19 just quit doing the tax credit for that when I did

20 mine, and now they've started doing it again.

21 CHAIRMAN CLAYTON: Now they started it

22 again. They started it again. So you noticed a

23 real difference --

24 MR. WILLIS: Oh, yes.

25 CHAIRMAN CLAYTON: -- in your bills --

1 MR. WILLIS: Yes.

2 CHAIRMAN CLAYTON: -- and your usage?

3 MR. WILLIS: Yes.

4 CHAIRMAN CLAYTON: Okay.

5 MR. WILLIS: Considerable.

6 CHAIRMAN CLAYTON: Okay. Have you -- have
7 you tried to do anything else? It sounds like you
8 have an older house. It sounds like a beautiful
9 house.

10 MR. WILLIS: Well, it's -- I've still got a
11 lot of -- a lot of work to do. There's -- I've
12 pretty well cut down what the leakage is, and the
13 windows have really helped.

14 Because this thing had -- it's got 6 foot 5
15 windows downstairs and 5 foot 6 windows upstairs,
16 and it's got 22 windows around the outside. 11
17 upstairs and 11 downstairs, see.

18 So that was a considerable expense. But I
19 knew that they would pay for themselves eventually,
20 and that's why I would have probably had a worse gas
21 bill than that.

22 CHAIRMAN CLAYTON: Yeah, I was going to
23 say.

24 Have you reached out to the company and
25 tried to find other ideas for trying to reduce your

1 usage, try to improve the efficiency of your home?

2 MR. WILLIS: No, not yet.

3 CHAIRMAN CLAYTON: No, you haven't done
4 that?

5 MR. WILLIS: I know that they -- I think
6 they had a thing that they sent out with this letter
7 that those things could be done.

8 CHAIRMAN CLAYTON: Okay.

9 MR. WILLIS: But you know, we had the place
10 remodeled and completely -- they had to put some of
11 the insulation back in because it had the old
12 lathing and the plaster.

13 And where they knocked that out, it had --
14 I had blown in insulation, so we had to put some
15 other insulation in. But spent considerable on
16 doing that.

17 And it's new door with side lights and new
18 back door. We've put on a back sun porch that's out
19 there that helps take the wind off of the -- but we
20 used to have pipes that would freeze up back on the
21 west side.

22 And now since I've put that sun room on
23 there, that cuts the wind out, and we haven't had
24 any pipes freeze up.

25 So you know, I think we're just about as

1 efficient as we could get because all the doors and
2 windows are tight.

3 CHAIRMAN CLAYTON: Have you -- have you --
4 you sound like you're satisfied with the service you
5 receive. It works; you haven't had any outages, any
6 problems like that?

7 MR. WILLIS: (Mr. Willis nods.)

8 CHAIRMAN CLAYTON: How have your
9 interactions with the company been?

10 MR. WILLIS: They've been fine.

11 CHAIRMAN CLAYTON: No problems there, and
12 you're happy with the way the billing is?

13 MR. WILLIS: Yes.

14 CHAIRMAN CLAYTON: The last question I
15 wanted to ask. You said things are better now than
16 when they were with Aquila?

17 MR. WILLIS: Well, I think the price
18 structure is a little bit better.

19 CHAIRMAN CLAYTON: Okay.

20 MR. WILLIS: As far as I think actually I'm
21 getting a better rate off Empire than what I was for
22 the gas with Aquila.

23 CHAIRMAN CLAYTON: And is the -- did you
24 have any service problems when it was an Aquila
25 property?

1 MR. WILLIS: No.

2 CHAIRMAN CLAYTON: No? Okay. So it was
3 good service then; good service now?

4 MR. WILLIS: Yes.

5 CHAIRMAN CLAYTON: Okay. I don't have any
6 additional questions. Any of the attorneys have any
7 questions? Ms. Carter? Mr. Poston?

8 MS. CARTER: No.

9 MR. POSTON: No.

10 CHAIRMAN CLAYTON: We don't have any
11 questions for you. Thank you very much for coming.

12 (Mr. Willis steps down
13 from the stand.)

14 CHAIRMAN CLAYTON: Where in Alabama are you
15 from?

16 MRS. WILLIS: Ozark.

17 CHAIRMAN CLAYTON: Ozark, Alabama.

18 MR. WILLIS: Southeast.

19 CHAIRMAN CLAYTON: Southeast.

20 MR. WILLIS: Down by Montgomery.

21 CHAIRMAN CLAYTON: A bit down south
22 central. Okay.

23 MRS. WILLIS: My memory, we're about 90
24 miles southeast of Montgomery.

25 CHAIRMAN CLAYTON: On 331?

1 MRS. WILLIS: 231.

2 CHAIRMAN CLAYTON: 231? Okay. Great.

3 It's a neat place down there. Okay. Sorry.

4 Art Belt, come on up.

5 * * * * *

6 (Mr. Art Belt takes the

7 stand.)

8 CHAIRMAN CLAYTON: Would you please raise

9 your right hand.

10 MR. BELT: Right hand? Okay. Sorry. I

11 put my left one up.

12 (The witness was placed

13 under oath by Chairman

14 Clayton.)

15 CHAIRMAN CLAYTON: You're under oath.

16 Please have a seat. Tell us your name, your

17 address, and whether you're a customer of Empire.

18 MR. BELT: My name is William A. Belt. I'm

19 known as Art. I live at 102 West Highland Avenue,

20 Nevada, Missouri. And I am an Empire Gas customer.

21 CHAIRMAN CLAYTON: Please share your

22 comments with us.

23 MR. BELT: I have one major request, and

24 then I have some reasons I'd like to give.

25 The major request is that the Public

1 Service Commission does not allow increases through
2 nongas charges but instead through regular gas rate
3 hikes if they have to have the money.

4 And the main reason I want this because
5 it -- I think it will basically cost me more money
6 this way.

7 I have gone through my nongas usage
8 charges. And I did it for in 2008, and I did it for
9 this year.

10 In 2008 I spent \$161.76 on nongas charges
11 as compared to \$360 that I believe they're asking
12 for, \$30 a month nongas charge.

13 My highest month was \$33.94, and that was
14 January. My lowest month -- this is 2008. My
15 lowest month in 2008 was \$1.37 for nongas --

16 CHAIRMAN CLAYTON: For gas or nongas?

17 MR. BELT: -- nongas --

18 CHAIRMAN CLAYTON: Nongas.

19 MR. BELT: -- charge on my bill. Then I
20 had to pay for the gas on the other charges, but my
21 nongas charge was \$1.37. That was in 2008.

22 In this year, I had one month where my
23 nongas charge was \$30.65, and that was in --
24 actually I started out with December.

25 And it goes -- and went through to make a

1 year, you know, ending actually I guess in
2 November.

3 But my nongas charge, the highest was
4 \$30.65. My lowest was \$1.09, and that was in the
5 eighth month.

6 Okay. In 2008 I spent, like I said,
7 \$161.76. Calculating that, that's about a 56
8 percent increase on nongas charge on my bill.

9 And for the ten months this year, it's a
10 58. So it's probably about two more months to go,
11 and I calculated it on \$300 instead of 360, but it's
12 a 58 percent increase.

13 And I would just frankly tell you that I
14 think what it would do is, the ones that use lots of
15 gas -- people that use a lot of gas, you know,
16 companies and everything else that pays \$30 a month,
17 it would be a good deal for them.

18 Because when they're using lots of gas, if
19 every customer pays \$30, they use as much as they
20 want. All their nonusage would be only \$30.

21 Do you understand, Robert, what I'm saying
22 here?

23 Whereas, if I -- and I think what it does,
24 it makes the average customer or the one that don't
25 use as much gas pay the biggest bulk of that 2.9

1 million they're requesting for the -- for the --
2 that was in this letter here.

3 I think you would find that the average
4 homeowner, like me, would pay most of that bill.
5 Because the ones that use lots of gas only has to
6 pay \$30. If you understand that, that line of
7 reasoning by me.

8 Two -- another thing, you was talking about
9 conserving gas. I put in new windows. I put in new
10 door. I do caulk. And I turn the thermostat down
11 at night and turn it back in the day.

12 I turn my hot water heater down,
13 especially in the summer, a notch or two. And I
14 recycle too.

15 I do -- I try to save and conserve as much,
16 not to just be conservative, just to save money for
17 the -- as a public person, my responsibility.

18 And I feel -- I mean I feel like I'm
19 already doing quite a bit to save money. So I think
20 it would put the burden on people like me.

21 And I believe also I was -- we were talking
22 about the percent of return requested by the
23 company.

24 And she said that she thought they were
25 getting 7 percent at this point, and I think that's

1 plenty.

2 Based on what this gentleman said and what
3 I get on return and on my stock returns and
4 everything. My stock return is below what it was.
5 Way below what it was.

6 Of course, I had stock, and they -- you
7 know, they lost a lot of money. But my account
8 went down to the bottom. And I do get my CDs and
9 things from the bank, similar to what this gentleman
10 gets.

11 So what I'm saying is, I think it's nice to
12 be an investor and get good on your return. But I
13 don't think the percentage they're requesting here
14 is common with the average person on the street.

15 I don't know what it is with big companies.
16 I don't know how they live. But Robert, I think --
17 I think they're getting plenty.

18 My opinion, and I don't know if it counts
19 much, but that's what I think.

20 You mentioned to the other gentleman about
21 things you did. I put in a new window, one big
22 window.

23 CHAIRMAN CLAYTON: And let me be clear. I
24 want to ask about recent investments that you've
25 made --

1 MR. BELT: Well --

2 CHAIRMAN CLAYTON: -- you know, like within
3 the last year, last couple of years. Have you done
4 anything?

5 MR. BELT: Two years, yeah.

6 CHAIRMAN CLAYTON: Yeah?

7 MR. BELT: I've put in a new door and a new
8 big window that's all insulated. And I did get --
9 I'd say it cost me like \$2200 to put the big windows
10 in when I look out my windows.

11 And I think the guy give me a thing that
12 said I could charge 750 off on my tax. That was the
13 value I guess he paid for the window.

14 I don't know if it was all labor, but I
15 paid \$2200 to have it put in or thereabouts, pretty
16 close.

17 CHAIRMAN CLAYTON: Mm-hmm.

18 MR. BELT: So I do try, like I say, to
19 conserve.

20 CHAIRMAN CLAYTON: Have you reached out to
21 the company looking for advice on how to -- how to
22 conserve? How you -- have you tried that at all?

23 MR. BELT: No. I tell you I generally read
24 stuff in the newspaper and things about
25 conservation.

1 And I'm really good about reading those
2 articles.

3 CHAIRMAN CLAYTON: Sure.

4 MR. BELT: But I have not talked to the
5 company. That answer is no.

6 CHAIRMAN CLAYTON: Okay. Well --

7 MR. BELT: I haven't reached out to them.

8 CHAIRMAN CLAYTON: Well, I understand your
9 comments and your concerns with the change in the
10 rate design. Can I ask you some additional
11 questions?

12 MR. BELT: Yes, you sure can.

13 CHAIRMAN CLAYTON: Are you satisfied with
14 the service? Does it work?

15 MR. BELT: Yes.

16 CHAIRMAN CLAYTON: Any problems with
17 customer service at all? Have you called the --

18 MR. BELT: I only had one little problem,
19 and that -- the address across the street, that was
20 -- let's see. What month was that in? That was on
21 the eighth month of last year.

22 Well, I suppose the house across the street
23 called for a disconnect.

24 CHAIRMAN CLAYTON: Mm-hmm.

25 MR. BELT: And we got a bill and the

1 disconnect, and we had to tell them it wasn't us
2 that wanted the disconnect, that the house across
3 the street is 102 East.

4 CHAIRMAN CLAYTON: Mm-hmm.

5 MR. BELT: And we're west.

6 CHAIRMAN CLAYTON: That's just right --
7 right up here too, isn't it?

8 MR. BELT: Yeah, right up here. And it's
9 just across the street from me.

10 CHAIRMAN CLAYTON: Yeah, yeah.

11 MR. BELT: So I --

12 CHAIRMAN CLAYTON: I found -- I found the
13 streets coming in. I didn't realize there's a
14 difference between east and west. I didn't
15 realize.

16 MR. BELT: You were right by my house. I'm
17 just this side of church.

18 Anyway, I don't know. We -- I think we
19 finally figured it out, but I think we ended up
20 having to pay a reconnect fee.

21 CHAIRMAN CLAYTON: Did you really?

22 MR. BELT: I think --

23 CHAIRMAN CLAYTON: Well, did they -- how
24 did they treat you? How did the company treat you?

25 MR. BELT: At first pretty good, but I

1 guess they got tired of hearing from me.

2 They got kind of not too -- they did clear
3 up a lot of things for me and I was satisfied at the
4 end.

5 CHAIRMAN CLAYTON: Okay. Okay.

6 MR. BELT: I was not dissatisfied with
7 them.

8 CHAIRMAN CLAYTON: Okay.

9 MR. BELT: In fact, I'm satisfied with KCP
10 & L. They're going to -- they're going to change
11 the pole in the back of my yard that's been rotten,
12 and the other company didn't.

13 And then the other company didn't -- then
14 they cleaned they the tree up and cleaned it out,
15 pulled the lines out of the tree.

16 CHAIRMAN CLAYTON: They've been cutting
17 some trees back there?

18 MR. BELT: Yeah, they cut a big swatch down
19 Highland course. And then behind my house, they cut
20 a big tree out.

21 CHAIRMAN CLAYTON: Got to get ready for
22 winter.

23 MR. BELT: Yes, and it was all in the
24 line.

25 CHAIRMAN CLAYTON: Yes.

1 MR. BELT: But they were just going to trim
2 it, and I said, "Why don't you take it out?"
3 Because it was right up next to the pole, and they
4 agreed to do that.

5 CHAIRMAN CLAYTON: Good, good.

6 MR. BELT: And then they came back later
7 and put a big red X on the pole and said, "We're
8 going to change that within six months," so I
9 suppose they're going to change it.

10 So I'm satisfied with KCPL. I had them in
11 service when I was in Kansas City.

12 CHAIRMAN CLAYTON: You know at these local
13 public hearings, I think the utilities for which
14 we're attending these hearings always like it when
15 the discussion shifts to a different utility.

16 And so like Empire likes it that we talk
17 about KCPL. They like it when the conversation
18 shifts.

19 MR. BELT: Well, I had -- when I was in
20 Kansas City, my energy bill didn't cost me near as
21 much.

22 But I had a house that was concrete with
23 styrofoam on the outside with stucco and
24 everything.

25 I forgot what the R factor was. And 2 foot

1 of insulation and all those -- the most
2 energy-efficient windows throughout the house.

3 I had a new house, and I used -- my biggest
4 month I think it barely went over \$100 for my
5 electricity. And it was a bigger house than I live
6 in now.

7 So -- and I bought the house because it was
8 an energy efficient house. It was a very good
9 house. Very well built.

10 CHAIRMAN CLAYTON: Okay. Let me -- can I
11 -- let me let me see if we have any questions from
12 attorneys here.

13 Mr. Poston, do you have any questions?

14 MR. POSTON: I do not. Thank you very
15 much.

16 MR. BELT: I didn't know you were the
17 attorney. I thought she was the attorney.

18 CHAIRMAN CLAYTON: Well, notice they lined
19 up on opposite sides of you. You've really got to
20 watch out.

21 MR. BELT: So Mark is an attorney?

22 CHAIRMAN CLAYTON: Exactly. This is the
23 public counsel's attorney. Any questions?

24 MR. POSTON: No, I do not.

25 CHAIRMAN CLAYTON: Ms. Carter, any

1 questions?

2 MS. CARTER: No questions.

3 CHAIRMAN CLAYTON: No questions. I don't
4 have any other questions unless you have anything
5 else on top?

6 MR. BELT: No, I appreciate you listening
7 to my comments. I know I kind of ramble a little
8 bit, but I appreciate you.

9 CHAIRMAN CLAYTON: I ramble all the time.
10 And believe me, the issue that you pointed out is a
11 big issue in this case, so --

12 MR. BELT: Yes.

13 CHAIRMAN CLAYTON: -- I appreciate you
14 bring it go up.

15 MR. BELT: I would further say I almost
16 apologetic for more people not showing up. That's
17 not very many from Nevada, I don't think. So I kind
18 of apologize for them too.

19 CHAIRMAN CLAYTON: Yeah, there were a few
20 more last time I was in Nevada, but that was Aquila
21 then.

22 MR. BELT: Yeah.

23 CHAIRMAN CLAYTON: And a few Aquila
24 executives that just paid -- gotten big bonuses, so
25 we had a lot of -- we had a lot of people show up at

1 one of those.

2 MR. BELT: Yes. Well, this is the first
3 time I've ever come to one of these.

4 CHAIRMAN CLAYTON: Right. So I'm glad that
5 you come --

6 MR. BELT: And I'm sorry I didn't know the
7 procedure of signing up.

8 (Mr. Belt steps down from
9 the stand.)

10 CHAIRMAN CLAYTON: No problem. We got you
11 taken care of. Thank you very much, Mr. Belt.
12 Jennifer Lightner. You've been waiting patiently.

13 * * * * *

14 (Ms. Jennifer Lightner
15 takes the stand.)

16 CHAIRMAN CLAYTON: Would you please right
17 hand.

18 (The witness was placed
19 under oath by Chairman
20 Clayton.)

21 CHAIRMAN CLAYTON: You're under oath.
22 Please have a seat. Give us your name, address, and
23 are you a customer?

24 MS. LIGHTNER: My name is Jennifer
25 Lightner, 1025 South Ash here in Nevada. And I am

1 an Empire customer.

2 Both of these gentlemen have made very good
3 points. I guess I just want to reiterate.

4 I'm a mother of five children. All five
5 children live with me. We are a two-income
6 household, so that's where I am coming from.

7 In the last 12 months, eight of my bills
8 have been under \$30. Only four of them have been
9 over \$30. The highest one being 143.31.

10 Thought I had those with me so I had
11 specific numbers, but I do not.

12 That being said, this flat rate increase is
13 obviously going to increase my outgoing monies to
14 Empire considerably per year.

15 Which five kids at home and, like I said,
16 we both work. We do not receive any government
17 assistance. I'm very proud to say that.

18 Because with that big of a family, you
19 know, you don't see that very often. But we -- our
20 money is tight. It's very tight.

21 And when something like this comes our way,
22 it's very hard for us to say, "Okay. Well, here's,
23 you know."

24 The numbers almost added up to \$280 more a
25 year that I would be paying just to gas. That's a

1 little outrageous to me.

2 I've also spoken with several homeowners
3 here in Nevada. Like I said, I wish they would have
4 shown up. But one of them, for instance, has my
5 kids so I could come.

6 But it will increase their bills too. I
7 mean this is something that since we got these
8 notices in our bills this month, have sat down and
9 looked at -- I have four different households in
10 this town -- in this town of family members.

11 And when I came in earlier, I was very
12 concerned, and this gentleman helped me out back
13 here of the flat rate increase.

14 And then it was saying that it would raise
15 my bill this much more for my usage or whatever. He
16 got me straight on that now.

17 But it was how we thought it was going to
18 be when we were discussing this at home. And it
19 does raise the average homeowner's considerably --
20 the outgoing monies per year to the gas
21 considerably.

22 Basically I guess that's all I really have
23 to say. I just beg that you guys don't do this
24 because you know, if you want to increase the usage
25 charge, hey, great, wonderful.

1 Because we obviously don't use that much
2 gas. And for a flat rate of \$30 a month, you know,
3 when eight of my bills out of the year are less than
4 \$30, that's ridiculous.

5 CHAIRMAN CLAYTON: Okay. Do you use gas,
6 ma'am -- may I ask you some questions?

7 MS. LIGHTNER: Mm-hmm.

8 CHAIRMAN CLAYTON: Do you all use gas for
9 heating?

10 MS. LIGHTNER: Yes.

11 CHAIRMAN CLAYTON: Hot water?

12 MS. LIGHTNER: Yes. Cooking.

13 CHAIRMAN CLAYTON: You have cooking, have
14 gas cooking. Any other services that you have?

15 MS. LIGHTNER: No.

16 CHAIRMAN CLAYTON: Not sure if there's --
17 we had a gas grill earlier. And you consider your
18 usage fairly light?

19 MS. LIGHTNER: Yes.

20 CHAIRMAN CLAYTON: But you wouldn't -- you
21 don't consider yourself a big user of gas.

22 MS. LIGHTNER: We are very -- this sounds
23 bad. We are very strict with how much we use.

24 You know, just like him, at night our
25 thermostat goes to 70 degrees. During the day when

1 no one's home, it's down to 65, you know. We're
2 just very tight with everything we do.

3 CHAIRMAN CLAYTON: Okay. Have you taken
4 any steps on energy efficiency? Do you feel like
5 you have access to information and support in making
6 investments?

7 MS. LIGHTNER: We have access to that,
8 yes.

9 CHAIRMAN CLAYTON: Yeah.

10 MS. LIGHTNER: The most we have been able
11 to do is, you know, the plastic over the windows in
12 the winter. We have done new caulking around and
13 everything.

14 But as far as major expenses to decrease
15 our gas usage, you know -- like I said, my gas usage
16 obviously isn't that much. It's just -- but we have
17 not taken any major steps because we can't.

18 CHAIRMAN CLAYTON: Do you -- without
19 getting into too much detail, do you think -- do you
20 have an older house kind of like Tara over here
21 where -- I didn't mean that. I just thought I would
22 reference it.

23 Where you -- you know, it's an older house
24 that is a lot harder to heat, may have a lot more
25 places where you can lose efficiency or is it a

1 newer house? Is it --

2 MS. LIGHTNER: We -- it's about a '60s, you
3 know, 1960s. There's one place that we do lose a
4 lot of heat, and it has an attached garage.

5 And so the door that's from the kitchen to
6 the attached garage, we do lose a lot of heat that
7 goes out there.

8 So you know, we bought one of these things
9 that has the double sides that goes around the
10 bottom of the door.

11 CHAIRMAN CLAYTON: Could you get that to
12 work?

13 MS. LIGHTNER: Yeah.

14 CHAIRMAN CLAYTON: We couldn't get ours to
15 work.

16 MS. LIGHTNER: Really?

17 CHAIRMAN CLAYTON: Yeah. It got caught in
18 the door. And you know, the kids started playing
19 with it.

20 MS. LIGHTNER: Ours worked fine.

21 CHAIRMAN CLAYTON: And so on.

22 MS. LIGHTNER: My 2-year-old likes to take
23 it out and use it as a bat, but.

24 CHAIRMAN CLAYTON: Exactly. Okay. Other
25 than -- are you satisfied with the service

1 otherwise? Does the gas work? Customer service
2 good? Bad? Billing?

3 MS. LIGHTNER: Customer service has been
4 wonderful.

5 You know, I've had a couple of times where
6 I've had to call in and make payment arrangements,
7 and they've been wonderful about that.

8 Other than that, yeah, the service has been
9 great. We haven't had any interruptions unlike when
10 we were with Aquila, but you know.

11 THE COURT: Okay. Ms. Fred, would you
12 raise your hand? That's Gaye right over there.

13 There's a lot of money coming into the
14 state for energy efficiency right now.

15 A lot of programs that are in place on
16 weatherization that directly relate to all these
17 investments we're talking about.

18 I'm not sure what's the status. We have a
19 lot of programs that utilities actually offer
20 incentives.

21 I was just -- it may be worthwhile to touch
22 base with Ms. Fred and just see if there are other
23 things that you can do, you know, as you get closer
24 to weather, aside from the rate designs that you've
25 already mentioned.

1 I think that may be worthwhile. So she's
2 sitting right over there.

3 So I don't have any other questions. I
4 appreciate you coming. Questions from Mr. Poston?

5 MR. POSTON: No questions. Thank you very
6 much.

7 CHAIRMAN CLAYTON: Ms. Carter, questions?

8 MS. CARTER: No questions.

9 CHAIRMAN CLAYTON: Okay. Thank you very
10 much for coming tonight. Don't forget picking up
11 your child.

12 MS. LIGHTNER: I don't think I'll forget
13 that part.

14 (Ms. Lightner steps down
15 from the stand.)

16 CHAIRMAN CLAYTON: Is there anyone else
17 that would like to testify tonight? Anyone else
18 like to testify? Mr. Gibson, do you want to testify
19 tonight?

20 MR. GIBSON: No, sir.

21 CHAIRMAN CLAYTON: Well, we're always
22 delighted to see the CEOs out at local public
23 hearings. That doesn't happen with all the
24 utilities.

25 So I will mention that we go to a lot of

1 local public hearings, and you don't see it very
2 often. So glad to see you here.

3 I have nothing further unless there is any
4 other testimony tonight.

5 Hearing done. Then we'll stand adjourned.
6 Thank you for coming.

7 (The hearing was concluded
8 at 6:43 p.m. on Thursday,
9 November 5, 2009.)

10

11 * * * * *

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

I N D E X

PAGE

TITLE PAGE

1

INDEX

42

APPEARANCES

2

SPEAKERS

Mr. Joseph Willis

8

Mr. Art Belt

20

Ms. Jennifer Lightner

32

CERTIFICATE OF REPORTER

42

1 CERTIFICATE OF REPORTER

2

3

4 STATE OF MISSOURI)

5) SS:

6 COUNTY OF GREENE)

7

8

9 I, Karen S. Rogers, Registered Professional
10 Reporter, Certified Realtime Reporter, and Notary
11 Public in and for the State of Missouri, do hereby
12 certify that I was personally present at the taking
13 of the proceedings as set forth in the caption sheet
14 hereof; that I then and there took down in stenotype
15 the proceedings had at said time; and that the
16 foregoing is a full, true, and accurate
17 transcription of such stenotype notes so made at
18 such time and place, all to the best of my skill and
19 ability.

20

21

22

23

24 Karen S. Rogers, RPR, CCR No. 846,

25 Notary Public