

MISSOURI PUBLIC SERVICE COMMISSION

STAFF REPORT

**RATE DESIGN
CLASS COST-OF-SERVICE**

APPENDIX 1

Staff Credentials

KANSAS CITY POWER & LIGHT COMPANY

CASE NO. ER-2016-0285

*Jefferson City, Missouri
December 2016*

APPENDIX 1
STAFF CREDENTIALS
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JAMES A. BUSCH

Brief Work History

I am the Manager of the Water and Sewer Department of the Missouri Public Service Commission (PSC or Commission). I have 19 years of experience in the field of public utility regulation. I spent two and a half years working as an Economist I in the PSC's Procurement Analysis Department working primarily on hedging programs for natural gas procurement and reviewing and designing incentive plans. I then worked for almost five and a half years with the Missouri Office of the Public Counsel (Public Counsel) as a Public Utility Economist. During my tenure at Public Counsel, I worked on numerous issues in the electric, natural gas, and water/sewer industries. I then transferred back to the PSC as an Economist III in the Commission's Energy Department. While employed in the Energy Department, I worked exclusively on electric industry issues including conducting rate design/class cost of service studies, demand-side management, and integrated resource planning. For the past eight years, I have been the Manager of the Water and Sewer Department supervising a staff of six technical experts. My duties as the Manager of Water and Sewer involve all aspects of the Commission's regulation of the water and sewer industries including customer complaints, reviewing testimony, setting policy, and working with the utilities to promote best practices in their provision of safe and adequate service at just and reasonable rates.

Furthermore, I have been a member of the Adjunct Faculty at Columbia College and Stephens College. I have been teaching at Columbia College since 2000. Courses that I teach or have taught include introductory micro- and macroeconomics, Intermediate Microeconomics, and Managerial Economics. These courses are taught either on-site or over the internet. I was the developer of the Intermediate Microeconomics course currently being offered at Columbia College. At Stephens College, I taught a macroeconomics course and an Entrepreneurial Finance Course in 2007.

Education

Masters of Science – Economics
Southern Illinois University at Edwardsville

Bachelors of Science – Economics
Southern Illinois University at Edwardsville

Cases of Filed Testimony

James A. Busch

<u>Company</u>	<u>Case No.</u>
Union Electric Company	GR-97-393
Missouri Gas Energy	GR-98-140
Laclede Gas Company	GO-98-484
Laclede Gas Company	GR-98-374
St. Joseph Light & Power	GR-99-246
Laclede Gas Company	GT-99-303
Laclede Gas Company	GR-99-315
Fiber Four Corporation	TA-2000-23; et al
Missouri-American Water Company	WR-2000-281/SR-2000-282
Union Electric Company d/b/a AmerenUE	GR-2000-512
St. Louis County Water	WR-2000-844
Empire District Electric Company	ER-2001-299
Missouri Gas Energy	GR-2001-292
Laclede Gas Company	GT-2001-329
Laclede Gas Company	GO-2000-394
Laclede Gas Company	GR-2001-629
UtiliCorp United, Inc.	ER-2001-672
Union Electric Company d/b/a AmerenUE	EC-2001-1
Laclede Gas Company	GR-2002-356
Empire District Electric Company	ER-2002-424
Southern Union Company	GM-2003-0238
Aquila, Inc.	EF-2003-0465
Missouri-American Water Company	WR-2003-0500
Union Electric Company d/b/a AmerenUE	GR-2003-0517
Aquila, Inc.	ER-2004-0034
Aquila, Inc.	GR-2004-0072
Missouri Gas Energy	GR-2004-0209
Empire District Electric Company	ER-2004-0570
Aquila, Inc.	EO-2002-0384
Aquila, Inc.	ER-2005-0436
Empire District Electric Company	ER-2006-0315
Kansas City Power & Light	ER-2006-0314
Union Electric Company d/b/a AmerenUE	ER-2007-0002
Aquila, Inc.	EO-2007-0395
Missouri-American Water Company (Live)	WC-2009-0277
Missouri-American Water Company	WR-2010-0131
Review of Economic, Legal and Policy Considerations Of District Specific Pricing and Single Tariff Pricing (Live)	SW-2011-0103
Timber Creek Sewer Company	SR-2011-0320

**cont'd Cases of Filed Testimony
James A. Busch**

<u>Company</u>	<u>Case No.</u>
Missouri-American Water Company	WR-2011-0337
Emerald Pointe Utility Company	SR-2013-0016
City of Pevely and CPWSD C-1 of Jefferson County	WC-2014-0018
Hickory Hills Water and Sewer Company, Inc	SR-2014-0166/WR-2014-0167
Peaceful Valley Service Company (Live)	SR-2014-0153/WR-2014-0154
Central Rivers Wastewater Utility	SR-2014-0247
Missouri-American Water Company	WR-2015-0301

Sarah L. Kliethermes

MOPSC EMPLOYMENT EXPERIENCE

Regulatory Economist III (July 2013 – Present)

Tariff and Rate Design Unit, Operational Analysis Department, Commission Staff Division, of the Missouri Public Service Commission. In this position my duties include providing analysis and recommendations in the areas of RTO and ISO transmission, rate design, class cost of service, tariff compliance and design, and energy efficiency mechanism and tariff design. I also continue to provide legal advice and assistance regarding generating station and environmental control construction audits and electric utility regulatory depreciation.

My prior positions in the Commission's General Counsel's Office, which was reorganized as the Staff Counsel's Office, consisted of leading major rate case litigation and settlement and presenting Staff's position to the Commission, and providing legal advice and assistance primarily in the areas of depreciation, cost of service, class cost of service, rate design, tariff issues, resource planning, accounting authority orders, construction audits, rulemakings and workshops, fuel adjustment clauses, document management and retention, and customer complaints. Those positions were:

Senior Counsel (September 2011 – July 2013)

Associate Counsel (September 2009 – September 2011)

Legal Counsel (September 2007 – September 2009)

Legal Intern (May 2006 – September 2007)

TESTIMONY

Contributor to Staff Cost of Service Report, regarding Noranda revenues, in Case No. ER-2016-0179, In the Matter of Union Electric Company d/b/a Ameren Missouri for Authority to File Tariffs to Increase Rates.

Provided at on the record presentations, as well as contributor to Contributor to Class Cost of Service and Rate Design Report and prefiled Rebuttal, and Compliance Tariff Recommendation regarding Rate Design, billing determinants, tariff issues, low income rates, and tail block rate designs in Case No. ER-2016-0156, In the Matter of KCP&L Greater Missouri Operations Company's Request for Authority to File Tariffs to Increase Rates.

Provided Staff Recommendation to Approve Tariff Sheet in Case No. ET-2017-0097, concerning KCP&L Greater Missouri Operations Company's Renewable Energy Standard Rate Adjustment Mechanism.

Provided Staff Recommendation to Approve Tariff Sheets, and Staff Recommendation to Approve Tariff Sheets in Case No. ER-2016-0325, concerning Kansas City Power & Light Company's Demand Side Investment Mechanism.

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Provided initial Staff Recommendation to reject Kansas City Power & Light Company's proposed tariff sheets to modify its Demand Side Investment Mechanism, and subsequent Staff Recommendation to approve tariff sheet in Case No. ER-2014-0095.

Provided at on the record presentations, as well as contributor to Contributor to Staff Cost of Service Report; and Staff Class Cost of Service and Rate Design Report; prefiled Direct, Rebuttal, and Surrebuttal; and Compliance Tariff Recommendation, regarding special contract revenues, Class Cost of Service, Rate Design, tariff issues, low income rates, and tail block rate designs in Case No. ER-2016-0023, In the Matter of The Empire District Electric Company's Request for Authority to File Tariffs to Increase Rates.

Provided at hearing, as well as prefiled Rebuttal concerning retail rate impact and public interest concerning Case No. EA-2015-0146, Application of Ameren Transmission Company of Illinois for Other Relief or in the Alternative, a Certificate of Public Convenience and Necessity Authorizing it to Construct, Install, Own, Operate, Maintain and Otherwise Control and Manage a 345,000-volt Electric Transmission Line from Palmyra, Missouri, to the Iowa Border and Associated Substation near Kirksville, Missouri.

Contributor to Staff recommendations concerning Case No. EA-2015-0145, Application of Ameren Transmission Company of Illinois for Other Relief or in the Alternative, a Certificate of Public Convenience and Necessity Authorizing it to Construct, Install, Own, Operate, Maintain and Otherwise Control and Manage a 345,000-volt Electric Transmission Line in Marion County, Missouri and an Associated Switching Station Near Palmyra, Missouri.

Contributor to Staff Class Cost of Service and Rate Design Report, regarding Class Cost of Service; prefiled Rebuttal and Surrebuttal, regarding Class Cost of Service and marginal energy cost, in Case No. ER-2014-0370, In the Matter of Kansas City Power & Light Company's Request for Authority to File Tariffs to Increase Rates.

Provided at hearing, as well as deposed, as well as prefiled Rebuttal, Supplemental Direct, and Rebuttal to Supplemental Direct, regarding marginal revenue calculation, throughput disincentive, earnings opportunity and performance incentive, and customer-related issues, in Case No. ER-2015-0055, Union Electric Company d/b/a Ameren Missouri application under the Missouri Energy Efficiency Investment Act.

Provided at hearing, as well as contributor to contributor to Staff Cost of Service Report, regarding special contract tariff revenues, and Staff Class Cost of Service and Rate Design Report, regarding Class Cost of Service and miscellaneous tariff issues; prefiled Rebuttal and Surrebuttal, regarding Class Cost of Service and special contracts, in Case No. ER-2014-0351, In the Matter of The Empire District Electric Company's Request for Authority to File Tariffs to Increase Rates.

Provided at hearing and deposed, as well as contributor to Staff Cost of Service Report, regarding Noranda revenues, and Staff Class Cost of Service and Rate Design Report,

cont'd Sarah L. Kliethermes

regarding Class Cost of Service; prefiled Rebuttal and Surrebuttal, regarding Class Cost of Service, incremental cost of energy, and Noranda rate design, in Case No. ER-2014-0258, In the Matter of Union Electric Company d/b/a Ameren Missouri for Authority to File Tariffs to Increase Rates.

Provided at hearing, as well as prefiled Rebuttal and Surrebuttal, regarding energy price efficiency and transmission, in Case No. EA-2014-0207, Application of Grain Belt Express Clean Line LLC for a Certificate of Convenience and Necessity.

Contributor to Staff recommendation concerning Ameren Missouri municipal lighting, in Case No. EC-2014-0316, City of O'Fallon, Missouri, and City of Ballwin, Missouri, Complainants v. Union Electric Company d/b/a Ameren Missouri, Respondent.

Contributor to Staff Report, regarding a requested Certificate of Convenience and Necessity, a requested Special Contract tariff sheet, and tariff review, in Case No. HR-2014-0066, In the Matter of Veolia Energy Kansas City, Inc for Authority to File Tariffs to Increase Rates.

Provided at hearing, as well as prefiled Rebuttal and Surrebuttal, regarding average wholesale energy prices, in Case No. EC-2014-0224, Noranda Aluminum, Inc., et al., Complainants, v. Union Electric Company d/b/a Ameren Missouri, Respondent.

Rebuttal, regarding DSIM tariff design, margin rate calculation, and customer-related issues, in Case No. ER-2014-0095, Kansas City Power & Light application under the Missouri Energy Efficiency Investment Act. Case resolved by stipulation.

Contributor to Staff recommendation concerning KCP&L Greater Missouri Operations Company's Application for a Renewable Energy Standard Rate Adjustment Mechanism, in Case No. EO-2014-0151, addressing issues of customer notice and tariff design. Staff recommendation to approve compliance tariffs.

RELATED TRAINING AND EXPERIENCE

2015, participant in Missouri's Comprehensive Statewide Energy Plan working group on Energy Pricing and Rate Setting Processes.

Presented:

Support for Low Income and Income Eligible Customers, Cost-Reflective Tariff Training, in cooperation with U.S.A.I.D. and NARUC, Addis Ababa, Ethiopia (February 23 - 26, 2016)

Fundamentals of Ratemaking at the MoPSC (October 8, 2014)

Ratemaking Basics (Sept. 14, 2012)

Attended:

cont'd Sarah L. Kliethermes

Using Deemed Savings and Technical Reference Manuals for Efficiency Programs and Projects Evaluation, Measurement and Verification for Energy Efficiency (June 27, 2016)
Demand Charges: Pathway or Detour? (December 10, 2015)
Net Metering presented by Ralph Zarumba (December 9, 2014)
Fourth Annual Public Utility Law Symposium (October 17, 2014)
Electricity Energy Storage Sources (August 29, 2014)
Combined Heat & Power: Planning, Design and Operation (August 11, 2014)
Today's U.S. Electric Power Industry, the Smart Grid, ISO Markets & Wholesale Power Transactions (July 29-30, 2014)
MISO Markets & Settlements Training for OMS and ERSC Commissioners & Staff (Jan. 27 – 28, 2014)
Validating Settlement Charges in New SPP Integrated Marketplace (July 22, 2013)
PSC Transmission Training (May 14 – 16, 2013)
Grid School (March 4 – 7, 2013)
Specialized Technical Training - Electric Transmission (April 18 – 19, 2012)
Legal Practice Before the Missouri Public Service Commission (Sept. 1, 2011)
Renewable Energy Finance Forum (Sept. 29 – Oct 3, 2010)
The New Energy Markets: Technologies, Differentials and Dependencies (June 16, 2011)
Mid-American Regulatory Conference Annual Meeting (June 5 – 8, 2011)
Utility Basics (Oct. 14 – 19, 2007)

EDUCATION

Studied Energy Transmission at Bismarck State College, online (2014 – 2015).
Licensed to Practice Law in Missouri, MoBar # 60024 (Summer 2007).
Juris Doctorate, University of Missouri, Columbia, Missouri (2004 – 2007).
Bachelor of Science in Historic Preservation, Cum Laude, minor in Architectural Design, Southeast Missouri State University, Cape Girardeau, Missouri (2002 – 2004).
2000 – 2002: Studied Architecture and English Literature at Drury University, Springfield, Missouri.
2013 Economics courses at Columbia College, Jefferson City campus.

OTHER EMPLOYMENT EXPERIENCE

Law Clerk, Contracting and Organization Research Institute. Performed legal research; analyzed, described, and categorized contracts.
Paid Intern, Southeast Missouri State University. Accessioned and organized artifact collections for the Missouri Department of Natural Resources, Division of State Parks and Historic Sites.
Intermediate Clerk, Missouri Department of Elementary and Secondary Education. Responsibilities included organizing and managing various forms of data.

David C. Roos

Present Position: I am a Regulatory Economist III in the Energy Resource Department, Commission Staff Division of the Missouri Public Service Commission.

Educational Background and Work Experience:

In May 1983, I graduated from the University of Notre Dame, Notre Dame, Indiana, with a Bachelor of Science Degree in Chemical Engineering. I also graduated from the University of Missouri in December 2005, with a Master of Arts in Economics. I have been employed at the Missouri Public Service Commission as a Regulatory Economist III since March 2006. I began my employment with the Commission in the Economics Analysis section where my responsibilities included class cost of service and rate design. In 2008, I moved to the Energy Resource Analysis section where my testimony and responsibility topics include energy efficiency, resource analysis, and fuel adjustment clauses. Prior to joining the Public Service Commission I taught introductory economics and conducted research as a graduate teaching assistant and graduate research assistant at the University of Missouri. Prior to the University of Missouri, I was employed by several private firms where I provided consulting, design, and construction oversight of environmental projects for private and public sector clients.

Previous Cases

<u>Company</u>	<u>Case No.</u>
Empire District Electric Company	ER-2006-0315
AmerenUE	ER-2007-0002
Aquila Inc.	ER-2007-0004
Kansas City Power and Light Company	ER-2007-0291
AmerenUE	EO-2007-0409
Empire District Electric Company	ER-2008-0093
Kansas City Power and Light Company	ER-2008-0034
Greater Missouri Operations	HR-2008-0340

Previous Cases

<u>Company</u>	<u>Case No.</u>
Greater Missouri Operations	ER-2009-0091
Greater Missouri Operations	EO-2009-0115
Greater Missouri Operations	EE-2009-0237
Greater Missouri Operations	EO-2009-0431
Empire District Electric Company	ER-2010-0105
Greater Missouri Operations	EO-2010-0002
AmerenUE	ER-2010-0036
AmerenUE	ER-2010-0044
Empire District Electric Company	EO-2010-0084
Empire District Electric Company	ER-2010-0105
AmerenUE	ER-2010-0165
Greater Missouri Operations	EO-2010-0167
AmerenUE	EO-2010-0255
Greater Missouri Operations (Aquila)	EO-2008-0216
Ameren Missouri	ER-2011-0028
Empire District Electric Company	EO-2011-0066
Empire District Electric Company	EO-2011-0285
Ameren Missouri	EO-2012-0074
Greater Missouri Operations	EO-2012-0009
Ameren Missouri	EO-2012-0142
Ameren Missouri	ER-2012-0166
Greater Missouri Operations	EO-2013-0325
Ameren Missouri	EO-2013-0407
Empire District Electric Company	EO-2014-0057
Greater Missouri Operations	EO-2014-0256
Empire District Electric Company	ER-2014-0351
Greater Missouri Operations	EO-2015-0252
Kansas City Power and Light Company	EO-2015-0254
Empire District Electric Company	ER-2015-0214
Greater Missouri Operations	EO-2016-0053
Empire District Electric Company	ER-2016-0023
KCP&L Greater Missouri Operations Company	ER-2016-0156
Kansas City Power and Light Company	ER-2016-0285

Ashley Sarver

Educational, Employment Background and Credentials

I am a Utility Regulatory Auditor IV in the Energy Resources Department, Commission Staff Division for the Missouri Public Service Commission (Commission). I promoted to the position in August 2016. I accepted the position of the Utility Regulatory Auditor I/II/III in July 2013 with the Auditing Department, Commission Staff Division for the Commission.

I earned a Bachelor of Science degree in Accounting from Missouri State University in Springfield, MO in July 2009. In earning this degree I completed numerous core Accounting and business classes. Prior to joining the Commission, I was employed by the State of Missouri - Department of Corrections from 2009 to 2013 as an Auditor. My duties entailed compiling and reviewing auditing materials from the institutions. After the audit, I would make recommendations according to policy and procedures, internal control and other changes to improve the functions of the institution to the Warden, Deputy Division Director, Inspector General and Deputy Director verbally and in writing.

Case Participation

Company Name	Case Number(s)	Testimony/Issues
Empire District Electric Company	EO-2017-0094 ER-2017-0092	Fuel Adjustment Clause
KCP&L Greater Missouri Operations Company	ER-2016-0156	Miscellaneous Revenues and Customer Growth
Hillcrest Utility Operating Company, Inc.	WR-2016-0064 SR-2016-0065	Revenue, Expenses, and Rate Base
The Empire District Electric Company	ER-2016-0023	Property Tax Expense, Rate Case Expense, Injuries and Damages, Workman's Compensation, Bad Debt Expense, Amortization of Stock Issuance Expense Amortization, Lease Expense, DSM/PRE-MEEIA, Solar Rebate, Revenue, Customer Growth
Indian Hills Utility Operating Company, Inc. to Acquire I.H. Utilities, Inc.	WO-2016-0045	Acquisition Case: Rate Base determination

Cont'd Ashley Sarver

Company Name	Case Number(s)	Testimony/Issues
The Empire District Electric Company	ER-2014-0351	Revenue, Customer Growth, Common Stock Issuance Expense Amortization, Uncollectible Accounts, Cash Working Capital, Injuries and Damages, Workman's Compensation, Insurance Expense, Lease Expense, Property Tax Expense, Regulatory Commission Expense
Summit Natural Gas of Missouri, Inc.	GR-2014-0086	Plant in Service, Depreciation Reserve, Gas Stored Inventory, Prepayments and Materials and Supplies Inventory, Customer Advances, Customer Deposits, Payroll, Payroll Taxes, 401(k), and Other Employee Benefit Costs, Incentive Compensation and Bonuses, Customer Deposit Interest Expense, Maintenance Normalization Adjustments, Advertising Expense, Regulatory Expenses, Dues, Rent Expense
Lake Region Water and Sewer	WR-2013-0461 SR-2013-0459	Plant in Service, Depreciation Reserve, Materials and Supplies Inventory, Customer Advances, Contributions in Aid of Construction, Purchase Power, Chemicals, Testing Expense, Supplies and Materials, Tools and Shop Supplies, Insurance, Office Supplies, Telephone, License and Permits, Property Tax