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BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI
VOL. IV
HEARING
IN THE MATTER OF: GR-2021-0320

April 25, 2022

PAMELA G. WILLIAMS, RPR
MISSOURI CCR #880

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IN THE MATTER OF:
File No. GR-2021-0320

The On the Record Discussion of the Public Service Commission Hearing regarding the above captioned matter was held on behalf of the parties via Webex on the 25th day of April, 2022, before Pamela G. Williams, RPR, CSR MO.

1 APPEARANCES OF THE PARTIES:

2 ON BEHALF OF THE MISSOURI PUBLIC SERVICE COMM.:

3 Ms. Jamie Myers

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4 Jefferson City, MO 65102

5 ON BEHALF OF OFFICE OF PUBLIC COUNSEL:

6 Mr. Nathan Williams

200 Madison Street, Suite 650

7 Jefferson City, MO 65102

8 ON BEHALF OF LIBERTY (Empire):

9 Mr. James M. Fisher and

Ms. Diana C. Carter

10 101 Madison Street, Suite 400

Jefferson City, MO 65101

11

12 ON BEHALF OF MIDWEST ENERGY GROUP:

13 Mr. Tim Opitz

308 E. High Street, Suite B101

14 Jefferson City, MO 65101

15

16 ADMINISTRATIVE JUDGE:

17 Honorable Ron Pidgin

18

19 THE COURT REPORTER:

20 Ms. Pamela G. Williams

Veritext Legal Solutions

21 701 Market Street, Suite 310

St. Louis, Missouri 63101

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1 IT IS HEREBY STIPULATED AND AGREED, that
2 this Public Service Commission hearing may be taken
3 in shorthand by and before Pamela G. Williams,
4 Registered Professional Reporter, Missouri Certified
5 Court Reporter, CCR #880, and afterwards transcribed
6 into typewriting.

7 * * * * *

8 JUDGE PRIDGIN: We are back on the record.
9 Good morning. We have concluded the evidentiary
10 hearing and will now proceed to parties' statements
11 on the stipulation. And I -- unless the parties say
12 further wise, I'll just plan to go in the same order
13 as the order of opening statements, and Mr. Fisher's
14 raring to go at the podium. So anything further
15 from counsel before we hear from counsel on the
16 stipulation? All right, Mr. Fisher, when you're
17 ready, sir.

18 MR. FISHER: Thank you, Judge. For the
19 record, this is Jim Fisher. I've also got on the
20 line, I think, on the Webex, Diana Carter. Dana
21 Liner (phonetic) is on the call and I believe I saw
22 Nick Hackney who are also company witnesses in the
23 case. They're available for the commission if you
24 would happen to have questions that I can't answer.

25 I'm happy to proceed however you'd

1 like. I can just take your questions or I can
2 summarize the stip, if you prefer to do it that way,
3 but --

4 JUDGE PRIDGIN: I'm unaware of any questions
5 that the bench has right now. I think I just prefer
6 an overview.

7 MR. FISHER: That sounds good.

8 JUDGE PRIDGIN: Thank you.

9 MR. FISHER: Back in August of 2021, the
10 company filed a rate case, a general rate case, and
11 the increase was proposed to be \$1.36 million. They
12 hadn't had a rate case for over -- for about 10
13 year, so it's been quite some time. The stipulation
14 and agreement has the parties have agreed to a \$1
15 million revenue requirement. That's a little over
16 three percent with gas revenues or about 4.8 percent
17 without gas revenues calculated.

18 The billing determinates, we agreed
19 to use the staff's updated billing determinates.
20 There's a section on pensions and opegs (phonetic),
21 which I believe is pretty standard. Unprotected
22 excess A -- AI -- ADIT. We've agreed to return the
23 unprotected excess back to customers over a three
24 year period, as was recommend by the staff witness.

25 We are incorporating the staff's rate

1 base number. The original cost rate base at
2 \$65.7 million. And that's as of the in-service date
3 of September 30th, 2021.

4 Depreciation rates were, essentially,
5 the staff's as well. Then on class allocations of
6 rate design, the -- the various customer
7 representatives in the company agreed to spread the
8 increase, with the exception of the residential rate
9 class, the -- which the customer charge is going to
10 remain the same. The increase, otherwise, will be
11 spread equally among all the rate elements.

12 One of the things that is happening
13 is, as you know, the tax -- the taxes have had to
14 add a rider on it to reflect the reductions that
15 occurred several years ago. We're canceling that,
16 it's all been baked into the overall revenue
17 requirements so we don't need to deal with taxes.

18 Implementation of the rider, the WNAR
19 rider, one of the goals of the company was to get a
20 weather clause that is more consistent with the mid
21 states operation. And this -- this weather clause
22 is not exactly the same, but it's quite similar.
23 And we -- we will be implementing that if this is
24 approved.

25 Then, there are also some low income

1 assistance programs that are identified on page five
2 and six. They're fairly standard to programs that
3 the company has had in the past and other companies
4 have got, have recently had as far as weatherization
5 goes.

6 The critical needs program, that's a
7 new one for me. And that is proposed by Public
8 Counsel. The Empire District Electric Company had
9 agreed in the electric case to develop and implement
10 a -- a critical needs program. We would like to
11 join that effort on the gas side. And we've
12 allocated \$30,000 to be split 50/50 between the
13 customers of the company on that.

14 This company does not have an
15 infrastructure system replacement surcharge. But,
16 now that we had completed a rate case, they will be
17 eligible to -- to look at that in the future. And
18 for that purpose, we have designated a pre tax rate
19 across the capital to be used in that SRIS at
20 eight percent.

21 There's some credit card fees that
22 are being waived. Late payment fees that are being
23 reduced to point 25 percent per year -- or, yeah,
24 point 25 percent per month. There's an energy
25 efficiency program that they're reworking a little

1 bit. It's, basically, for the same programs, but
2 they're rebranding some things. And with that, I'd
3 be happy to answer your questions.

4 JUDGE PRIDGIN: Mr. Fisher, thank you. I
5 may have a few questions. Let me see if we have any
6 bench questions. I believe Commissioner Holsman may
7 still be with us. And I want to give him the
8 opportunity to ask questions if he has any?

9 COMMISSIONER HOLSMAN: No questions, Judge.

10 JUDGE PRIDGIN: All right. Commissioner,
11 thank you. And this is for you, Mr. Fisher, or
12 anybody else from the company or, frankly, anybody
13 else who can answer.

14 It's my understanding from the --
15 from the stipulation that of the \$1 million increase
16 that where, roughly, \$700,000 of that is going to be
17 assigned to the residential rate class; is that
18 correct? Is it like 698,000?

19 MR. FISHER: Yeah. On page four there's a
20 list of the revenue responsibility increases, just
21 about 700,000, 698,351.

22 JUDGE PRIDGIN: Okay. And the company has,
23 roughly, 38,000 residential customers; is that
24 accurate?

25 MR. FISHER: I'd have to confirm that,

1 Judge, I'm not sure. Dana or Diana or Nate, do you
2 know the answer to that? I think that's right.

3 JUDGE PRIDGIN: And if I recall correctly,
4 you had roughly 44,000 customers and about
5 87 percent are residential?

6 MR. FISHER: That sounds correct. I'd have
7 to check for sure.

8 MS. CARTERT: Yes, that's correct, Judge.
9 This is Diana Carter.

10 JUDGE PRIDGIN: All right, Ms. Carter, thank
11 you. So with my math, that would be an average
12 increase for each residential customer of about \$18
13 a year; does that sound accurate?

14 MR. FISHER: Five point six percent, I can
15 say that.

16 JUDGE PRIDGIN: I mean, I'm simply dividing
17 that roughly 700,000 by 38,000.

18 MR. FISHER: Yeah, the math seems to work.

19 JUDGE PRIDGIN: Okay. In other words,
20 roughly, a dollar and a half per month average? I'm
21 just trying to get my --

22 MR. FISHER: Yes, I think that's correct.

23 JUDGE PRIDGIN: -- financial impact. Okay.
24 And if somebody has some, you know, base that I've
25 missed this, please let me know. But I'm just kind

1 of trying to see what the residential impact is of
2 this stipulation, so. Those are, really, all the
3 questions, I have, Mr. Fisher. Thank you so much.

4 MR. FISHER: Thank you.

5 JUDGE PRIDGIN: Anything else from the
6 company? All right. Staff, Ms. Myers, when you're
7 ready.

8 MS. MYERS: Good, almost afternoon. And may
9 it please the Commission. This is Jamie Myers on
10 behalf of staff. I will keep my remarks very brief.
11 I think Mr. Fisher did a good job of walking through
12 the stipulation and agreement.

13 I will say staff is a signatory to
14 this agreement. We do believe it is a reasonable
15 resolution of all the issues contained in the
16 document. We would recommend that the commission
17 approve this stipulation and agreement.

18 In addition to myself, there are
19 several other staff members present if the
20 commission would have questions. And that's all I
21 have and thank you.

22 JUDGE PRIDGIN: All right, Ms. Myers, thank
23 you. Commissioner Holsman, any questions for staff?
24 All right. Hearing nothing, I don't have any
25 questions. Ms Myers, thank you so much.

1 MS. MYERS: Thank you.

2 JUDGE PRIDGIN: Mr. Williams? Any remarks?

3 MR. WILLIAMS: May it please the Commission,
4 Nathan Williams appearing on behalf of the Office of
5 the Public Counsel. We support the stipulation and
6 agreement. We're a signatory to it. We believe
7 it's a reasonable outcome in the aspects that it
8 addresses in this rate case.

9 JUDGE PRIDGIN: Mr. Williams, thank you. I
10 don't think I have any questions. Commissioner
11 Holsman, any questions for Public Counsel?

12 COMMISSIONER HOLSMAN: No questions.

13 JUDGE PRIDGIN: All right. Thank you. Mr.
14 Opitz, any comments?

15 MR. OPITZ: Your Honor, I have no additional
16 comments. MECG is a signatory and I ask the
17 Commission approve the stipulation.

18 JUDGE PRIDGIN: All right. Thank you, Mr.
19 Opitz. Commissioner Holsman, any questions for
20 MECG?

21 COMMISSIONER HOLSMAN: No questions.

22 JUDGE PRIDGIN: And I don't have any
23 questions, thank you. I believe that concludes
24 then, the on the record presentation on the
25 stipulation.

1 Is there anything else further
2 counsel wishes to address?

3 MR. FISHER: Judge, I know there's a
4 briefing schedule already in the procedural
5 scheduled. And do you want to stay with that or?

6 JUDGE PRIDGIN: I will probably accelerate
7 it. I want to be sure the transcript gets in before
8 I issue a briefing schedule. I'm probably looking
9 at, you know, once the transcript is filed, probably
10 somewhere in the neighborhood of 10 days to two
11 weeks for you to file brief, unless that causes you
12 any concern. I don't want to unduly delay this case
13 since most of it's settled. I'd like to get this in
14 front of the commission, and get it resolved.

15 And then, if you don't know, it's
16 okay. Do you think you'd still like reply briefs
17 since the issues are limited? Or do you find them
18 necessary? I'm happy to do either.

19 MR. FISHER: I think we'd like to have a
20 brief reply but to accelerate the briefings that's
21 not a problem from our standpoint.

22 JUDGE PRIDGIN: Very good, thank you.
23 Anything else from counsel or from the bench? All
24 right. Hearing nothing else, we are off the record
25 in file No. GR-2021-0320. Thank you so much.

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(Whereupon, the on the record
discussion was adjourned at
11:25 a.m.)

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CERTIFICATE OF REPORTER

I, Pamela G. Williams, Certified Shorthand Reporter, within and for the State of Missouri, do hereby certify that the witness whose testimony appears in the foregoing hearing was duly sworn; the testimony of said witness was taken by me to the best of my ability and thereafter reduced to typewriting under my direction; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this hearing was taken, and further that I am not a relative or employee of any attorney or counsel employed by the parties thereto, nor financially or otherwise interested in the outcome of the action.

Pamela G. Williams

Certified Shorthand Reporter
within the State of Missouri

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