Exhibit No.: _____ Issue: Lighting Tariffs Witness: Samuel S. McGarrah Type of Exhibit: Rebuttal Testimony Sponsoring Party: The Empire District Electric Company Case No.: ER-2019-0374 Date Testimony Prepared: March 2020

Before the Public Service Commission of the State of Missouri

Rebuttal Testimony

 \mathbf{of}

Samuel S. McGarrah

on behalf of

The Empire District Electric Company a Liberty Utilities Company

March 2020



SAMUEL S. MCGARRAH REBUTTAL TESTIMONY

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REBUTTAL TESTIMONY OF SAMUEL S. MCGARRAH THE EMPIRE DISTRICT ELECTRIC COMPANY BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION CASE NO. ER-2019-0374

1 I. INTRODUCTION

2 Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

- A. My name is Samuel S. McGarrah, and my business address is 602 Joplin Street,
 Joplin, MO, 64802.
- 5 Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?
- A. I am employed by Liberty Utilities Service Corp. as the Director of System
 Performance for The Empire District Electric Company ("Liberty-Empire" or the
 "Company").
- 9 Q. ARE YOU THE SAME SAMUEL S. MCGARRAH WHO FILED DIRECT
- 10 TESTIMONY IN THIS MATTER ON BEHALF OF LIBERTY-EMPIRE?
- A. Yes. With my Direct Testimony filed with the Missouri Public Service Commission
 ("Commission") on August 14, 2019, I address the continuation of Liberty-Empire's
 light emitting diode ("LED") municipal street lighting tariff, a proposed change to the
 original municipal street lighting tariff, and an LED option that Liberty-Empire
 proposes to offer its customers for private lighting.

16 Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY IN THIS 17 PROCEEDING?

- 18 A. I respond to the Direct Testimony filed in this matter by the Staff of the Commission
 19 ("Staff") with regard to the lighting tariffs addressed in my Direct Testimony.
- 20

1 II. <u>MUNICIPAL STREET LIGHTING TARIFFS</u>

2 Q. DOES LIBERTY-EMPIRE OFFER A MUNICIPAL STREET LIGHTING 3 SERVICE?

- 4 A. Yes. Liberty-Empire has two municipal street lighting tariffs: (1) Municipal Street
- 5 Lighting Service LED Tariff, Schedule SPL-LED, PSC Mo. No. 5, Sec. 3, 4th
- 6 Revised Sheet No. 6 and 3rd Revised Sheet No. 7, which took effect on July 27, 2018;
- 7 and (2) Municipal Street Lighting Tariff, Schedule SPL, PSC Mo. No. 5, Sec. 3, 17th
- 8 Revised Sheet No. 1 and 7th Revised Sheet No. 1a.

9 Q. IS LIBERTY-EMPIRE PROPOSING ANY CHANGES TO THE LED 10 MUNICIPAL STREET LIGHTING TARIFF?

- 11 A. No, not at this time.
- 12 Q. WHAT IS STAFF'S POSITION REGARDING LIBERTY-EMPIRE'S LED
 13 MUNICIPAL STREET LIGHTING TARIFF?
- A. On page 42, line 9, of the Staff Report Class Cost of Service, Staff recommends
 continuation of the LED Municipal Street Lighting Tariff.

16 Q. IS LIBERTY-EMPIRE PROPOSING ANY CHANGES TO THE NON-LED

17 MUNICIPAL STREET LIGHTING TARIFF?

A. Yes. The revised tariff is attached to my Direct Testimony as Schedule SSM-1.
Liberty-Empire is proposing that the Municipal Street Lighting Tariff be modified
such that customers will still be able to choose High Pressure Sodium ("HPS")
fixtures on the Municipal Street Lighting Tariff, but they will not be able to choose
Mercury Vapor ("MV") light fixtures. Additionally, since these mercury vapor lights
are becoming obsolete, Liberty-Empire proposes to convert all Company-owned,

- mercury vapor municipal street light fixtures to LED light fixtures (or HPS light
 fixtures if specified by the customer).
- 3 Q. WHAT ARE STAFF'S POSITIONS ON THESE PROPOSALS?
- 4 A. It appears that Staff did not address these proposals in Staff's Direct Testimony.
- 5 Q. IS LIBERTY-EMPIRE REQUESTING REGULATORY TREATMENT TO
 6 TRACK THE COSTS OF REPLACING MERCURY VAPOR LIGHTS FOR
 7 ITS MUNICIPAL LIGHTING SERVICE?
- 8 A. Yes. As explained in my Direct Testimony, Liberty-Empire would like the
 9 Commission to approve regulatory treatment to capture the costs associated with the
 10 mercury vapor light fixture replacement program for its Municipal Lighting Service.
- 11 Q. WHAT IS STAFF'S POSITION ON THIS ISSUE?
- A. On page 14, lines 10-14, of her Direct Testimony, Staff witness Kim Bolin states that Staff does not recommend "special accounting treatment for LED Replacement Program costs" and that Staff will address this issue further in rebuttal testimony. To my knowledge, no additional details were provided in Staff's Direct Testimony with regard to Staff's opposition to the Company's request to capture and track the costs associated with the mercury vapor light fixture replacement program.
- 18 III. PRIVATE LIGHTING LED TARIFF

19 Q. IS LIBERTY-EMPIRE PROPOSING A NEW LED OPTION FOR ITS 20 PRIVATE LIGHTING CUSTOMERS IN MISSOURI?

A. Yes. As set forth in my Direct Testimony, Liberty-Empire is proposing changes to its
Private Lighting Service, Schedule PL, PSC Mo. No. 5, Sec. 3, Revised Sheet No. 2,
to include an option for LED lighting. The revised tariff is attached to my Direct
Testimony as Schedule SSM-2.

1 Q. WHAT IS STAFF'S POSITION ON THIS PROPOSAL?

2 A. It appears that Staff did not address this proposal in Staff's Direct Testimony.

3 Q. YOUR DIRECT TESTIMONY CONTAINS LIBERTY-EMPIRE'S REQUEST 4 TO TRACK THE COSTS OF REPLACING MERCURY VAPOR LIGHTS 5 AND ALSO THE ACTUAL REVENUES AND COSTS OF THE LED LIGHTS 6 FOR ITS PRIVATE LIGHTING SERVICE. WHAT IS STAFF'S POSITION 7 ON THESE TRACKING REQUESTS?

A. As noted above, on page 14, lines 10-14, of her Direct Testimony, Staff witness Kim
Bolin states that Staff does not recommend "special accounting treatment for LED
Replacement Program costs" and that Staff will address this issue further in rebuttal
testimony. It is unclear to me whether Ms. Bolin is referring to the tracking request
related to the Municipal Lighting Service and/or the Company's tracking requests
related to the Private Lighting Service. To my knowledge, no additional details were
provided in Staff's Direct Testimony on these lighting issues.

15 Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?

16 A. Yes, it does.

AFFIDAVIT OF SAMUEL S. MCGARRAH

STATE OF MISSOURI)) ss COUNTY OF JASPER)

On the <u>2nd</u> day of March, 2020, before me appeared Samuel S. McGarrah, to me personally known, who, being by me first duly sworn, states that he is Director of System Performance of The Empire District Electric Company – Liberty Utilities Central and acknowledges that he has read the above and foregoing document and believes that the statements therein are true and correct to the best of his information, knowledge and belief.

PMC_R

Samuel S. McGarrah

Subscribed and sworn to before me this <u>2nd</u> day of March, 2020.

ANGELA M. CLOVEN Notary Public - Notary Seal State of Missouri Commissioned for Jasper County My Commission Expires: November 06, 2023 Commission Number: 15262659

Notary Public

My commission expires: