

Exhibit No.: \_\_\_\_\_  
Issue: Energy Efficiency Programs  
Witness: Nathaniel W. Hackney  
Type of Exhibit: Rebuttal Testimony  
Sponsoring Party: The Empire District Gas  
Company  
Case No.: GR-2021-0320  
Date Testimony Prepared: March 2022

**Before the Public Service Commission  
of the State of Missouri**

**Rebuttal Testimony**

**of**

**Nathaniel W. Hackney**

**on behalf of**

**The Empire District Gas Company**

**March 2022**



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THE EMPIRE DISTRICT GAS COMPANY  
BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION  
CASE NO. GR-2021-0320

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REBUTTAL TESTIMONY OF NATHANIEL W. HACKNEY  
THE EMPIRE DISTRICT GAS COMPANY  
BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION  
CASE NO. GR-2021-0320

1 **I. INTRODUCTION**

2 **Q. Please state your name and business address.**

3 A. My name is Nathaniel W. Hackney, and my business address is 602 S. Joplin Avenue,  
4 Joplin, Missouri, 64801.

5 **Q. Are you the same Nathaniel W. Hackney who provided Direct Testimony in this**  
6 **matter on behalf of The Empire District Gas Company (“Empire” or the**  
7 **“Company”)?**

8 A. Yes.

9 **Q. What is the purpose of your Rebuttal Testimony in this proceeding before the**  
10 **Missouri Public Service Commission (“Commission”)?**

11 A. In this Rebuttal Testimony, I will address the Direct Testimony of Office of Public  
12 Counsel (“OPC”) witness Geoff Marke regarding suggested changes to the Low-  
13 Income Weatherization Program (“LIWAP” or “Weatherization Program”). I will also  
14 address comments in the Direct Testimony of Missouri Public Service Commission  
15 Staff (“Staff”) witness Kory J. Boustead.

16 **II. RESPONSE TO OPC**

17 **Q. Please summarize your understanding of OPC witness Geoff Marke’s direct**  
18 **testimony position on the LIWAP.**

1 A. Dr. Marke notes that Empire has not increased the budget (\$71,500) of the LIWAP  
2 since inception of the program. He suggests that an increase is “long overdue<sup>1</sup>”, and  
3 recommends that the \$71,500 be supplemented by a shareholder contribution of  
4 \$100,000. Dr. Marke states that this additional funding would represent a commitment  
5 to “fulfilling corporate social responsibility assertions the [Algonquin Power and  
6 Utilities Corp] put forward in its acquisition of Empire in Case No. EM-2016-0213.”

7 **Q. Did Liberty, Empire, or Algonquin Power and Utilities Corp. (“APUC”) agree to**  
8 **increase weatherization funding for The Empire District Gas Company territory**  
9 **as part of Case No. EM-2016-0213?**

10 A. No.

11 **Q. Have the Community Action Agencies (CAAs) delivering the LIWAP to**  
12 **customers historically spent or overspent the tariffed budget of \$71,500?**

13 A. In the last four years, the CAAs have not overspent the funding provided. In fact, from  
14 2018 to 2021, the CAAs spent an average of \$56,246 annually, or only 79 percent of  
15 the total budget. The highest expenditures in that span were in 2020, when the CAAs  
16 spent a combined \$61,008, or 85 percent of the total budget.

17 **Q. Do you believe that this performance suggests additional funding is necessary?**

18 A. No. In fact, I believe it is unreasonable to conclude that underspending allotted funds  
19 demonstrates additional funding is suggested.

20 **Q. Do you believe this underperformance is solely due to the impacts of COVID-19?**

21 A. No. The underperformance pre-dates the onset of the social and economic impacts of  
22 COVID-19.

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<sup>1</sup> *Direct Testimony of Geoff Marke*, p. 3, line 22. Filed electronically on February 15, 2022 in MPSC Docket No. GR-2021-0320.

1 **Q. Do you agree with Dr. Marke’s recommendation that CAAs should “be given**  
2 **further discretion in how utility funds are used<sup>2</sup>?”**

3 A. Yes, I do, as long as the intention is for the agency to stay within their missions. This  
4 may be a more reasonable solution to help the CAAs to spend their full budgets,  
5 including allowing a prior-year rollover for unspent funds. Empire, Division of Energy  
6 (“DE”), and the CAAs can work together with input from other regulatory stakeholders  
7 such as OPC and Staff in the future to determine how the specifics of this “further  
8 discretion” should be determined and officiated.

9 **Q. Do you agree with Dr. Marke’s recommendation that Empire Customer Service**  
10 **Representatives (“CSRs”) should forward contact information to the CAAs of**  
11 **customers who express difficulty paying bills for further assistance?**

12 A. Yes, this seems like a reasonable practice, provided the customer consents. This change  
13 is also being implemented by The Empire District Electric Company.

14 **Q. Do you agree with Dr. Marke’s recommendation that Empire should invite CAAs**  
15 **who serve its gas customers to the Annual Low-Income Stakeholder meeting**  
16 **hosted by The Empire District Electric Company?**

17 A. Yes. In fact, I have been inviting these agencies to the stakeholder meeting since 2017.

18 **III. RESPONSE TO STAFF**

19 **Q. Please summarize your understanding of Staff witness Kory Boustead’s position**  
20 **on the Experimental Low-Income Program (“ELIP”).**

21 A. Ms. Boustead appears to agree with Empire’s position that the concern of the ELIP  
22 underachieving may be remedied by expanding its target audience from Sedalia,

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<sup>2</sup> Direct Testimony of Geoff Marke, p. 4, lines 1-6. Filed electronically on February 15, 2022 in MPSC Docket No. GR-2021-0320.

1 Missouri, to the entire Empire gas territory. Empire proposes to offer the program in  
2 its same form, but expanding the eligible customer base.<sup>3</sup>

3 **Q. Please summarize your understanding of Staff witness Boustead’s position on the**  
4 **LIWAP?**

5 A. Ms. Boustead appears to recommend continuation of the LIWAP as it is currently  
6 administered.

7 **Q. Please summarize your understanding of Staff witness Boustead’s position on**  
8 **Empire’s energy efficiency portfolio.**

9 A. Ms. Boustead appears to agree with Empire’s contention that the ENERGY STAR<sup>®</sup>  
10 Space Heating Program, ENERGY STAR<sup>®</sup> Water Heating Program, and LIWAP  
11 programs have received significant participation and are viable to continue in some  
12 form. Ms. Boustead also appears to support Empire’s recommendation of  
13 discontinuation of the Home Performance with ENERGY STAR<sup>®</sup> Program, Building  
14 Operator Certification program, and Large Commercial Natural Gas Audit and Rebate  
15 Programs (“Discontinued Programs”).

16 **Q. Please explain how you proposed to reallocate the budgets for the Discontinued**  
17 **Programs in your Direct Testimony.**

18 A. In my Direct Testimony<sup>4</sup> in this Case, I detail Empire’s intention to combine the  
19 ENERGY STAR Water Heating program and ENERGY STAR Space Heating program  
20 into a High-efficiency Appliance Rebate Program, and Empire’s intention to introduce  
21 the Energize EDG Homes and EDG Energy Education programs. I also propose

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<sup>3</sup> The Company has proposed re-branding the ELIP as the Low-Income Affordability Program (“LIAP”).

<sup>4</sup> *Direct Testimony of Nathaniel W. Hackney*, pp. 4-8. Filed electronically on August 23, 2021 in MPSC Docket No. GR-2021-0320.

1 continued contribution to the Apogee Online Energy Calculator. These changes, as  
2 proposed, would not create an increase in portfolio budget or revenue requirement.

3 **Q. Does this conclude your Rebuttal Testimony?**

4 **A. Yes.**

**VERIFICATION**

I, Nathaniel W. Hackney, under penalty of perjury, on this 17th day of March, 2022,  
declare that the foregoing is true and correct to the best of my knowledge and belief.

/s/ Nathaniel W. Hackney