

*Exhibit No.:*  
*Issue(s):* *Incentive Compensation*  
*Witness:* *Caroline Newkirk*  
*Sponsoring Party:* *MoPSC Staff*  
*Type of Exhibit:* *Rebuttal Testimony*  
*Case No.:* *GR-2021-0320*  
*Date Testimony Prepared:* *March 17, 2022*

**MISSOURI PUBLIC SERVICE COMMISSION**  
**FINANCIAL AND BUSINESS ANALYSIS DIVISION**  
**AUDITING DEPARTMENT**

**REBUTTAL TESTIMONY**  
**OF**  
**CAROLINE NEWKIRK**

**THE EMPIRE DISTRICT GAS COMPANY,**  
**d/b/a Liberty (Empire)**

**CASE NO. GR-2021-0320**

*Jefferson City, Missouri*  
*March 2022*

1 **REBUTTAL TESTIMONY**

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4 **CAROLINE NEWKIRK**

5 **THE EMPIRE DISTRICT GAS COMPANY**

6 **d/b/a Liberty (Empire)**

7 **CASE NO. GR-2021-0320**

8 Q. Please state your name and business address.

9 A. Caroline Newkirk, P.O. Box 360, 200 Madison Street Jefferson City,  
10 MO 65102.

11 Q. By whom are you employed?

12 A. I am employed by the Missouri Public Service Commission (“Commission”)  
13 as a Lead Senior Utility Regulatory Auditor, a member of Commission Staff (“Staff”).

14 Q. Are you the same Caroline Newkirk who filed Direct Testimony on  
15 January 24, 2022, in this case?

16 A. Yes, I am.

17 **EXECUTIVE SUMMARY**

18 Q. What is the purpose of your rebuttal testimony?

19 A. The purpose of this testimony is to address new information provided to Staff  
20 by The Empire District Gas Company (“Empire”) since the filing of Staff’s Direct Testimony  
21 concerning Incentive Compensation.

22 **INCENTIVE COMPENSATION**

23 Q. Please describe the information relied upon for Staff’s calculation of incentive  
24 compensation in Staff’s direct filing.

1           A.     An employee list as of September 30, 2021, was provided by Empire as a  
2 response to Staff's Data Request (DR) No. 0033. Because the employee list didn't provide the  
3 level of detail necessary for Staff to properly recreate incentive pay calculations, Staff used an  
4 older employee list provided by Empire in the most recent Empire District Electric rate case  
5 (Case No. ER-2021-0312). This employee list had an older incentive payout date of April 2021,  
6 but had the level of detail Staff required.

7           Q.     Please describe any new information that has been provided by Empire to Staff  
8 regarding incentive compensation since the time of Staff's direct filing.

9           A.     Since Staff's direct filing on January 24, 2022, Empire provided Staff with  
10 additional information in response to Staff DR Nos. 0033.1 and 0033.2. The following  
11 information was provided: bonus target percentages, scorecard assignments and results, and  
12 personal objective achievement percentages for all employees with incentive pay. With this  
13 more detailed information, Staff was able to use the most current and accurate employee list  
14 when recreating the incentive pay calculations.

15          Q.     Has Staff updated the adjustment amounts for incentive compensation since  
16 direct testimony?

17          A.     Yes. Staff's incentive compensation workpaper has been updated to include the  
18 updated DR responses from Empire. Staff's adjustment for the revised incentive compensation  
19 expense is included in Staff's Rebuttal Accounting Schedules.

20          Q.     Does this conclude your rebuttal testimony?

21          A.     Yes, it does.

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

In the Matter of The Empire District Gas                    )  
Company's d/b/a Liberty Request to File Tariffs    )        Case No. GR-2021-0320  
to Change its Rates for Natural Gas Service        )

AFFIDAVIT OF CAROLINE NEWKIRK

STATE OF MISSOURI        )  
  )        ss.  
COUNTY OF COLE        )

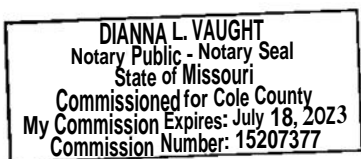
COMES NOW CAROLINE NEWKIRK and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Rebuttal Testimony of Caroline Newkirk*; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.

  
\_\_\_\_\_  
CAROLINE NEWKIRK

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 9<sup>th</sup> day of March, 2022.



  
\_\_\_\_\_  
Notary Public