

Exhibit No.: \_\_\_\_\_  
Issue: Low-Income Weatherization  
Witness: Nathaniel W. Hackney  
Type of Exhibit: Surrebuttal Testimony  
Sponsoring Party: The Empire District  
Electric Company  
Case No.: ER-2021-0312  
Date Testimony Prepared: January 2022

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

**Surrebuttal Testimony**

**of**

**Nathaniel W. Hackney**

**on behalf of**

**The Empire District Electric Company**

**January 2022**



SURREBUTTAL TESTIMONY OF NATHANIEL W. HACKNEY  
THE EMPIRE DISTRICT ELECTRIC COMPANY  
BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION  
CASE NO. ER-2021-0312

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

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

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

7 A. Yes.

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

10 A. In this testimony, I will respond to the Rebuttal Testimony of Missouri Public Service  
11 Commission Staff (“Staff”) witness Kory J. Boustead, particularly her assessment of  
12 the Company’s Low-Income Weatherization Assistance Program (“LIWAP”).

13 **Q. What is your understanding of Staff witness Boustead’s position on the LIWAP.**

14 A. Ms. Boustead echoes the assertions made by Office of the Public Counsel (“OPC”)  
15 witness Geoff Marke<sup>1</sup>. Particularly, in her Rebuttal Testimony, Ms. Boustead states  
16 that Staff finds OPC’s recommendation reasonable as it relates to Empire shareholders  
17 contributing \$500,000 annually for weatherization assistance to fulfill the corporate  
18 social responsibility obligation it agreed to in Case. No. EM-2016-0213.

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<sup>1</sup> *Rebuttal Testimony of Kory J. Boustead*. Filed December 20, 2021 in MPSC Case No. ER-2021-0312, page 3.

1 **Q. Do you agree with witness Boustead’s interpretation of Empire’s commitment to**  
2 **corporate social responsibility as it relates to the Community Action Agencies**  
3 **(“CAAs”)?**

4 A. No. Empire’s commitment, as detailed in Case No. EM-2016-0213, was to pay a total  
5 of \$1.5M to the three CAAs that serve Empire customers. This means each CAA will  
6 receive \$500,000, to be distributed as ten annual installments of \$50,000.

7 **Q. Do you agree with Ms. Boustead’s implication that an additional \$500,000 of**  
8 **shareholder contributions, added to the current approved customer-funded**  
9 **budget of \$250,000 annually, would be beneficial?**

10 A. I do not believe tripling the budget of this program would be the best use of shareholder  
11 funds to benefit Empire’s low-income customers, when the CAAs have neither utilized  
12 nor overspent their budgets in previous years.

13 **Q. Please elaborate on CAA spending.**

14 A. From the reporting year November 2018 to October 2019<sup>2</sup>, the CAAs collectively  
15 utilized 98 percent of their available funding. From November 2019 to October 2020<sup>3</sup>,  
16 the CAAs collectively utilized 79 percent of their available funding, including  
17 carryover. From November 2020 to September 2021<sup>4</sup>, the CAAs collectively utilized  
18 84 percent of their funding, including carryover. Thus, the CAAs have not spent all  
19 dollars available to them.

20 **Q. Does the Company believe those circumstances indicate a need for a dramatic**  
21 **increase in funding?**

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<sup>2</sup> DE’s 2018-19 Production and Expenditures Report is attached as **Surrebuttal Schedule NWH-1.**

<sup>3</sup> DE’s 2019-20 Production and Expenditures Report is attached as **Surrebuttal Schedule NWH-2.**

<sup>4</sup> DE’s 2020-21 Production and Expenditures Report is attached as **Surrebuttal Schedule NWH-3.** Note: DE Reports for October 2021 will be delivered with its year-end reporting in February 2022.

1 A. Even conceding the effects of the curtailment of the program in early 2020 in  
2 observation of pandemic-related shutdowns, and the pandemic's lingering effects on  
3 efficiency, administration, and staffing, there is not a basis to conclude tripling the  
4 budgets makes sense when currently available funds are not being spent.

5 **Q. Do you believe that the Corporate Social Responsibility funds stipulated in Case**  
6 **No. EM-2016-0213 are helpful to the CAAs with Weatherization as they are**  
7 **presently being distributed, as described above?**

8 A. Yes, I do.

9 **Q. Does the Company believe there may be low-income programs other than LIWAP**  
10 **that could better utilize a budget increase?**

11 A. Yes, the Company does believe other programs could benefit from an increase in  
12 funding. These are described in the Surrebuttal Testimony of Empire witness Jon  
13 Harrison.

14 **Q. Does this conclude your Surrebuttal Testimony?**

15 A. Yes, at this time.

**VERIFICATION**

I, Nathaniel W. Hackney, under penalty of perjury, on this 20th day of January, 2022,  
declare that the foregoing is true and correct to the best of my knowledge and belief.

/s/ Nathaniel W. Hackney