

Exhibit No.: 1019
Issue: Commissioner Questions
Witness: Aaron J. Doll
Type of Exhibit: Responsive Supplemental Testimony
Sponsoring Party: The Empire District
Electric Company
Case No.: ER-2019-0374
Date Testimony Prepared: May 2020

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

Responsive Supplemental Testimony to Address Commissioner Questions

of

Aaron J Doll

On behalf of

**The Empire District Electric Company
A Liberty Utilities Company**

May 12, 2020



RESPONSIVE SUPPLEMENTAL TESTIMONY
OF AARON J DOLL
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.**

3 A. My name is Aaron J. Doll. My business address is 602 South Joplin Avenue, Joplin,
4 Missouri.

5 **Q. Are you the same Aaron J. Doll that previously filed Direct, Supplemental Direct,**
6 **Rebuttal, Surrebuttal, and Supplemental Testimonies in this matter on behalf of**
7 **The Empire District Electric Company (“Empire” or the “Company”)?**

8 A. Yes.

9 **Q. What is the purpose of your responsive supplemental testimony in this proceeding?**

10 A. My testimony will address the OPC witness John Riley’s recommendation to reduce
11 Empire’s natural gas hedging window to 36 months.

12 **NATURAL GAS HEDGING**

13 **Q. In the Supplemental Testimony provided by OPC witness John Riley, a**
14 **recommendation is made regarding reducing the forward-looking window with**
15 **which Empire could procure natural gas hedges to 36 months. Do you agree with**
16 **his suggestion?**

17 A. At this point I do not. I understand Mr. Riley’s concern, however, as he admitted in
18 his testimony, the positions with which he is using to support his reduced hedging
19 window are from Empire’s former natural gas hedging strategy. Empire’s current
20 policy has been in place for less than one year and has yet to produce a fixed price

1 hedge beyond 18 months out due to the current price triggers not showing value based
2 on the historical pricing matrix. Additionally, there is no requirement for the Company
3 to procure hedges beyond the next operating month, and even those won't be required
4 to have a fixed price and thus could float with the market. Finally, as previously stated,
5 Empire plans to have annual meetings with stakeholders to review the policy and
6 hedges that were placed. The Company is not comfortable making changes to its
7 current natural gas hedging strategy with very little data to justify changes, and
8 certainly no data within the timeframe to which Mr. Riley is concerned.

9 **CONCLUSION**

10 **Q. DOES THIS CONCLUDE YOUR RESPONSIVE SUPPLEMENTAL**
11 **TESTIMONY?**

12 **A. Yes.**

VERIFICATION OF AARON J. DOLL

Aaron J. Doll, under penalty of perjury, declares that the foregoing responsive supplemental testimony is true and correct to the best of his knowledge, information, and belief.

/s/Aaron J. Doll _____

Aaron J. Doll
Senior Director, Energy Strategy