

Exhibit No.:  
Issue: LED Lighting  
Witness: Martin O. Penning  
Type of Exhibit: Rebuttal Testimony  
Sponsoring Party: Empire District Electric  
Case No. ER-2012-0345  
Date Testimony Prepared: January 2013

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

**Rebuttal Testimony**

**of**

**Martin O. Penning**

**January 2013**



REBUTTAL TESTIMONY  
OF  
MARTIN O. PENNING  
THE EMPIRE DISTRICT ELECTRIC COMPANY  
BEFORE THE  
MISSOURI PUBLIC SERVICE COMMISSION  
CASE NO. ER-2012-0345

1 **INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME AND ADDRESS.**

3 A. My name is Martin O. Penning, and my business address is 602 South Joplin  
4 Avenue, Joplin, Missouri.

5 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

6 A. I am presently employed by The Empire District Electric Company (“Empire” or  
7 “Company”) as Vice President of Commercial Operations. I have held this position  
8 since February of 2011.

9 **Q. ARE YOU THE SAME MARTIN PENNING THAT FILED DIRECT**  
10 **TESTIMONY IN THIS CASE?**

11 A. Yes.

12 **PURPOSE**

13 **Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY IN THIS**  
14 **PROCEEDING BEFORE THE MISSOURI PUBLIC SERVICE**  
15 **COMMISSION (“COMMISSION”)?**

16 A. I will respond to the Staff’s contention, at page 156 of the Staff Report Cost of  
17 Service Revenue Requirement, that Empire has not complied with the settlement on  
18 LED lighting reached in Case No. ER-2011-0004.

1 **Q. PLEASE DESCRIBE THE AGREEMENT REACHED ON LED LIGHTS IN**  
2 **ER-2011-0004.**

3 A. The agreement contained the following with respect to LED lights at paragraph 10.  
4 “Within one year of effective dates of rates in this case, Empire agrees to file either  
5 LED lighting tariff sheets or an update on an LED pilot study and plans for filing  
6 future tariff sheets.”

7 **Q. HAS EMPIRE COMPLIED WITH THE SETTLEMENT AGREEMENT**  
8 **REACHED IN ER-2011-0004?**

9 A. Yes. As the Staff Report indicates at page 156, Empire has held face-to-face  
10 meetings with Staff on LED lights on July 14, 2011 and August 25, 2011. In  
11 addition, Empire has had other informal interactions with the Staff concerning LED  
12 lighting. In addition, Empire continues to monitor pilot studies that have been  
13 undertaken by other utilities.

14 **Q. WHAT SPECIFIC ACTIONS WERE TAKEN BY JUNE 15, 2012,**  
15 **PURSUANT TO EMPIRE’S AGREEMENT TO PROVIDE AN UPDATE ON**  
16 **THIS MATTER?**

17 A. As I indicated in my direct testimony, Empire assembled a group of its engineers and  
18 customer service personnel to research this technology and to provide Company  
19 management information concerning the benefits these products may be able to  
20 provide to our customers. Additionally, as I indicated earlier, other Empire  
21 personnel and I met personally with Commission Staff in Jefferson City on July 14,  
22 2011 and August 25, 2011, to discuss our efforts pertaining to the agreement.  
23 Specifically, we discussed the technology, the benefits it may eventually offer our

1 customers, and tariff considerations, and we also discussed our concerns regarding  
2 the immaturity of the products being offered. Staff provided its input, as well as  
3 additional industry research information. The Staff was also informed of the  
4 interactions that Empire had with Kansas City Power & Light Company concerning  
5 its very large LED pilot study. Empire continues to monitor the advances being  
6 made in this field and the results of the pilot studies at other companies. Empire is  
7 also in contact with lighting suppliers concerning LED products. At this point, the  
8 LED equipment available for installation continues to evolve, and has not yet  
9 stabilized or matured.

10 **Q. HAS EMPIRE COMPLIED WITH THE SETTLEMENT REACHED IN THIS**  
11 **AREA IN CASE NO. ER-2011-0004?**

12 A. Yes. Empire has complied with the requirements of the Commission order in ER-  
13 2011-0004 and is dedicated to continuing its review of lighting products and  
14 equipment and offering these products to our customers as soon as the products  
15 become a viable and cost effective lighting solution.

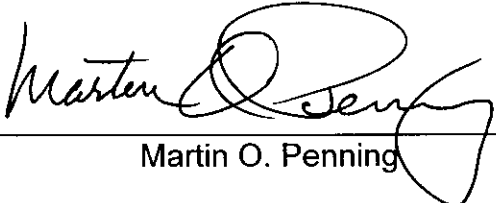
16 **Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?**

17 A. Yes, it does.

**AFFIDAVIT OF MARTIN O. PENNING**

STATE OF MISSOURI )  
  ) ss  
COUNTY OF JASPER )

On the 14th day of January 2013, before me appeared Martin O. Penning, to me personally known, who, being by me first duly sworn, states that he is the Vice President Commercial Operations of The Empire District Electric Company 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.

  
\_\_\_\_\_  
Martin O. Penning

Subscribed and sworn to before me this 14th day of January, 2013.



JANET L. HUNLEY  
My Commission Expires  
September 20, 2015  
Jasper County  
Commission #11243846

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

My commission expires: September 20, 2015