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STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

HEARING

January 25, 2002
Jefferson City, Missouri
Volume 7

In the Matter of the Tariff)
Filing of Missouri Public)
Service (MPS), a Division of)
UtiliCorp United, Inc., to) Case No. ER-2001-672
Implement a General Rate) Tariff No. 200101173
Increase for Retail Electric)
Service Provided to Customers)
in the Missouri Service Area)
of MPS)
Staff of the Missouri Public)
Service Commission,)
Petitioner,)
vs.) Case No. EC-2002-265
UtiliCorp United, Inc., doing)
business as Missouri Public)
Service,)
Respondent.)

BEFORE:

KEVIN A. THOMPSON, Presiding,
DEPUTY CHIEF REGULATORY LAW JUDGE.

REPORTED BY: KRISTAL R. MURPHY, CSR, RPR, CCR

1 APPEARANCES:

2

3 JAMES C. SWEARENGEN, Attorney at Law
DEAN L. COOPER, Attorney at Law
4 GARY W. DUFFY, Attorney at Law
Brydon, Swearengen & England, P.C.
5 P.O. Box 456
312 East Capitol Avenue
6 Jefferson City, Missouri 65102-0456
573.635.7166

7

FOR: Missouri Public Service.

8

MARK W. COMLEY, Attorney at Law
9 Newman, Comley & Ruth
601 Monroe Street, Suite 301
10 Jefferson City, Missouri 65101
573.634.2266

11

FOR: City of Kansas City.

12

13 JEREMIAH D. FINNEGAN, Attorney at Law
Finnegan, Conrad & Peterson
Suite 1209
14 3100 Broadway Street
Kansas City, Missouri 64111
15 816.753.1122

16

FOR: Jackson County, Missouri.

17

STUART W. CONRAD, Attorney at Law
18 Finnegan, Conrad & Peterson
Suite 1209
3100 Broadway Street
19 Kansas City, Missouri 64111
816.753.1122

20

FOR: SIEUA.

21

22 CAPT ROBERT C. COTTRELL, JR., Attorney at Law
Air Force Legal Service Agency
Utility Litigation Team
23 139 Barnes Drive, Suite 1 - AFLSA/ULT
Tyndall AFB, Florida 32403

24

FOR: United States Executive Agencies.

25

1 APPEARANCES:

2

3 JOHN B. COFFMAN, Deputy Public Counsel
DOUGLAS E. MICHEEL, Senior Public Counsel
4 RUTH O'NEILL, Legal Counsel
P.O. Box 7800
5 Jefferson City, Missouri 65102
573.751.5565

6

FOR: Office of Public Counsel and the Public.

7

DANA K. JOYCE, General Counsel
8 STEVEN DOTTHEIM, Chief Deputy Counsel
KEITH R. KRUEGER, Deputy Counsel
9 NATHAN WILLIAMS, Legal Counsel
BRUCE H. BATES, Associate Counsel
10 DENNY L. FREY, Associate Counsel
DAVID MEYER, Associate Counsel
11 ERIC ANDERSON, Legal Counsel
VICTORIA KIZITO, Legal Counsel
12 P.O. Box 360
Jefferson City, Missouri 65102
13 573.751.7489

14 FOR: Staff of the Missouri Public Service
Commission.

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1 P R O C E E D I N G S

2 (Written Entries of Appearance filed.)

3 JUDGE THOMPSON: Good morning. My name is
4 Kevin Thompson. I'm the Regulatory Law Judge assigned
5 to preside over this matter which is, In the matter of
6 the tariff filing of Missouri Public Service (MPS), a
7 division of UtiliCorp United, Inc., to implement a
8 general rate increase for retail electric service
9 provided to customers in the Missouri service area of
10 MPS, Case No. ER-2001-672, and this case has been
11 consolidated with EC-2002--

12 MR. COFFMAN: 265.

13 JUDGE THOMPSON: 265. Thank you,
14 Mr. Coffman.

15 We'll go ahead and take oral entries of
16 appearance at this time.

17 Why don't we begin with the Company?

18 MR. SWEARENGEN: Thank you, Judge.

19 Let the record show the appearance of
20 James C. Swearngen, Gary Duffy, and Dean Cooper, with
21 Brydon, Swearngen & England, 312 East Capitol Avenue,
22 Jefferson City, Missouri, appearing on behalf of
23 UtiliCorp United, Inc., doing business as Missouri
24 Public Service.

25 JUDGE THOMPSON: Thank you, sir.

1 Staff.

2 MR. WILLIAMS: Nathan Williams, Eric
3 Anderson, Bruce Bates, Steve Dottheim, Denny Frey, Dan
4 Joyce, Victoria Kizito, that's K-i-z-i-t-o, Keith
5 Krueger, David Meyer, M-e-y-e-r, appearing on behalf
6 of the Staff, P.O. Box 360, Jefferson City, Missouri,
7 65102.

8 JUDGE THOMPSON: Very well.
9 Public Counsel.

10 MR. COFFMAN: Thank you.

11 Appearing on behalf of the Office of the
12 Public Counsel and the rate-paying public, John B.
13 Coffman, Ruth O'Neill, and Douglas Micheel, P.O.
14 Box 7800, Jefferson City, Missouri, 65102.

15 JUDGE THOMPSON: Thank you, Mr. Coffman.
16 Sedalia Industrial Energy Users
17 Association.

18 MR. CONRAD: Your Honor, appearing on
19 behalf of the other rate-paying public, the industrial
20 users, Sedalia Industrial Users' Association, please
21 let the record show the appearance of Stuart W.
22 Conrad of the law firm Finnegan, Conrad & Peterson,
23 Suite 1209, Penntower Office Center, 3100 Broadway,
24 Kansas City, Missouri.

25 By your leave, I would also enter the

1 appearance of Jeremiah D. Finnegan with the same law
2 firm and address on behalf of the County of Jackson,
3 Missouri. It is my understanding that he has
4 contacted your Honor earlier about his inability to be
5 here this morning.

6 JUDGE THOMPSON: Thank you, Mr. Conrad.

7 I did hear from Mr. Finnegan, and, of
8 course, he -- he asked to be excused. And to the
9 extent that that's necessary, he is excused.

10 United States Executive Agencies.

11 CAPT. COTTRELL: Your Honor, on behalf of
12 the United States Executive Agencies, primarily
13 consisting of Whiteman Air Force Base, I would like to
14 enter an appearance on behalf of myself, Captain
15 Robert C. Cottrell, Junior.

16 I would like to note that I have been
17 granted leave to appear pro hac vice. I am an
18 out-of-state licensed attorney but am a member of
19 the Air Force Utility Litigation Team. My office is
20 139 Barnes Drive, Suite 1, Tyndall Air Force Base,
21 Florida.

22 And as previously addressed off the record,
23 the USEA did not offer a Position Statement, but I
24 would like to at this point adopt the Position
25 Statement of the Sedalia Industrial Energy Users'

1 Association.

2 JUDGE THOMPSON: Very well. That's
3 acceptable.

4 MR. CONRAD: And, your Honor, if it is
5 necessary to do so, on behalf of our law firm and the
6 position that I hold with the Missouri Bar, I would
7 certainly sponsor and move Captain Cottrell's
8 admission.

9 JUDGE THOMPSON: Thank you, Mr. Conrad.
10 That's very -- I appreciate that, and you will serve,
11 then, as local counsel. Very well. Thank you, sir.
12 Kansas City. Mr. Comley.

13 MR. COMLEY: Appearing on behalf of the City
14 of Kansas City, let the record reflect the entry of
15 appearance of Mark W. Comley, Newman, Comley & Ruth,
16 601 Monroe, Suite 301, Post Office Box 537, Jefferson
17 City, Missouri, 65102.

18 JUDGE THOMPSON: Thank you.

19 Is there any other counsel who has not had a
20 chance to enter their appearance at this time?

21 (No response.)

22 JUDGE THOMPSON: At this time, we will
23 adjourn until 9:00 Monday morning. Opening
24 statements --

25 MR. WILLIAMS: Judge?

1 JUDGE THOMPSON: Did I miss something?

2 MR. WILLIAMS: I just wanted to tell you
3 that Staff's pending motion regarding compelling
4 responses to data requests has become moot because the
5 Company has provided the responses.

6 JUDGE THOMPSON: Great. I'm happy to hear
7 that.

8 Any other motions moot since last we spoke?

9 (No response.)

10 JUDGE THOMPSON: Okay. We're going to defer
11 opening statements until Monday morning at 9 a.m., and
12 the parties will continue settlement negotiations.
13 This room is available to you all day. As far as I
14 know, the other one is as well.

15 And I don't need a report at the end of
16 the day today. I may not be here at the end of the
17 day today. If you should settle the case, I'll hope
18 to hear that Monday morning. How does that sound?

19 In the event that you do settle, I don't
20 need to have everybody back here, obviously, Monday
21 morning. Just someone call me. That will work.

22 Is that acceptable?

23 (No response.)

24 JUDGE THOMPSON: Very good. In that case,
25 we will be adjourned.

1 Thank you very much.

2 WHEREUPON, the hearing in this case was

3 adjourned to 9:00 a.m., Monday, January 28, 2002.

4 (EXHIBIT NOS. 1 THROUGH 40, 401 THROUGH 417,

5 501 THROUGH 503, AND 701 WERE MARKED FOR

6 IDENTIFICATION.)

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1	E X H I B I T S I N D E X	
2		Marked
3	Exhibit No. 1	167
	Direct Testimony of Robert D. Adkins	
4	Exhibit No. 2	167
5	Direct Testimony of Beverlee R. Agut	
6	Exhibit No. 3	167
	Rebuttal Testimony of Beverlee R.	
7	Agut	
8	Exhibit No. 4	167
	Rebuttal Testimony of James S. Brook	
9	Exhibit No. 5	167
10	ESF Cost Allocations \$(000)	
	Effective July 1, 2001	
11	Exhibit No. 6	167
12	Surrebuttal Testimony of James S.	
	Brook	
13	Exhibit No. 7	167
14	Direct Testimony of Gary L. Clemens	
15	Exhibit No. 8	167
	Rebuttal Testimony of Gary L. Clemens	
16	Exhibit No. 9	167
17	Surrebuttal Testimony of Gary L.	
	Clemens	
18	Exhibit No. 10	167
19	Rebuttal Testimony of Gary L. Clemens	
20	Exhibit No. 11	167
	Rebuttal Testimony of John C. Dunn	
21	Exhibit No. 12	167
22	Surrebuttal Testimony of John C. Dunn	
23	Exhibit No. 13	167
	Rebuttal Testimony of Jon R. Empson	
24	Exhibit No. 14	167
25	Surrebuttal Testimony of Jon R. Empson	

1	E X H I B I T S I N D E X Continued	
2		Marked
3	Exhibit No. 15	167
	Electric Rate Case Decisions	
4	Calendar Year 2001, Corrected	
	Schedule JRE 6	
5		
	Exhibit No. 16NP	167
6	Direct Testimony of Stephen L. Ferry,	
	NP	
7		
	Exhibit No. 16HC	167
8	Direct Testimony of Stephen L. Ferry,	
	HC	
9		
	Exhibit No. 17NP	167
10	Rebuttal Testimony of Stephen L. Ferry,	
	NP	
11		
	Exhibit No. 17HC	167
12	Rebuttal Testimony of Stephen L. Ferry,	
	HC	
13		
	Exhibit No. 18	167
14	Surrebuttal Testimony of Stephen L.	
	Ferry	
15		
	Exhibit No. 19	167
16	Direct Testimony of Angela D. Hattley	
17		
	Exhibit No. 20	167
	Rebuttal Testimony of Angela D. Hattley	
18		
	Exhibit No. 21	167
19	Surrebuttal Testimony of Angela D. Hattley	
20		
	Exhibit No. 22	167
	Rebuttal Testimony of Carl A. Huslig	
21		
	Exhibit No. 23	167
22	Rebuttal Testimony of Glenn P. Keefe	
23		
	Exhibit No. 24	167
	Surrebuttal Testimony of Glenn P. Keefe	
24		
	Exhibit No. 25	167
25	Rebuttal Testimony of John W. McKinney	

1	E X H I B I T S I N D E X Continued	
2		Marked
3	Exhibit No. 26	167
	Surrebuttal Testimony of John W. McKinney	
4		
	Exhibit No. 27	167
5	Direct Testimony of Allison K. Moten	
6	Exhibit No. 28	167
	Rebuttal Testimony of Allison K. Moten	
7		
	Exhibit No. 29	167
8	Rebuttal Testimony of Allison K. Moten	
9	Exhibit No. 30	167
	Direct Testimony of Vern J. Siemek	
10		
	Exhibit No. 31	167
11	Rebuttal Testimony of Vern J. Siemek	
12	Exhibit No. 32	167
	Surrebuttal Testimony of Vern J. Siemek	
13		
	Exhibit No. 33	167
14	Direct Testimony of Lisa A. Starkebaum	
15	Exhibit No. 34	167
	Direct Testimony of Renee E. Tokic	
16		
	Exhibit No. 35	167
17	Direct Testimony of J. Matt Tracy	
18	Exhibit No. 36	167
	Rebuttal Testimony of J. Matt Tracy	
19		
	Exhibit No. 37	167
20	Surrebuttal Testimony of J. Matt Tracy	
21	Exhibit No. 38	167
	Surrebuttal Testimony of Ronald E. White	
22		
	Exhibit No. 39	167
23	Supplemental Rebuttal Testimony of	
	Stephen L. Ferry	
24		
25		

1	E X H I B I T S I N D E X Continued	
2		Marked
3	Exhibit No. 40	167
4	Supplemental Rebuttal Testimony of John W. McKinney	
5	Exhibit No. 401	167
6	Direct Testimony of Mark Burdette	
7	Exhibit No. 402	167
8	Rebuttal Testimony of Mark Burdette	
9	Exhibit No. 403	167
10	Surrebuttal Testimony of Mark Burdette	
11	Exhibit No. 404	167
12	Direct Testimony of Ted Robertson	
13	Exhibit No. 405	167
14	Rebuttal Testimony of Ted Robertson	
15	Exhibit No. 406	167
16	Surrebuttal Testimony of Ted Robertson	
17	Exhibit No. 407	167
18	Surrebuttal Testimony of Ryan Kind	
19	Exhibit No. 407HC	167
20	Surrebuttal Testimony of Ryan Kind, HC	
21	Exhibit No. 408	167
22	Direct Testimony of James A. Busch	
23	Exhibit No. 409	167
24	Rebuttal Testimony of James A. Busch	
25	Exhibit No. 410	167
	Surrebuttal Testimony of James A. Busch	
	Exhibit No. 410HC	167
	Surrebuttal Testimony of James A. Busch, HC	
	Exhibit No. 411	167
	Direct Testimony of Hong Hu	

1	E X H I B I T S I N D E X Continued	
2		Marked
3	Exhibit No. 412	167
4	Rebuttal Testimony of Hong Hu	
5	Exhibit No. 413	167
6	Surrebuttal Testimony of Hong Hu	
7	Exhibit No. 414	167
8	Rebuttal Testimony of James Dittmer	
9	Exhibit No. 415	167
10	Surrebuttal Testimony of James Dittmer	
11	Exhibit No. 416	167
12	Direct Testimony of Russell Trippensee	
13	Exhibit No. 417	167
14	Surrebuttal Testimony of Russell Trippensee	
15	Exhibit No. 501	167
16	Direct Testimony of Maurice Brubaker	
17	Exhibit No. 501HC	167
18	Direct Testimony of Maurice Brubaker, HC	
19	Exhibit No. 502	167
20	Rebuttal Testimony of Maurice Brubaker	
21	Exhibit No. 503	167
22	Surrebuttal Testimony of Maurice Brubaker	
23	Exhibit No. 701	167
24	Direct Testimony of Russell C. Widmar	
25		