

Exhibit No.:
Issue: *Programs and Conditions*
Witness: *Natelle Dietrich*
Sponsoring Party: *MoPSC Staff*
Type of Exhibit: *Surrebuttal Testimony*
Case No.: *EU-2020-0350*
Date Testimony Prepared: *September 4, 2020*

MISSOURI PUBLIC SERVICE COMMISSION

COMMISSION STAFF DIVISION

SURREBUTTAL TESTIMONY

OF

NATELLE DIETRICH

**EVERGY METRO, INC., d/b/a EVERGY MISSOURI METRO and
EVERGY MISSOURI WEST, INC., d/b/a EVERGY MISSOURI WEST**

CASE NO. EU-2020-0350

Jefferson City, Missouri
September 2020

1 Missouri Universal Service Board, and was a member of Governor Nixon’s MoBroadbandNow
2 taskforce. I was a member of the Missouri Delegation to the Missouri/Moldova Partnership
3 through NARUC and the US Agency for International Development.

4 Q. Have you previously testified before the Commission?

5 A. Yes. My Case Summary is attached as Schedule ND-s1.

6 **EXECUTIVE SUMMARY**

7 Q. What is the purpose of your surrebuttal testimony?

8 A. The purpose of my surrebuttal testimony is to respond to the rebuttal testimony
9 of Roger Colton on behalf of the National Housing Trust (“NHT”) and Dr. Geoff Marke on
10 behalf of the Office of the Public Counsel (“OPC”). Specifically, I will respond to their
11 respective recommendations for conditions to be placed on Evergy Metro, Inc. d/b/a Evergy
12 Missouri Metro (“Evergy Missouri Metro”) and Evergy Missouri West, Inc. (“Evergy Missouri
13 West”) (collectively, “Evergy”) should the Commission approve Evergy’s application for an
14 accounting authority order (“AAO”) related to the coronavirus pandemic (“COVID-19”).

15 Q. Please provide a brief overview of Mr. Colton’s and Dr. Marke’s testimony.

16 A. Mr. Colton discusses the “disparate impacts” which COVID-19 has had on
17 low income households and explains the “economic crisis facing poor and near-poor
18 customers”; explains regulatory principles the Commission should apply in considering the
19 costs of Evergy’s response to COVID-19; describes actions he believes Evergy should take to
20 respond to collection of unpaid bills and arrearages; makes recommendations related to energy
21 efficiency investments in minimizing COVID-19 arrearages; examines certain “administrative”
22 actions he believes Evergy should take; and assesses principles related to cost recovery for
23 actions related to his discussions.

1 As it pertains to my surrebuttal testimony, Dr. Marke recommends that the
2 disconnection and reconnection fees be waived for the duration of any approved AAO; that
3 Evergy cease full credit reporting on its customers for the duration of an AAO; that Evergy
4 waive late payment fees and deposits for an extended period of time; and, that Evergy expand
5 or modify its payment plans and incentive programs.

6 **STAFF COMMENTS ON RECOMMENDATIONS**

7 Q. How do you respond to Mr. Colton and Dr. Marke?

8 A. First, I would like to say that Mr. Colton provides a lot of good information
9 related to the effects of COVID-19 on vulnerable populations. This data and information
10 would be very useful in the Commission's consideration of best practices for recovery of
11 past-due utility customer payments after the COVID-19 Pandemic Emergency in File No.
12 AW-2020-0356 ("Pandemic Docket"). I encourage NHT to file that portion of Mr. Colton's
13 testimony or something similar in the Pandemic Docket.

14 As to the Evergy-specific conditions Mr. Colton and Dr. Marke recommend, without
15 commenting on the viability or feasibility of those recommendations, it is my opinion that they
16 are outside the scope of the Commission's consideration of Evergy's AAO application.

17 Q. Please explain why, in your opinion, the Evergy-specific conditions are outside
18 the scope of this AAO application.

19 A. As the Commission stated in a previous Spire Missouri, Inc. request for an AAO,
20 "An AAO is a deferral mechanism that allows a utility to 'defer and capitalize certain expenses
21 until it files its next rate case.' The courts have stated that an AAO allows the deferral of a final
22 decision on current extraordinary costs until a rate case and therefore is not retroactive
23 ratemaking. When evaluating whether an event should be considered extraordinary, the

1 Commission will look to the appropriate USOA for guidance.” (footnotes omitted) That is the
2 primary question before the Commission in this proceeding - whether Evergy’s costs related to
3 COVID-19 should be considered to be extraordinary in nature and thus eligible for deferral
4 treatment, with ratemaking determinations for the deferred costs reserved until a future rate
5 case. Most, if not all, of Mr. Colton’s and Dr. Marke’s recommendations are for conditions
6 designed to assist the customer in managing arrearages, and not related to the questions of
7 whether the costs that are the subject of Evergy’s request for special accounting treatment for
8 COVID-19-related costs are extraordinary and material.

9 Q. Can you provide a few examples of recommended conditions that are not related
10 to Evergy’s request?

11 A. Yes, again, without commenting on the viability or feasibility of those
12 recommendations, I will provide a few examples of recommended conditions that are, in my
13 opinion, outside the scope of Commission consideration of Evergy’s AAO application. For
14 instance, Mr. Colton recommends an Arrearages Management Plan (“AMP”) to assist
15 customers with income at or below 200% of the Federal Poverty Level (“FPL”). Dr. Marke
16 recommends similar conditions. This recommendation would have been more appropriate in
17 the Pandemic Docket for consideration by the Commission as to the applicability for Missouri
18 utilities in general. Mr. Colton and Dr. Marke also recommend Evergy provide longer term
19 deferred payment plans or incentives for repayment of arrearages. Evergy already offers
20 customers deferred payment plans. In response to COVID-19, Evergy recently expanded
21 those plans. This is an example of a recommendation that would have been more
22 appropriate in Case No. EO-2020-0383, as opposed to a condition of Commission approval of
23 Evergy’s AAO application.

1 Mr. Colton also recommends such things as automatic enrollment in assistance
2 programs and expansion of Evergy's Economic Relief Program ("ERPP"). Some of his
3 recommendations for automatic enrollment are akin to eligibility requirements for the state and
4 federal Universal Service Funds (collectively, "USF"). As the Commission is aware, the USF
5 eligibility requirements are established in state and federal regulations. I question the
6 Commission's ability to authorize similar eligibility requirements for energy assistance absent
7 a more thorough vetting process. Similarly, I question the Commission's authority or Evergy's
8 ability to expand the ERPP by removing caps on the program outside a rate case. In other words,
9 not only are these recommendations beyond the scope of this case, but they will likely require
10 a separate proceeding, rulemaking or rate case.

11 As a final example, Mr. Colton recommends Evergy implement a low income usage
12 reduction program, including an effort to ensure that all low income energy efficiency dollars
13 are spent and that additional dollars are redirected or made available to Community Action
14 Agencies for low income weatherization. Evergy Missouri Metro and Evergy Missouri West
15 each have a Commission-approved Missouri Energy Efficiency Investment ("MEEIA") Plan
16 that was approved in March 2020. Those Plans include, among other things, low income energy
17 efficiency programs, a low income housing credit, income eligible multi-family programs and
18 weatherization programs. MEEIA regulations also require periodic stakeholder processes
19 where program designs and budgets are discussed. In other words, there is already a process in
20 existence for consideration of modification to Commission-approved MEEIA programs of the
21 nature being proposed by Mr. Colton in this proceeding.

Surrebuttal Testimony of
Natelle Dietrich

1 Q. You mention that most, if not all, of Mr. Colton's and Dr. Marke's
2 recommendations are outside the scope of the Commission's consideration of the AAO
3 application. Is there an example of a condition they offer that may fit in this case?

4 A. Yes. Dr. Marke recommends certain quarterly reporting requirements to "help
5 ensure a thorough account of the expenses and benefits incurred and provide meaningful
6 metrics to indicate if further actions are necessary regarding customer disconnections." While
7 some of the recommended reporting items may be outside the scope of this AAO application
8 (i.e., by Dr. Marke's own words, some are designed to indicate if further actions are necessary
9 regarding customer disconnections), it may be appropriate for the Commission to require
10 certain reporting relevant to the costs and savings that occur as a result of COVID-19 activities.

11 Q. Does this conclude your surrebuttal testimony?

12 A. Yes it does.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Application of Evergy)
Metro, Inc. d/b/a Evergy Missouri Metro)
and Evergy Missouri West, Inc. d/b/a) Case No. EU-2020-0350
Evergy Missouri West for an Accounting)
Authority Order Allowing the Companies)
to Record and Preserve Costs Related to)
COVID-19 Expenses)

AFFIDAVIT OF NATELLE DIETRICH

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COME NOW NATELLE DIETRICH and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Surrebuttal Testimony of Natelle Dietrich*; and that the same is true and correct according to her best knowledge and belief, under penalty of perjury.

Further the Affiants sayeth not.

/s/ Natelle Dietrich
Natelle Dietrich

Natelle Dietrich
Case Summary

Presented testimony or analysis through affidavits on the following cases and proceedings:

- Case No. TA-99-405, an analysis of the appropriateness of a “payday loan” company providing prepaid telecommunications service.
- Case No. TX-2001-73, In the Matter of Proposed New Rules on Prepaid Calling Cards.
- Case No. TO-2001-455, the AT&T/Southwestern Bell Telephone Company arbitration, which included issues associated with unbundled network elements.
- Case No. TX-2001-512, In the Matter of Proposed Amendments to Commission Rule 4 CSR 240-33.010, 33.020, 33.030, 33.040, 33.060, 33.070, 33.080, 33.110, and 33.150 (telecommunications billing practices).
- Case No. TO-2002-222, the MCI/SWBT arbitration.
- Case No. TR-2002-251, In the Matter of the Tariffs Filed by Sprint Missouri, Inc. d/b/a Sprint to Reduce the Basic Rates by the Change in the CPI-TS as Required by 392.245(4), Updating its Maximum Allowable Prices for Non-Basic Services and Adjusting Certain Rates as Allowed by 392.245(11) and Reducing Certain Switched Access Rates and Rebalancing to Local Rates as Allowed by 392.245(9).
- Case No. TX-2002-1026, In the Matter of a Proposed Rulemaking to Implement the Missouri Universal Service Fund End-User Surcharge.
- Case No. TX-2003-0379, In the Matter of Proposed Amendments to Commission Rule 4 CSR 240-3.545, formerly 4 CSR 240-30.010 (tariff filing requirements).
- Case No. TX-2003-0380, In the Matter of Proposed Amendments to Commission Rules 4 CSR 240-2.060, 4 CSR 240-3.020, 4 CSR 240-3.510, 4 CSR 240-3.520, and 4 CSR 240-3.525 (competitive local exchange carrier filing requirements and merger-type transactions).
- Case No. TX-2003-0389, In the Matter of Proposed Amendment to Commission Rules 4 CSR 240-3.530 and 4 CSR 240-3.535, and New Rules 4 CSR 240-3.560 and 4 CSR 240-3.565 (telecommunications bankruptcies and cessation of operation).
- Case No. TX-2003-0445, In the Matter of a Proposed New Rule 4 CSR 240-33.160 Regarding Customer Proprietary Network Information.
- Case No. TX-2003-0487, In the Matter of Proposed Commission Rules 4 CSR 240-36.010, 36.020, 36.030, 36.040, 36.050, 36.060, 36.070, and 36.080 (arbitration and mediation rules).
- Case No. TX-2003-0565, In the Matter of a Proposed Rulemaking to Codify Procedures for Telecommunications Carriers to Seek Approval, Amendment and Adoption of Interconnection and Resale Agreements.
- Case Nos. TX-2004-0153 and 0154, in the Matter of Proposed Rule for 211 Service (emergency and permanent rules).
- Case Nos. TO-2004-0370, IO-2004-0467, TO-2004-0505 et al, In the Matter of the Petition of various small LECs for Suspension of the Federal Communications Commission Requirement to Implement Number Portability.

Natelle Dietrich Case Summary
continued

- Case No. TX-2005-0258, In the Matter of a New Proposed Rule 4 CSR 240-33.045 (placement and identification of charges on customer bills).
- Case No. TX-2005-0460, In the Matter of the Proposed Amendments to the Missouri Universal Service Fund Rules.
- Case No. TO-2006-0093, In the Matter of the Request of Southwestern Bell Telephone, L.P. d/b/a SBC Missouri, for Competitive Classification Pursuant to Section 392.245.6, RSMo (2205) – 30-day Petition.
- Case Nos. TC-2005-0357, IR-2006-0374, TM-2006-0306, the complaint case, earnings investigation and transfer of assets case to resolve issues related to Cass County Telephone Company, LP, LEC Long Distance, FairPoint Communications, Inc., FairPoint Communications Missouri Inc. d/b/a FairPoint Communications and ST Long Distance Inc. db/a FairPoint Communications Long Distance.
- Case No. TC-2006-0068, FullTel, Inc., v. CenturyTel of Missouri, LLC.
- Case No. TX-2006-0169, In the Matter of Proposed New Rule 4 CSR 240-3.570 Regarding Eligible Telecommunications Carrier Designations for Receipt of Federal Universal Service Fund Support.
- Case No. TX-2006-0429, In the Matter of a Proposed Amendment to 4 CSR 240-3.545 (one day tariff filings).
- Case No. TX-2007-0086, In the Matter of a Proposed Rulemaking to Create Chapter 37 – Number Pooling and Number Conservation Efforts
- Case No. TA-2009-0327, In the Matter of the Petition of TracFone Wireless, Inc. for Designation as an Eligible Telecommunications Carrier in the State of Missouri for the Limited Purpose of Offering Lifeline and Link Up Service to Qualified Households.
- Case No. RA-2009-0375, In the Matter of the application of Nexus Communications, Inc. dba TSI for Designation as an Eligible Telecommunications Carrier in the State of Missouri for the Limited Purpose of Offering Wireless Lifeline and Link Up Service to Qualifying Households.
- Case No. AX-2010-0061, Office of Public Counsel’s Petition for Promulgation of Rules Relating to Billing and Payment Standards for Residential Customers.
- Case No. GT-2009-0056, In the Matter of Laclede Gas Company’s Tariff Revision Designed to Clarify its Liability for Damages Occurring on Customer Piping and Equipment Beyond the Company’s Meter.
- Case No. ER-2012-0166, In the Matter of Union Electric Company d/b/a Ameren Missouri’s Tariffs to Increase Its Revenues for Electric Service. Energy Independence and Security Act of 2007 (EISA).
- Case No. ER-2012-0174, In the Matter of Kansas City Power & Light Company’s Request for Authority to Implement A General Rate Increase for Electric Service. Energy Independence and Security Act of 2007 (EISA).
- Case No. ER-2012-0175, In the Matter of KCP&L Greater Missouri Operations Company’s Request for Authority to Implement A General Rate Increase for Electric Service. Energy Independence and Security Act of 2007 (EISA).
- Case No. ER-2012-0345, In the Matter of Empire District Electric Company of Joplin, Missouri Tariff’s Increasing Rates for Electric Service Provided to

Customers in the Missouri Service Area of the Company. Energy Independence and Security Act of 2007 (EISA).

- File Nos. EO-2013-0396 and EO-2013-0431, In the Matter of the Joint Application of Entergy Arkansas, Inc., Mid South TransCo, LLC, Transmission Company Arkansas, LLC and ITC Midsouth LLC for Approval of Transfer of Assets and Certificate of Convenience and Necessity, and Merger and, in connection therewith, Certain Other Related Transactions; and In the Matter of Entergy Arkansas, Inc.'s Notification of Intent to Change Functional Control of Its Missouri Electric Transmission Facilities to the Midwest Independent Transmission System Operator Inc. Regional Transmission System Organization or Alternative Request to Change Functional Control and Motions for Waiver and Expedited Treatment, respectively.
- Case No. MX-2013-0432, In the Matter of a Proposed Rulemaking to Revise Manufactured Housing Rules Regarding Installation and Monthly Reporting Requirements.
- Case No. TX-2013-0324, In the Matter of a Proposed Rulemaking to the Missouri Universal Service Fund.
- Case No. EO-2014-0095, In the Matter of Kansas City Power & Light Company's Filing for Approval of Demand-Side Programs and for Authority to Establish Demand-Side Programs Investment Mechanism.
- Case No. EA-2014-0207, In the Matter of the Application of Grain Belt Express Clean Line LLC for a Certificate of Convenience and Necessity Authorizing It to Construct, Own, Operate, Control, Manage, and Maintain a High Voltage, Direct Current Transmission Line and an Associated Converter Station Providing an Interconnection on the Maywood - Montgomery 345 kV Transmission Line.
- Case No. ER-2014-0370, In the Matter of Kansas City Power & Light Company's Request for Authority to Implement a General Rate Increase for Electric Service.
- Case No. WR-2015-0301, In the Matter of Missouri-American Water Company's Request for Authority to Implement a General Rate Increase for Water and Sewer Service Provided in Missouri Service Areas.
- Case No. ER-2016-0156, In the Matter of KCP&L Greater Missouri Operations Company's Request for Authority to Implement a General Rate Increase for Electric Service.
- Case No. ET-2016-0246, In the Matter of the Application of Union Electric Company d/b/a Ameren Missouri for Approval of a Tariff Setting a Rate for Electric Vehicle Charging Stations.
- Case No. ER-2016-0285, In the Matter of Kansas City Power & Light Company's Request for Authority to Implement a General Rate Increase for Electric Service.
- Case No. ER-2016-0179, In the Matter of Union Electric Company d/b/a Ameren Missouri's Tariffs to Increase its Revenues for Electric Service.
- Case No. EE-2017-0113, In the Matter of the Joint Application of Great Plains Energy Incorporated, Kansas City Power & Light Company and KCP&L Greater Missouri Operations Company for a Variance from the Commission's Affiliate Transactions Rule, 4 CSR 240-20.015
- Case No. EA-2016-0358, In the Matter of the Application of Grain Belt Express Clean Line LLC for a Certificate of Convenience and Necessity Authorizing it to

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continued

- Construct, Own, Operate, Control, Manage and Maintain a High Voltage, Direct Current Transmission Line and an Associated Converter Station Providing an Interconnection on the Maywood-Montgomery 345kV Transmission Line
- Case No. EM-2017-0226, In the Matter of the Application of Great Plains Energy Incorporated for Approval of its Acquisition of Westar Energy, Inc.
- Case No. GR-2017-0215, In the Matter of Laclede Gas Company's Request to Increase its Revenues for Gas Service.
- Case No. GR-2017-0216, In the Matter of Laclede Gas Company d/b/a Missouri Gas Energy's Request to increase its Revenues for Gas Service.
- Case No. WR-2017-0259, In the Matter of the Rate Increase Request of Indian Hills Utility Operating Company, Inc.
- Case No. WR-2017-0285, In the Matter of Missouri-American Water Company's Request for Authority to Implement General Rate Increase for Water and Sewer Service Provided in Missouri Service Areas.
- Case No. EM-2018-0012, In the Matter of the Application of Great Plains Energy Incorporated for Approval of its Merger with Westar Energy, Inc.
- Case No. EO-2018-0092, In the Matter of the Application of The Empire District Electric Company for Approval of Its Customer Savings Plan.
- Case No. GR-2018-0013, In the Matter of Liberty Utilities (Midstates Natural Gas) Corp. d/b/a Liberty Utilities' Tariff Revisions Designed to Implement a General Rate Increase for Natural Gas Service in the Missouri Service Areas of the Company.
- Case No. ER-2018-0145, In the Matter of Kansas City Power & Light Company's Request for Authority to Implement a General Rate Increase for Electric Service.
- Case No. ER-2018-0146, In the Matter of KCP&L Greater Missouri Operations Company's Request for Authority to Implement a General Rate Increase for Electric Service.
- Case No. EO-2018-0211, In the Matter of Union Electric Company d/b/a Ameren Missouri's 3rd Filing to Implement Regulatory Changes in Furtherance of Energy Efficiency as Allowed by MEEIA.
- Case Nos. WM-2018-0116 and SM-2018-0117, In the Matter of the Application of Confluence Rivers Utility Operating Company, Inc. to Acquire Certain Water and Sewer Assets, For a Certificate of Convenience and Necessity, and, in Connection Therewith, To Issue Indebtedness and Encumber Assets.
- Case No. EA-2019-0010, In the Matter of the Application of The Empire District Electric Company for Certificates of Convenience and Necessity Related to Wind Generation Facilities.
- Case No. EM-2019-0150, In the Matter of the Joint Application of Invenergy Transmission LLC, Invenergy Investment Company LLC, Grain Belt Express Clean Line LLC and Grain Belt Express Holding LLC for an Order Approving the Acquisition by Invenergy Transmission LLC of Grain Belt Express Clean Line LLC.
- Case No. WA-2019-0185, In the Matter of the Application of Osage Utility Operating Company, Inc. to Acquire Certain Water and Sewer Assets and for a Certificate of Convenience and Necessity.

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- Case No. WA-2019-0299, In the Matter of the Application of Confluence Rivers Utility Operating Company, Inc., for Authority to Acquire Certain Water and Sewer Assets and for a Certificate of Convenience and Necessity.
- Case No. EA-2019-0371, In the Matter of the Application of Union Electric Company d/b/a Ameren Missouri for Permission and Approval and a Certificate of Convenience and Necessity Authorizing it to Construct Solar Generation Facility(ies).

- Actively participated in or prepared comments on numerous issues on behalf of the Commission to be filed at the Federal Communications Commission.
- Prepared congressional testimony on behalf of the Commission on number conservation efforts in Missouri.
- A principal author on Missouri Public Service Commission Comments on the Reduction of Carbon Emissions in Missouri under Section 111(d) of the Clean Air Act.
- A principal author on Missouri Public Service Commission Comments on the Environmental Protection Agency's "Emission Guidelines for Existing Stationary Sources: Electric Generating Unity".

Commission Arbitration Advisory Lead Staff for the following cases:

- Case No. TO-2005-0336, Southwestern Bell Telephone, L.P., d/b/a SBC Missouri's Petition for Compulsory Arbitration of Unresolved Issues For a Successor Interconnection Agreement to the Missouri 271 Agreement ("M2A").
- Case No. IO-2005-0468, In the Matter of the Petition of Alma Telephone Company for Arbitration of Unresolved Issues Pertaining to a Section 251(b)(5) Agreement with T-Mobile USA, Inc.
- Case No. TO-2006-0147 et al, In the Matter of the Petition for Arbitration of Unresolved Issues in a Section 251(b)(5) Agreement with T-Mobile USA, Inc and Cingular Wireless.
- Case No. TO-2006-0299, Petition of Socket Telecom, LLC for Compulsory Arbitration of Interconnection Agreements with CenturyTel of Missouri, LLC and Spectra Communications, LLC, pursuant to Section 251(b)(1) of the Telecommunications Act of 1996.
- Case No. TO-2006-0463, In the Matter of the Petition for Arbitration of Unresolved Issues in a Section 251(b)(5) Agreement with ALLTEL Wireless and Western Wireless.
- Case No. TO-2009-0037, In the Matter of the Petition of Charter Fiberlink-Missouri, LLC for Arbitration of an Interconnection Agreement Between CenturyTel of Missouri, LLC and Charter Fiberlink-Missouri, LLC.