

Exhibit No.:  
Issues: Low Income Weatherization Tariff  
Witness: Adam Bickford  
Sponsoring Party: Missouri Department of Natural  
Resources – Division of Energy  
Type of Exhibit: Surrebuttal Testimony  
Case No.: ER-2012-0345

**SURREBUTTAL TESTIMONY**  
**OF**  
**ADAM BICKFORD**  
**MISSOURI DEPARTMENT OF NATURAL RESOURCES**  
**DIVISION OF ENERGY**

**FEBRUARY 4, 2013**

**BEFORE THE PUBLIC SERVICE COMMISSION**  
**OF THE STATE OF MISSOURI**

**EMPIRE DISTRICT ELECTRIC COMPANY**

**RATE CASE**

**CASE NO. ER-2012-0345**

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of The Empire District Electric )  
Company of Joplin, Missouri Tariffs )  
Increasing Rates for Electric Service )  
Provided to Customers in the Missouri Service )  
Area of the Company )


File No. ER-2012-0345

**AFFIDAVIT OF ADAM BICKFORD**


**STATE OF MISSOURI** )  
 ) ) **SS**  
**CITY OF JEFFERSON** )

Adam Bickford, of lawful age, being duly sworn on his oath, deposes and states:

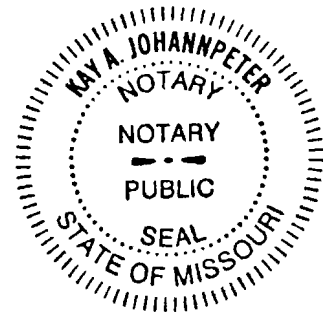
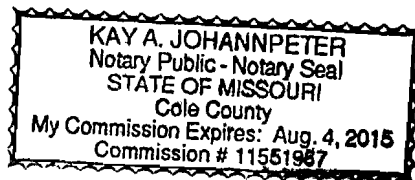
1. My name is Adam Bickford. I work in the City of Jefferson, Missouri, and I am employed by the Missouri Department of Natural Resources' Division of Energy as a Planner III.
2. Attached hereto and made a part hereof for all purposes is the Public version of my Surrebuttal Testimony on behalf of the Missouri Department of Natural Resources' Division of Energy, consisting of 2 pages of testimony and 1 schedule, all of which have been prepared in written form for introduction into evidence in the above-referenced docket.
3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct to the best of my knowledge.

  
\_\_\_\_\_  
Adam Bickford

Subscribed and sworn to before me this 4th day of February, 2013.

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

My commission expires:



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## I. Introduction

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

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A. My name is Adam Bickford. My business address is Missouri Department of

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Natural Resources, Division of Energy, 1101 Riverside Drive, P.O. Box 176,

6

Jefferson City, Missouri 65102-0176.

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**Q. Are you the same Adam Bickford who filed Direct and Rebuttal Testimony on**

8

**behalf of the Missouri Department of Natural Resource, Division of Energy**

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**previously in this case?**

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A: Yes, I am.

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**Q. What is the purpose of your surrebuttal testimony in these proceedings?**

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A. I will respond to Dr. Henry Warren's proposed revisions to Empire District Electric's

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("Empire") low income weatherization ("weatherization") tariff. MDNR agrees with

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Dr. Warren's recommendation that Empire's weatherization tariff should be revised

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to use the U.S. Department of Energy (USDOE) weatherization assistance program

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guidelines to determine the average per-house expenditures, in lieu of the specific

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dollar amounts for per-house expenditure limits stated in the current tariff (Terms

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and Conditions paragraph 2). However, MDNR has some concerns with the

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language Dr. Warren provided in the revised tariff. MDNR proposes edits to the

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revised tariff language as shown in redline in Schedule AB-1S.

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**Q. What are the concerns with Dr. Warren's revised tariff?**

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A. In paragraph 1 of the Terms and Conditions section, Dr. Warren attributes the

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federal weatherization funding guidelines to MDNR. MDNR does not set the

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federal weatherization funding guidelines. Rather, these funding guidelines are set

1 by USDOE. I have revised the tariff language to remove references to MDNR in  
2 the statements about the weatherization funding guidelines. The Weatherization  
3 Grant program guidelines are published by the USDOE each year.<sup>1</sup>

4 **Q. Do you have any other recommended edits to Dr. Warren’s tariff language?**

5 A. Yes. At several places in the tariff, Dr. Warren has replaced references to the “DNR  
6 Energy Center” with “MDNR Energy Division.” We appreciate the effort to  
7 recognize the change in name from “Energy Center”, but prefer the references be  
8 to “MDNR Division of Energy.” I have also made those revisions to the attached  
9 tariff page.

10 **Q. Do you have any further comments about the tariff?**

11 A. Yes. I wish to restate that MDNR does not administer Empire’s weatherization  
12 program, and does not establish program expenditure amounts. The tariff  
13 establishes expenditure limits for refrigerator replacement and for CFLs, and it  
14 establishes a percentage allocation for administration. It may be appropriate to  
15 discuss these expenditure amounts in Empire’s DSM Advisory Group.

16 **Q. Does this conclude your testimony?**

17 A. Yes. Thank You.

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<sup>1</sup> The current funding guidelines are described in  
[http://www.waptac.org/data/files/website\\_docs/government/guidance/2012/wpn\\_12-1.pdf](http://www.waptac.org/data/files/website_docs/government/guidance/2012/wpn_12-1.pdf)

THE EMPIRE DISTRICT ELECTRIC COMPANY

Schedule AB-1S

P.S.C. Mo. No. 5 Sec. 4 4th Revised Sheet No. 8c

Cancelling P.S.C. Mo. No. 5 Sec. 4 3rd Revised Sheet No. 8c

For ALL TERRITORY

PROMOTIONAL PRACTICES SCHEDULE PRO

E. Weatherization Program

APPLICATION:

The Residential Weatherization Program (Program) is designed to provide energy education and weatherization assistance, primarily for lower income customers. This Program is intended to assist customers through conservation, education and weatherization in reducing their use of energy and to reduce the level of bad debts experienced by The Empire District Electric Company (Company). The Company's participation in such financial incentives is limited to the funds allocated for that purpose and approved by the Demand Side Management advisory group (DSM advisory group) Customer Program Collaborative (CPC) pursuant to the Stipulation and Agreement approved by the Missouri Public Service Commission (Commission) in Case No. ER-2012-0345 E-O-2006-0263.

ADMINISTRATION:

The program will be administered by the Economic Security Corporation, the Ozark Area Community Action Corporation and the West Central Missouri Community Action Agency, also known in this tariff as Social Agencies, in accordance to an established formula. This formula, calculated and recommended by Missouri Department of Natural Resources, Energy Division (MDNR) DNR Energy Center, allocates the dollars between the Social Agencies based on the total Empire accounts enrolled with Social Agency and the percentage of households in poverty within the Social Agency's service region. The formula is: (% of total Empire accounts by Social Agency times % of the annual funds available to the Social Agencies) plus (% of estimated poverty households accounts by Social Agency times % of the annual funds available to the Social Agencies).

TERMS & CONDITIONS:

- 1. The program will offer grants for weatherization services to eligible customers. Customer eligibility will be determined by federal low income weatherization assistance program guidelines published by the U.S. Department of Energy (USDOE) Weatherization Grant guidelines administered by the MDNR. The program will be primarily directed to lower income customers.
2. The total amount of grants offered to a customer will be determined by the USDOE federal low income weatherization guidelines administered by the MDNR the agreement between the Company and the Social Agencies. The total amount of grants to a customer is expected to average \$1,200 (escalated by \$50 per year) with a maximum per customer of \$1,800 (escalated by \$50 per year). These funds will focus on measures that reduce electricity usage associated with electric heat, air conditioning, refrigeration, lighting, etc. Of the total funds allocated, the Social Agencies may spend up to \$200 toward the purchase of an Energy Star rated refrigerator and \$100 toward the purchase of Energy Star compact fluorescent lights (CFL) and lighting fixtures per home.
3. Program funds made available to the Social Agencies cannot be used for administrative costs except those incurred by the Social Agencies that are directly related to qualifying and assisting customers under this program. The amount of reimbursable administrative costs per participating household shall not exceed 15% of the total expenditures for each participating household.
4. Social Agencies and Company agree to consult with Staff, Public Counsel, MDNR Department of Natural Resources, Division of Energy, and other members of the DSM advisory group CPC during the term of the Program.
5. This Program will continue for five years from the from the effective date of this tariff, unless otherwise ordered by the Commission. With the assistance of Social Agencies, the the Company shall submit a report on the Program to the Staff, the Office of Public Counsel, the MDNR Energy Division Division of Energy Department of Natural Resources Energy Center and other members of the DSM advisory group CPC on or before April 16, 2007 2014 and on the same date for each succeeding year in which the Program continues. Each report will address the progress of the Program, and provide an accounting of the funds received and spent on the Program during the preceding calendar year. The report will include the following information with breakdowns for each of the participating social agencies:
a. Program funds provided by Company.
b. Amount of Program funds, if any, rolled over from previous year.
c. Amount of administrative funds retained by the social agency.
d. Number of weatherization jobs completed and total cost (excluding administrative funds) of jobs completed.
e. Number of weatherization jobs "in progress" at the end of the calendar year.
f. Number, type and total cost of baseload measures (non-heating) installed.

The report shall be subject to audit by the Commission Staff and Public Counsel.

PROGRAM FUNDING:

To the extent that the annual funds contributed exceeds the total cost expended on the Program, the amount of the excess shall be "rolled over" to be utilized for the Weatherization Program in the succeeding year. Annual funding of \$226,430 is available to the Social Agencies for this Program, are as follows:

Table with 4 columns: Year, Amount, Year, Amount. Rows: 2010 \$201,300 2012 \$226,430; 2014 \$226,430 2013 \$226,430

If one of the Social Agencies is unable to place the total dollars allocated, the unspent funds may be reallocated among the remaining Social Agencies.

DATE OF ISSUE June 3, 2014 January xx, 2013 ISSUED BY Kelly S. Walters, Vice President, Joplin, MO DATE EFFECTIVE

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January xx, 2013 June 15, 2014

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ER-2011-0004; YE-2011-0615

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