

Exhibit No.:	
Issues:	<i>ThermalSource's Qualifications / Operational Plans Public Interest / Customer Benefit</i>
Witness:	Herbert B. Zien, PE
Sponsoring Party:	Thermal North America, Inc.
Type of Exhibit:	Direct Testimony
Case No.:	HM-2004-0618
Date Testimony Prepared:	September 1, 2004

**MISSOURI PUBLIC SERVICE COMMISSION
UTILITY OPERATIONS DIVISION**

**DIRECT TESTIMONY
OF
HERBERT B. ZIEN, PE**

**TRIGEN-KANSAS CITY ENERGY CORP. and
THERMAL NORTH AMERICA, INC.**

CASE NO. HM-2004-0618

September 2004

Joint Application of)
)
Trigen-Kansas City Energy Corp.)
)
and) Case No. HM-2004-0618
)
Thermal North America, Inc.)
)
For Grant of the Authority Necessary)
for the Transfer of Control and Sale of)
All Stock Currently Owned by)
Trigen Energy Corporation, Inc. to)
Thermal North America, Inc.)

STATE OF _____)
) ss
COUNTY OF _____)

Notary Public

1 **Q. Please summarize your educational background and work experience.**

2 A. I earned a B.S. in Mechanical Engineering and an M.S. degree in Thermal
3 Engineering from Cornell University. Additionally, I received my M.S. in management from
4 the Massachusetts Institute of Technology. I am a Registered Professional Engineer and
5 have first-hand experience in running thermal systems. As Director of Dominion Thermal, I
6 purchased and managed on behalf of Dominion Resources, one of America's largest IOU's,
7 the district heating and cooling system that serves 140 buildings in downtown Cleveland,
8 Ohio. Prior to that, I was manager for the Midwest Region of A&C Enercom, where I
9 assembled and managed a sales and engineering team that performed energy audits and
10 installed energy conservation measures in industrial plants throughout the Midwest. In
11 addition, I developed the conceptual engineering design and business plan for a district
12 energy system to serve Atlantic City. Also, I was President of Hohenwald Resource
13 Recovery, Inc. from 1991 through 2001. In this capacity I operated an existing biomass plant
14 in Tennessee that generates steam for sale to a nearby rubber hose manufacturing plant.
15 Initially, I assembled an investor group to acquire this facility and corrected engineering
16 deficiencies so that it could operate profitably.

17 **Q. What are your duties as Chief Operating Officer?**

18 A. As Chief Operating Officer I am responsible for the overall operations of the
19 business.

20 **Q. What will be your duties and role for Trigen KC?**

21 A. After the transaction closes, I will become an officer of Trigen KC. Pursuant to the
22 directions and policies established by Trigen KC's Board of Directors, I will be responsible
23 for Trigen KC's operations as a supplier of energy services, ensuring that Trigen KC is

1 ideally positioned to serve its customers through access to sufficient capital, human resources
2 and technology. While my salary and benefits will be paid and provided by ThermalSource,
3 ThermalSource will be compensated for my work on behalf of Trigen KC pursuant to the
4 terms of the Corporate Services Agreement.

5 **Q. Please describe the key personnel of ThermalSource and their relevant**
6 **experience.**

7 A. ThermalSource is a service company whose employees are experienced in the
8 development and operation of complex energy systems. Our Chief Executive Officer, Lance
9 Ahearn, is responsible for the overall performance of the business as well as the direction of
10 corporate strategy, profitable growth, and the development and maintenance of strategic
11 alliances. Mr. Ahearn's early career involved various positions with Bucyrus Erie, at that
12 time a Fortune 500 manufacturer of mining and construction equipment. Over a period of 17
13 years, those positions included Service Manager; Managing Director of the company's
14 largest subsidiary, Bucyrus Africa; and founder and Managing Director of Minserco, the
15 company's engineering and construction subsidiary. Following his work with Bucyrus Erie,
16 Mr. Ahearn served for eight years as CEO of Heartland Development Corporation, the
17 unregulated arm of Wisconsin Power and Light Holding Company. In that capacity he
18 undertook the restructuring of a portfolio of companies. That work involved the purchase
19 and sale of a number of businesses and the oversight as Chairman and CEO of three distinct
20 businesses, two of which were start ups. Those included Heartland Energy, the first utility
21 affiliate in the United States to obtain a Federal Energy Regulatory Commission (FERC)
22 license to trade electricity. Once the business was established, he negotiated a joint venture
23 with Cargill to create Cargill-Alliant, which became the largest physical trader of the

1 electricity commodity in the United States. The second start up was Heartland Properties, a
2 developer and manager of affordable housing; by the end of 1997, Heartland Properties had
3 \$250 million of affordable housing under management. The third business, RMT (Residuals
4 Management Technology) was an environmental consulting and engineering company
5 serving energy intensive industries, which grew profitably from 250 employees and \$25
6 million in sales to 700 employees and \$90 million in sales during his tenure. For the past
7 four years Mr. Ahearn served as co-founder, President and CEO of Virdigen, a developer of
8 renewable energy projects and technologies. Virdigen has assisted in the development of a
9 renewable energy portfolio for one Investor Owned Utility (IOU) and partnered with another
10 IOU in the development of a power generation project using a large scale biomass gasifier
11 integrated with a fuel cell and an existing coal-fired boiler.

12 Biographies of other ThermalSource managers who will play a significant role in
13 Trigen KC were attached to the Joint Application in Appendix M and are incorporated here
14 by reference. In addition to Lance Ahearn, members of Trigen KC's current management
15 team include Brian Kirk, the current general manager of Trigen KC, and Charles Abbott.
16 Both will be employed by ThermalSource to perform the functions that they have been
17 performing prior to the Transaction. In fact, Mr. Abbott will be elevated to Senior Vice
18 President of ThermalSource and his responsibilities will be expanded to include operations
19 management of Trigen's entire portfolio of operating companies. The combination of
20 ThermalSource management, coupled with the expertise of Charles Abbott, Brian Kirk and
21 the Trigen KC management staff, will ensure a smooth transition post closing.

22 **Q. Is ThermalSource qualified to manage Trigen KC as a regulated applicant in**
23 **this matter in the State of Missouri?**

1 A. Yes. While ThermalSource is a newly formed organization and new to Missouri, we
2 are made up of a highly experienced management team and employee base. As described in
3 more detail below, ThermalSource will provide management services under contract to
4 Trigen KC and absorb the local Trigen KC management employees. Thermal North
5 America, Inc. (“TNAI”) will own the assets but have no employees. JCI will operate the
6 assets under contract to Trigen KC and will absorb most if not all operations employees. On
7 Trigen KC’s behalf, ThermalSource will manage the JCI contract. See **Zien Appendix No. 1**
8 for a graphical representation of the ownership and contractual relationships in this
9 arrangement. The result of this organizational design is that Trigen KC gets the best of all
10 worlds: an owner that is focused only on the district energy business (TNAI), a premier
11 operations company (JCI), and a management firm (ThermalSource) with a singular focus on
12 the customer.

13 **Q. How does ThermalSource’s business philosophy differ from that of Tractebel**
14 **North America Energy Services?**

15 A. District energy systems are dynamic businesses that need access to large amounts of
16 capital for system maintenance and growth. In addition, customers who rely entirely on a
17 third-party to meet their critical energy needs must be confident that the system operator is a
18 reliable long-term partner. These observations underpin a business plan that builds upon
19 ThermalSource’s management capability by adding the financial power of TNAI and the
20 facility operating expertise of JCI to form a world-class venture that specializes in district
21 energy systems.

22 This approach is significantly different from that of Tractebel, Trigen KC’s current
23 owner. Where Tractebel is disposing of the Trigen assets because they are “non core,”

1 ThermalSource/TNAI view the ownership/management of district energy systems as a core
2 competency. While Tractebel's business is shifting toward increasingly larger energy assets,
3 ThermalSource has the interest and flexibility to manage smaller energy systems in
4 metropolitan areas such as Kansas City. In his testimony, Mr. Barry describes the
5 management orientation of Trigen's DCH business as being too "personal" compared to
6 other Tractebel businesses. By contrast, "personal" is exactly the approach
7 ThermalSource/TNAI intend to take with customers.

8 The ThermalSource/TNAI business model is carefully designed to facilitate a greater
9 focus on the customer side with an active effort by ThermalSource in the development of
10 solutions to customer energy problems. ThermalSource/TNAI's management approach is to
11 contract with JCI for plant and distribution system operations, allowing ThermalSource
12 management and employees to focus on customer needs. While Trigen KC's business may
13 have been constrained in its competition for capital within Tractebel, ThermalSource/TNAI
14 will be actively pursuing reliability, efficiency and expansion projects that require capital
15 investment.

16 **Q. One of the qualifications for an applicant is to operate safely and legally. Has**
17 **ThermalSource, TNAI or any of its principals or management employees ever been**
18 **penalized for violations of any laws or regulations?**

19 A. No.

20 **Q. Who is JCI and what qualifications does it have in the thermal industry?**

21 A. JCI, a \$22-billion per year multinational company, specializes in, among other things,
22 facility management and energy conservation. JCI is a leader in facility operations and
23 maintenance globally, and operates and maintains significant steam generating plant

1 capacity. Operations in North America include complete utility and energy management
2 services. JCI operates and maintains industrial steam and electrical plants for some of
3 America's largest industrial companies.

4 **Q. What role will you play in the relationship between JCI and Trigen KC?**

5 A. While Mr. Ahearn, the CEO of ThermalSource and an officer of Trigen KC, will be
6 ultimately responsible for ensuring that JCI meets all of its commitments under their O&M
7 contract with Trigen KC, I will be directly responsible for all operational planning and issues
8 that may arise. While other Trigen KC officers, for example Charlie Abbott or Brian Kirk,
9 may handle such operational issues in the first instance, I will be responsible for them.

10 **Q. Please describe the purpose of Trigen KC's O&M contract with JCI.**

11 A. After the sale, JCI will operate all of TNAI's facilities, including Trigen KC's boilers,
12 auxiliary equipment and distribution system. As described by Mr. Schopman, employees of
13 Tractebel currently operate the facilities owned by Trigen KC. After the sale, these operating
14 employees will become JCI employees. Beyond labor, JCI will also provide engineering,
15 and operational reliability and efficiency expertise to Trigen KC.

16 **Q. How will the employees that currently operate Trigen KC be affected by the**
17 **transaction as it relates to JCI?**

18 A. Trigen KC has no employees currently and will have none prospectively. Instead, the
19 employees that currently manage and operate Trigen KC assets are employees of Tractebel
20 North America, Inc. provided under a services contract with Trigen KC. The employees of
21 Tractebel North America, Inc. that currently operate and maintain plant equipment and
22 distribution facilities will move to become full-fledged employees of JCI. These employees

1 will keep their current salary and wages, and will have substantially similar benefits to what
2 they current have with Tractebel North America Services, Inc.

3 **Q. How will decisions be made on key operations and business issues facing Trigen**
4 **KC?**

5 A. Overall control over Trigen KC decisions will reside in Trigen KC officers as
6 governed by the policies established by Trigen KC's Board of Directors. ThermalSource
7 employees will direct all daily business activities of Trigen KC, including customer relations.
8 Operational activities relating to system performance and reliability will be managed by JCI
9 employees. The Trigen KC General Manager, a ThermalSource employee, will meet
10 regularly with the JCI manager responsible for day-to-day operations oversight to agree on
11 matters relating to environmental matters, fuel utilization, capital projects and general system
12 performance, and a log book will be maintained to document any decisions made.
13 ThermalSource management and employees will provide accounting, billing, and other
14 overhead services on a centralized basis, as described below. ThermalSource employees will
15 perform all customer interfaces.

16 **Q. Please describe the financial arrangement between Trigen KC and JCI,**
17 **including all sources of JCI's economic interests in Trigen KC, TNAI, and TNAI's**
18 **other post-transaction subsidiaries.**

19 A. JCI is compensated solely under the terms of their O&M contract with Trigen KC.
20 JCI will have similar contracts in place with each of TNAI's operating companies. The terms
21 of the Trigen KC O&M Contract is described further below.

22 **Q How will costs under the JCI O&M contract compare to Trigen KC's current**
23 **costs and how will customers benefit?**

1 A. JCI brings to Trigen KC an experienced facility operator that considers maintenance
2 services to be a core business, with proprietary technology that will be of immediate use in
3 terms of improving the reliability and efficiency of Trigen KC plant equipment. The cost
4 associated with JCI's contract is no more than the amount the current owner pays for O&M
5 services, and is controlled for the long-term in the O&M agreement by a formula that takes
6 into account changes in scope, as equipment is added or retired, inflation (based on published
7 financial indices), and performance, as measured by pre-established performance standards.
8 The performance incentives in the JCI O&M contract are designed to continuously improve
9 system reliability and efficiency.

10 **Q. Are there other ways in which customers benefit from the JCI O&M Contract?**

11 A. JCI brings a wealth of technical expertise to Trigen KC customers that only comes
12 from decades of experience in the facility management and equipment maintenance
13 businesses. For example, JCI maintains the world's largest vibration signature library, which
14 will improve equipment reliability and efficiency by identifying potential mechanical
15 problems long before emergency repairs are needed. JCI also is America's largest provider
16 of energy management services, which will result in improved efficiencies at Trigen KC
17 facilities. Trigen KC customers that choose to take advantage of unregulated Trigen KC
18 service offerings that provide "behind the meter" energy efficiency and management services
19 will also benefit from the expertise of JCI.

20 **Q. What performance guarantees is JCI providing to Trigen KC?**

21 A. JCI will provide services to Trigen KC by operating the system within the parameters
22 of the O&M Agreement and will indemnify Trigen KC for any JCI negligence in providing
23 those services.

1 **Q. How will the involvement of JCI assist Trigen KC in meeting its obligations as a**
2 **regulated utility under the laws of Missouri including, for example, requirements to**
3 **maintain proper books and records?**

4 A. JCI is required under the contract to assist Trigen KC in meeting its obligations as a
5 regulated utility by operating and maintaining Trigen KC's steam plant and distribution
6 facilities reliably, efficiently and in compliance with environmental regulations.
7 ThermalSource will manage activities directly related to other utility regulatory compliance.

8 **Q. Please describe the meetings you have held with Trigen KC's customers and the**
9 **response they have provided to you regarding the proposed transaction.**

10 A. Brian Kirk, the Plant Manager of Trigen KC and I invited the approximately seventy
11 existing customers to attend a meeting on July 8th and 9th at the Kansas City Athletic Club
12 to: 1) discuss the acquisition of Trigen KC by Thermal North America, Inc.; 2) explain the
13 operational goals and objectives of the new owner; and 3) answer any questions. Attached as
14 **Zien Appendix No. 2** is the meeting invitation and list of invited customers. I was pleased
15 with the overwhelming and positive response we received. Several customers expressed
16 their enthusiasm in having an owner that is interested in developing, maintaining, and
17 possibly expanding the existing system. For example, I attach as **Zien Appendix No. 3** an
18 endorsement letter from Jackson County Executive Kathryn Shields.

19 **Q. Please describe any plans you have for expansion of Trigen KC's customer base.**

20 A. As the TNAI team does not yet own Trigen KC, we are not in a position to have fully
21 developed customer agreements for plans for expansion. We do know that current and
22 potential customers have approached Trigen KC recently regarding potential expansion of
23 service, and we have encouraged those discussions. Because our team has the financial

1 strength, operating expertise, and aspiration to expand the existing system to satisfy the needs
2 of a thriving economy and customer base in Kansas City, we believe that after closing we
3 will be able to quickly pursue plans that would meet the needs of current and potential
4 customers.

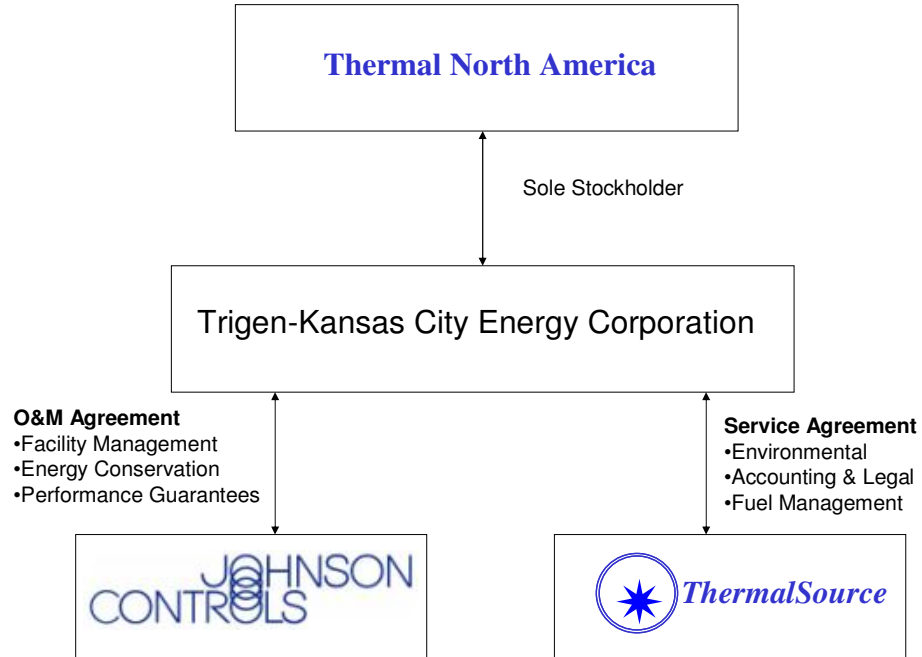
5 **Q. How would you summarize ThermalSource's view of these proceedings?**

6 A. The petition before the Missouri Public Service Commission seeks approval for a
7 change in control of Trigen KC's parent, Trigen Energy Corporation. Mr. Barry's testimony
8 states that the Trigen district heating operations, including Trigen KC, no longer fit the
9 Tractebel business model. If this petition were denied, Tractebel would continue to invest in
10 maintenance but Trigen KC would presumably seek to minimize the use of investment
11 capital to grow the business. By contrast, ThermalSource has assembled a team that has both
12 financial horsepower, through TNAI and its owner (as discussed in the testimony of Mr.
13 Siddiqi), and operating expertise, through a combination of its own management, existing
14 employees and Johnson Controls. As important, our team has an appetite for system
15 expansion that will keep pace with the needs of the diverse and growing customer base in
16 Kansas City. ThermalSource thus respectfully requests that the Commission find the
17 transaction is not detrimental to the public interest and approve the application.

18 **Q. Does this complete your direct testimony?**

19 A. Yes.

Zien Appendix No. 1





TRIGEN ENERGY
115 GRAND BOULEVARD
KANSAS CITY, MO 64106
(816) 889-4900 FAX (816) 842-4272

June 21, 2004

Attention

**Subject: Informational meeting concerning Thermal North America, Inc.'s purchase of the
Trigen-Kansas City Energy Corp.'s steam heating system**

Dear :

As you may know, Trigen Energy Corporation has agreed to sell the steam system that serves downtown Kansas City to Thermal North America, Inc. You are invited to attend a customer informational meeting to learn more about this proposed ownership transfer.

For your convenience there will be two meeting dates, Thursday, July 8 and Friday, July 9, 2004. Please join us for one of these presentations, to be held at the following times:

July 8 from 3:30 - 5:00 p.m. Light refreshments will be served

or

July 9 from 7:30 - 9:00 a.m. Breakfast will be served

The two meetings will cover the same material, and both will be held at the Kansas City Club, 918 Baltimore Avenue.

Please call Charla Bradley at (816) 889-4909 and let her know how many will be attending from your organization. If you are unable to attend either of the meetings and have questions about the sale, call me at (816) 889-4915.

I look forward to seeing you at one of these informational meetings.

Sincerely,

Brian Kirk, General Manager
TRIGEN-KANSAS CITY ENERGY CORPORATION

Direct Testimony of
Herbert B. Zien, PE

Mailing List

Ms Mr	First Name	Last Name	Title	Organization Name	Address	City	State	Postal Code
Ms.	Doris		Facility Management	Levy & Craig c/o Griffith Building	1301 Oak	Kansas City	MO	64106-
Ms.	Christine	Allen		Federal Office Building	601 East 12th	Kansas City	MO	64106-
Mr.	Roy	Allen	MC Real Estate Services	c/o UMB	928 Grand Avenue	Kansas City	MO	64106-
Mr.	Albert	Amrhein	Plant Engineer	State Office Building	615 East 13th Street	Kansas City	MO	64106-
Ms.	Connie	Baker	Customer Service	Southwestern Bell	500 East 8th Street	Kansas City	MO	64106-
Mr.	Ken	Ballinger	Facility	Federal Reserve Bank	925 Grand Avenue	Kansas City	MO	64198-
Mr.	Tony	Barber	Owner	Barber & Sons Wholesale Tobacco.	1211 Charlotte	Kansas City	MO	64106-
Ms.	Kay	Barnes	Mayor	City Hall	414 E. 12th, 24th Floor	Kansas City	MO	64105-
Mr.	Dean	Barrett	Manager, Special Facilities	Bartle Hall c/o Administration and Sales	301 West 13th Room 100E	Kansas City	MO	64105-
Mr.	Tom	Beam	Project Manager	City Hall City Planning & Development	414 E. 12th, 15th Floor	Kansas City	MO	64106
Mr.	Steve	Bode	State Office of Administration	State Office Building Design & Construction	615 East 13th Street	Kansas City	MO	64105-
Mr.	Robert	Borel		Jules Borel & Co	1110 Grand Ave.	Kansas City	MO	64106-
Mr.	Wayne	Bosler	Facility Manager	Police Building	1125 Locust	Kansas City	MO	64106-
Mr.	Steven	Brettell		Winbury Group	4520 Main, Suite 1000	Kansas City	MO	64111-
Mr.	Reverend Ron	Brooks		Grand Avenue Temple	205 East 9th	Kansas City	MO	64106-
Ms.	Jan	Carson	Building Manager	Cathedral Square Towers	444 West 12th Street	Kansas City	MO	64105-
Mr.	John	Chapman	Facility Management	Southwestern Bell	1101 McGee	Kansas City	MO	64105-
Mr.	Tom	Corso	Facility Management	MC Real Estate Services	114 West 11th Street, Ste 200	Kansas City	MO	64105-
Mr.	Mike	Costanzo	Engineer & Operational Services	MC Real Estate Services	114 West 11th Street, Ste 200	Kansas City	MO	64105-
Mr.	Stan	Cyphers		Uhlmann Company	PO Box 419410	Kansas City	MO	64141-
Mr.	Vince	Dasta	President	DST Realty	333 West 11th Street	Kansas City	MO	64105-
Ms.	Diane	Davis		Winbury Group Gailoyd Enterp.	106 West 14th Street, Suite 100	Kansas City	MO	64105-

Direct Testimony of
Herbert B. Zien, PE

Ms Mr	First Name	Last Name	Title	Organization Name	Address	City	State	Postal Code
Mr.	Bill	Dorsey		Colliers, Turley, Martin	1220 Washington, Suite 201	Kansas City	MO	64105-
Mr.	Chris	Dring	Project Manager	City Hall City Planning & Development	414 E. 12th, 15th Floor	Kansas City	MO	64106-
Mr.	Mark	Eberline	Maintenance Director	Folger Coffee Co.	701 Broadway	Kansas City	MO	64105-
Mr.	Jim	Elwood	Construction & Utilities Supervisor	National Starch & Chemical Co.	1001 Bedford Ave.	North Kansas City	MO	64116-
Mr.	Chris	Erdley	Director of Property Mgmt.	Tower Properties	911 Main Suite 100	Kansas City	MO	64105-
	Monsignor	Fiedler		Immaculate Conception Cathedral	416 West 12th Street	Kansas City	MO	64105-
Ms.	Michelle	Fink		Mark Twain Tower	106 W. 11th	Kansas City	MO	64106-
Mr.	John	Foudray		MC Real Estate Services	114 West 11th Street, Ste 200	Kansas City	MO	64105-
Mr.	Bob	Graham	President	Landmark Mortgage	300 W. 11th Street	Kansas City	MO	64105-
Mr.	Todd	Hamilton	Facilities Manager	10 Main Center	920 Main, Suite 205	Kansas City	MO	64105-
Mr.	Walt	Hanline	Facility Maintenance	Bryant Building	1102 Grand Ave	Kansas City	MO	64106-
Mr.	Roger	Haynes	Facility Maintenance	Federal Courthouse	400 East 9th Street	Kansas City	MO	64106-
Ms.	Deb	Hermann	City Council at Large	City Hall	414 E. 12th 24th Floor	Kansas City	MO	64105-
Mr.	Dan	Hinrichs		Federal Reserve Bank	925 Grand Avenue	Kansas City	MO	64106-
Ms	Sandi	Holderman	Building Manager	New Library	14 West 10th Street	Kansas City	MO	64106-
Mr.	Randy	Holme	Plant Manager	National Starch Chemical Co.	8777 Purdue Rd., Ste 220	Indianapolis	IN	46268-
Mr.	George	Hons		Catholic Charities	1112 Broadway	Kansas City	MO	64105-
Ms	Pat	Hoover		Missouri Court of Appeals	1300 Oak	Kansas City	MO	64105-
Ms.	Pat	Hoover	Fiscal Officer	Missouri Court of Appeals	1300 Oak	Kansas City	MO	64105-
Attn:	Allen	Horn	Osco Store #5171	Albertson	P.O. Box 20	Boise	ID	83722-
Mr.	Paul	James		Kansas City Marriott Downtown	200 West 12th Street	Kansas City	MO	64105-
Mr.	Steven	Joyce	Manager	The Kansas City Club	918 Baltimore	Kansas City	MO	64105-
Mr.	Barry	Kervitz	Building Supervisor	MC Realty	114 West 11th Street, Ste 200	Kansas City	MO	64105-

Direct Testimony of
Herbert B. Zien, PE

Ms Mr	First Name	Last Name	Title	Organization Name	Address	City	State	Postal Code
Mr.	Mike	Klamm		Colliers, Turley, Martin	1220 Washington, Suite 201	Kansas City	MO	64105-
Mr.	Mike	Kraxberger	Director of KCNPMP	Federal Office Building	601 East 12th	Kansas City	MO	64106-
Mr.	Bob	Lawler	Bldgs, Maint. Superintendent	City of Kansas City	414 E3 12th Strret., Floor 17	Kansas City	MO	64106-
Mr.	Don	Lee		Savoy Hotel	219 West 9th Street	Kansas City	MO	64105-
Mr.	Peter	Levi	President	Chamber of Commerce	911 Main, Suite 2600	Kansas City	MO	64105-
Mr.	Joann	Link	Property Manager	MC Realty Estates Service	114 West 11th Street, Ste 200	Kansas City	MO	64105- 5195
Mr.	Allan	Lowy		Pickwick Partners, LLC	424 Beverly South	Los Angeles	CA	90212- 4414
Mr.	Harold	Lukins	Facility Manager	KC Missouri School District	800 E. 21st Street	Kansas City	MO	64108-
Mr.	Jim	Lund		River Market Brewing Co.	500 Walnut	Kansas City	MO	64106-
Mr.	Tom	McKaig		Federal Reserve Bank	925 Grand Ave.	Kansas City	MO	64106-
Mr.	Damon	McReynolds	Owner	DSMC, Inc	417 East 13th Street	Kansas City	MO	64106-
Mr.	Chris	Nelson	Manager	10 Main Center	920 Main, Suite 205	Kansas City	MO	64105-
Mr.	Jorge	Newberry	Partner	Pickwick Plaza	933 McGee	Kansas City	MO	64105-
Mr.	Pat	Nichols	Lioness Realty Group	Lioness Realty	3100 Broadway, Suite 303	Kansas City	MO	64111-
Mr.	Bruce	Palmer	Manager of Facilitites Management	Jackson County Missouri	415 East 12th Street	Kansas City	MO	64105-
Mr.	Ken	Pauley		Federal Reserve Bank	925 Grand Avenue	Kansas City	MO	64106-
Ms.	Carol	Pecoraro	General Manager	Kansas City Marriott Downtown	200 West 12th Street	Kansas City	MO	64105-
Mr.	William	Pickett	Owner	Interstate Building LLC	417 East 13th Street	Kansas City	MO	64106-
Mr.	Chet	Piotrowski	Building Superintendent	Jackson County Jail	1315 Locust	Kansas City	MO	64106-
Mr.	Kevin	Pistilli	Vice President	Kansas City Marriott Downtown	200 West 12th Street	Kansas City	MO	64105-
Mr.	Tony	Plescica		Curtis Building	9643 High Drive	Leawood	KS	66206-
Mr.	Richardson	Powell		Richardson Powell	120 West 9th Street	Kansas City	MO	64105-
Mr.	Tom	Pratt	General Manager	Hotel Phillips	106 West 12th Street	Kansas City	MO	64105-

Direct Testimony of
Herbert B. Zien, PE

Ms Mr	First Name	Last Name	Title	Organization Name	Address	City	State	Postal Code
Mr.	Mike	Robertson	General Manager	Citi Center Plaza Hotel	1215 South Wyandotte	Kansas City	MO	64105-
Mr.	Kevin	Roth	Manager	Merchant Trust	1125 Grand Avenue, Suite 100	Kansas City	MO	64106-
Mr.	Dave	Schloegel		Argyle Investment Co.	306 E. 12th Street Ste 306	Kansas City	MO	64105-
Mr.	Dan	Shaffer	Manager	Seidens Furs, Inc.	935 Broadway	Kansas City	MO	64105-
Mr.	Ed	Shepley		National Starch & Chemical Co.	1001 Bedford Ave.	North Kansas City	MO	64116-
Mr.	David	Sherrel	Facility	KC Marriott Downtown	200 West 12th Street	Kansas City	MO	64105-
Ms	Katheryn	Shields	County ExecutiveON COUNTY LIST	Jackson County Courthouse	415 East 12th Street	Kansas City	MO	64106-
Mr.	Mike	Tan	Facility Manager	KC Missouri School District	800 E. 21st Street	Kansas City	MO	64108-
Mr.	Douglas	Tatum	Executive Director	Folly Theater	PO Box 26505	Kansas City	MO	64196-
Mr.	Buzz	Willard	President	Tower Properties	911 Main, Suite 100	Kansas City	MO	64105-
Mr.	Mark	Willis		Richardson Powell	120 West 9th Street	Kansas City	MO	64105-



KATHERYN SHIELDS

JACKSON COUNTY EXECUTIVE

JACKSON COUNTY COURTHOUSE
415 EAST 12TH STREET
KANSAS CITY, MISSOURI 64106

(816) 881-3333
Fax: (816) 881-3133

July 21, 2004

Missouri Public Service Commission
Mr. Dale Hardy Roberts, Secretary to the Commission
PO Box 360
Jefferson City, MO 65102-0360

Re: Case No. HM-2004-0618

In the Matter of the Joint Application of Trigen -)
Kansas City Energy Corp. and Thermal North)
America, Inc. for the Authority Necessary for the)
Transfer of Control, and Sale of All Stock Currently)
Owned by Trigen Energy Corporation, Inc. to)
Thermal North America, Inc.)

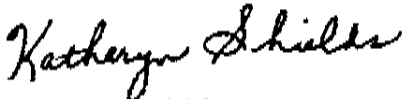
As County Executive of Jackson County, Missouri, I enthusiastically support the petition for authority from the Missouri Public Service Commission to transfer control and the sale of all stock currently owned by Trigen Energy Corporation, Inc. to Thermal North America, Inc.

Trigen-Kansas City Energy Corp. owns and operates a district heating system (the "System") that provides steam service to 70 customers in downtown Kansas City. Over the years the System has demonstrated its importance to the economic and environmental health of our community. The current owner does not plan to provide capital for expansion, and desires to sell the system. Kansas City's downtown area is growing, however, and it is important that the owner/operator of the System be ready to make investments in the System that are necessary to facilitate and serve the district's growth. The prospective owner, Thermal North America, Inc. ("Thermal NA"), which is a wholly-owned subsidiary of a major university endowment fund, takes a long-term view and is prepared to work with public officials to attract business to downtown Kansas City by investing in the System.



Major projects for downtown Kansas City are in the planning and development stage and they require immediate attention. I encourage the Public Service Commission to approve the above-cited petition expeditiously, so that the goal of economic development can be served, and these projects can benefit from capital and operating cost savings that can only come from System expansion.

Very truly yours,

A handwritten signature in cursive script that reads "Katheryn Shields".

Katheryn Shields
County Executive