

Exhibit No.:

Issue(s): *Tariff Issue,
Other Tariff Issues*

Witness: *Deborah Ann Bernsen*

Sponsoring Party: *MoPSC Staff*

Type of Exhibit: *Rebuttal Testimony*

Case No.: *ER-2018-0145 and
ER-2018-0146*

Date Testimony Prepared: *August 7, 2018*

MISSOURI PUBLIC SERVICE COMMISSION

COMMISSION STAFF DIVISION

CUSTOMER EXPERIENCE DEPARTMENT

REBUTTAL TESTIMONY

OF

DEBORAH ANN BERNSEN

**KANSAS CITY POWER & LIGHT COMPANY
CASE NO. ER-2018-0145**

AND

**KCP&L GREATER MISSOURI OPERATIONS COMPANY
CASE NO. ER-2018-0146**

*Jefferson City, Missouri
August 2018*

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Date *9-25-18* Reporter *TW*
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REBUTTAL TESTIMONY
OF
DEBORAH ANN BERNSEN
KANSAS CITY POWER & LIGHT COMPANY
CASE NO. ER-2018-0145
AND
KCP&L GREATER MISSOURI OPERATIONS COMPANY
CASE NO. ER-2018-0146

Q. Please state your name and business address.

A. My name is Deborah Bernsen. My business address is 200 Madison Street, Jefferson City, Missouri 65102.

Q. By whom are you employed and in what capacity?

A. I am employed by the Missouri Public Service Commission ("Commission") as a Utility Management Analyst III in the Customer Experience Department.

Q. Please describe your education, work experience and any cases in which you have previously filed testimony before the Commission.

A. I earned a Bachelor's of Science Degree in Business Administration and a Masters of Public Administration from the University of Missouri-Columbia. I have passed all four parts of the Certified Internal Auditor (CIA) examination and received the CIA designation in November 2004.

My work experience and a listing of cases in which I have filed testimony before the Commission are attached to this Rebuttal Testimony as Schedule DAB-r1.

Q. What is the purpose of your Rebuttal Testimony?

A. The purpose of my Rebuttal Testimony is to address the Restoration Charge tariffs for both Kansas City Power & Light Company ("KCPL") and KCP&L

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1 Greater Missouri Operations Company ("GMO") as presently submitted in these cases. The
2 tariffs are noted in Schedule MEM-4 for KCPL and Schedule MEM-7 for GMO, and are
3 attached to the Direct Testimony of Company witness Marisol Miller in both cases.

4 Q. Is there a currently effective tariff provision for KCPL regarding restoration
5 charges, and if so, what does that tariff sheet state?

6 A. Yes. KCPL's currently effective tariff, Rules and Regulations Eighth Revised
7 Sheet No. 1.14,¹ allows the Company to impose a reconnection charge where service has been
8 discontinued for any reason, including at the request of the Customer.

9 Q. What has KCPL proposed in this case regarding restoration charges?

10 A. KCPL has proposed adding to the Rules and Regulations, Ninth Revised Sheet
11 No. 1.14, section 3.15, Restoration of Electric Service to impose a Restoration Charge per
12 section 8.06. This section addresses instances when electric service is discontinued by the
13 customer and reconnected at the same premises within twelve (12) months. The proposed
14 sheet includes the designation of restoration within a twelve (12) month period and allows
15 prior usage details and kW demands to be utilized in subsequent bills.

16 Q. Is there a currently effective tariff provision for GMO regarding restoration
17 charges, and if so, what does that tariff sheet state?

18 A. Yes. GMO's currently effective tariff, Rules and Regulations 2nd Revised
19 Sheet No. R-20, section 2.07,² Charge for Reconnection or Collection only addresses charges
20 in those cases where there is a violation of service terms or a delinquent service bill. It does
21 not address customer requested discontinuances of service.

¹ Effective June 8, 2017.

² Effective February 22, 2017.

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1 Q. What has GMO proposed in this case regarding restoration charges?

2 A. GMO has proposed adding a subsection B under its present Charge for
3 Reconnection or Collection section titled, Termination of Service by Customer. This
4 proposed tariff sheet addresses the situation of a customer requesting disconnection and then
5 reconnection at the same premises within a twelve (12) month period. The tariff sheet also
6 provides GMO the option of reviewing usage details and considering subsequent billing and
7 the utilization of kW demand charges.

8 Q. Please briefly explain why at this time Staff is recommending rejection of
9 these tariff sheets as written.

10 A. There are a number of reasons why Staff recommends rejection at this time.
11 These reasons include:

12 1) The lack of testimony sponsoring the new tariff charges.
13 The tariff changes only appeared in the Proposed Non-Rate Tariff
14 Revisions Schedule in each case. They were not addressed by any
15 testimony to support their filing.

16 2) The proposed language is generally broad and does not
17 provide specific criteria for determining the application of the
18 charges.

19 3) The potential for KCPL and GMO to inconsistently
20 interpret the language and decide who will bear these charges.

21 4) KCPL's and GMO's failure to identify how many
22 customers to which it intends to apply these charges.

23 5) The potential revenues resulting from these charges.
24 The issue of potential revenues has been addressed in the COS
25 Rebuttal testimony of Staff witness Robin Kliethermes, filed
26 July 27, 2018.

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1 Q. Did Staff attempt to obtain additional information and/or discuss these
2 proposed Restoration Charge Tariffs with KCPL and GMO?

3 A. Yes, Staff submitted Data Requests Nos. 202, 202.1, and 368 in Case Nos.
4 ER-2018-0145 and ER-2018-0146. In addition, Staff conducted a phone conference with
5 KCPL and GMO on April 25, 2018, to obtain additional information.

6 Q. Were Staff, KCPL, and GMO able to come to an agreement regarding the
7 language in the proposed tariff?

8 A. No. KCPL and GMO provided several options after the phone conference.
9 However, after a review, Staff still holds the same concerns with the language of the tariffs.

10 Q. Have KCPL and GMO stated the purpose and intent of the proposed
11 Restoration Charge?

12 A. Yes, in response to Staff Data Request No. 368, KCPL and GMO stated:

13 "The Restoration Charge proposed in this filing is intended
14 to help prevent service disconnection and subsequent restoration
15 by Customers to avoid service charges."

16 Q. Will KCPL and GMO be able to effectively determine which customers are
17 attempting to avoid the service charges with the proposed tariff sheets?

18 A. No. The language in the proposed tariff sheets is very broad and does not
19 provide any objective criteria to make and support a determination as to whether a customer is
20 attempting to avoid charges.

21 Q. Does Staff have a suggestion for KCPL and GMO for the present case?

22 A. Yes. Staff would suggest that KCPL and GMO provide language for the
23 current GMO tariff to be consistent with the current KCPL tariff that addresses reconnection

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1 of service after a disconnection of service at the customer's request. It is also important to
2 note that the tariffs should both use the same wording of either "shall" or "may" to reflect
3 KCPL or GMO's ability to make a determination whether or not to apply just a reconnection
4 charge.

5 Q. Does Staff have a recommendation regarding approval of these tariff sheets?

6 A. Yes, Staff recommends that the Commission reject these tariff sheets as
7 proposed. Staff recommends that KCPL and GMO work further on the development of tariff
8 language. This language should include specific criteria for determining which customers to
9 whom the charge should apply and should ensure consistency of application when addressing
10 a reconnection charge.

11 KCPL and GMO should also conduct an analysis of the customers who conduct
12 frequent disconnections followed by reconnections within a twelve (12) month period and
13 make an estimate of the increased revenues associated with the imposition of a charge to these
14 customers.

15 In addition, if tariff sheets regarding Restoration Charges are approved, KCPL and
16 GMO should ensure that customer service representatives explain the potential application of
17 a restoration charge under certain conditions, as specified in the tariff, to customers seeking
18 disconnection.

19 Q. Does this conclude your rebuttal testimony?

20 A. Yes it does.

Deborah Ann Bernsen

Education and Employment Credentials

I am currently employed as a Utility Management Analyst III in the Customer Experience Department of the Missouri Public Service Commission (Commission or PSC).

I graduated from the University of Missouri-Columbia in 1975 with a Bachelor of Science degree in Business Administration. I completed a Master's degree in Public Administration in 1990 from the same university. I have passed all four parts of the Certified Internal Auditor (CIA) examination and received the CIA designation in November 2004 and am a member of the Institute of Internal Auditors.

I have been employed by the Commission since 1976 when I began a graduate internship with the agency. I subsequently entered the Consumer Services Department of the PSC as a Consumer Services Specialist responding to consumer complaints and inquiries. I entered the Management Services Department in 1978 as a Management Analyst and have had responsibility for conducting and directing management audits and reviews of management operating and control systems at utility companies under the Commission's jurisdiction. These reviews have included electric, natural gas, telecommunications, water and sewer companies operating within the state of Missouri. I have led project teams, as well as provided oversight for the use of outside consultants providing services for the Commission Staff. I have also filed testimony on a number of areas that included analysis of service quality, performance measurement, customer surveys and customer service practices and procedures.

At the direction of the Commission during 2001, the Engineering and Management Services Department began reviewing the customer service practices of small water and sewer utilities when they request rate increases or file for a Certificate of Convenience and Necessity (CCN). The name of the Management Services Department was changed to the Engineering and Management Services Department (EMSD) in February 2000 and was renamed the Consumer and Management Analysis Unit in October 2015. I have been a member of the Customer Experience Department since its creation in November 2017.

I was the Staff's representative and a member of the Consumer Interest Working Group within the Missouri Public Service Commission's Retail Electric Competition Task Force in

1999. I was also a member and then Chair for six years of the National Association of Regulatory Utility Commissioners (NARUC) Staff Subcommittee on Competition and Performance Analysis (SSCPA). I have been an instructor for the Michigan State University Regulatory Studies Program and developed and administered training programs for management and operational auditors.