

APR 25 2019

BEFORE THE PUBLIC SERVICE  
COMMISSION OF THE STATE OF MISSOURI

Missouri Public  
Service Commission

In the Matter of the Application of The )  
Empire District Electric Company for ) File No. EA-2019-0010  
Certificates of Convenience and Necessity )  
Related to Wind Generation Facilities )

**MISSOURI DIVISION OF ENERGY WITNESS MARTIN R. HYMAN'S  
RESPONSES TO STAFF'S WRITTEN CROSS EXAMINATION QUESTIONS**

COMES NOW the Missouri Department of Economic Development – Division of Energy (“DE”), and in response to the Missouri Public Service Commission (“Commission”) Staff’s *Written Cross Examination Questions* filed on April 9, 2019, respectfully submits the answers and affidavit of DE witness Mr. Martin R. Hyman:

**1. What is your understanding of provision 17(a) in the Non-Unanimous Stipulation and Agreement?**

My understanding of provision 17(a) is that it reaffirms the commitment of The Empire District Electric Company (“Empire” or “Company”) to protections contained in an agreement with the union employees at the Asbury plant. Most of the employees at the Asbury plant are members of IBEW #1474.

**2. Please briefly explain the employee protections in the IBEW #1474 agreement.**

The Division of Energy’s Manager of Energy Policy and Resources reviewed the confidential agreement at the offices of Brydon, Swearngen & England, the law offices representing Empire. My understanding is that the agreement states that the union employees will be offered job opportunities if the Asbury plant is closed, the Company’s

Division of  
Energy Exhibit No. 401  
Date 4-25-19 Reporter ALJ  
File No. EA-2019-0010

relocation policy will apply for those affected employees who may need to move within the Company, and that the agreement includes mention of training opportunities.

**3. In your opinion, how do the inclusion of provision 17 (a) and the other terms and conditions of the Non-Unanimous Stipulation and Agreement align with the interests of the Division of Energy?**

Our office's interests are addressed by the stipulation in a number of ways. Provision 17(a) ensures that, if the Asbury plant is sold or retired for economic reasons, the union workers at that plant will be offered employment and training opportunities. On the whole, the stipulation enables the Company to pursue the addition of approximately 600 MW of wind generation, almost 300 MW of which will be located in southwest Missouri. This additional wind generation will improve the diversity and security of the state's energy supply and create the opportunity for more affordable rates for Empire's customers. The projects will also support local economic development through construction and operations jobs, more spending in local economies, and state and local tax revenues. The market price protection mechanism provides additional affordability-related benefits in the unlikely event that the wind projects do not create net positive outcomes for ratepayers over the first ten years of operations.

These outcomes are consistent with the Division of Energy's goals to move towards a more affordable, reliable, and diverse portfolio of energy resources. Additionally, we have interest in ensuring that Asbury-related workforce development opportunities and local economic impacts are addressed, as was discussed in my testimony in Case No. EO-2018-0092 (the "Customer Savings Plan" case).

4. In your opinion, how do the inclusion of provision 17(a) and the other terms and conditions of the Non-Unanimous Stipulation and Agreement promote the public interest?

Provision 17(a) promotes the public interest by providing opportunities for union workers at the Asbury plant if that plant is sold or retired for economic reasons. These opportunities support not only those workers, but their families and the Missouri economy. More broadly, the stipulation promotes the public interest by enabling investment in in-state wind generation that will improve the diversity and security of the state's energy supply, create the opportunity for more affordable rates for Empire's customers, and support local economic development. The market price protection mechanism further promotes the public interest by making rates more affordable in the unlikely event that the wind projects do not perform as expected.

WHEREFORE, the Division of Energy respectfully offers the answers and affidavit of DE witness Mr. Martin R. Hyman to *Staff's Written Cross Examination Questions*.

Respectfully submitted,

/s/ Rochelle L. Reeves  
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**Attorney for Missouri Department of Economic  
Development – Division of Energy**

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AFFIDAVIT OF MARTIN R. HYMAN

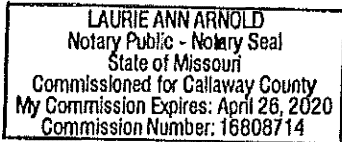
STATE OF MISSOURI )  
  )     ss  
COUNTY OF COLE     )


Martin R. Hyman, of lawful age, being duly sworn on his oath, deposes and states:

1. My name is Martin R. Hyman. I work in the City of Jefferson, Missouri, and I am employed by the Missouri Department of Economic Development as a Planner III, Division of Energy.
2. Attached hereto and made a part hereof for all purposes are my *Responses to Staff's Written Cross Examination Questions* on behalf of the Missouri Department of Economic Development – Division of Energy.
3. I hereby swear and affirm that my answers contained in the attached document to the questions therein propounded are true and correct to the best of my knowledge.

  
\_\_\_\_\_  
Martin R. Hyman

Subscribed and sworn to before me this 11<sup>th</sup> day of April, 2019.



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

My commission expires: 4/26/20

**CERTIFICATE OF SERVICE**

I hereby certify that true and correct copies of the foregoing have been emailed to the certified service list this 11<sup>th</sup> day of April, 2019.

/s/ Rochelle L. Reeves