

Exhibit No.:
Issue: Economic Relief Pilot Program
Witness: Contessa Poole-King
Sponsoring Party: MO PSC Staff
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File No.: ER-2012-0174
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MISSOURI PUBLIC SERVICE COMMISSION

STAFF COUNSEL DEPARTMENT

SURREBUTTAL TESTIMONY

OF

CONTESSA POOLE-KING

KANSAS CITY POWER & LIGHT COMPANY

CASE NO. ER-2012-0174

*Jefferson City, Missouri
October 5, 2012*

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1 **SURREBUTTAL TESTIMONY OF**
2 **CONTESSA POOLE-KING**
3 **KANSAS CITY POWER & LIGHT COMPANY**
4 **CASE NO. ER-2012-0174**

5 Q. Please state your name and business address.

6 A. Contessa Poole-King, 200 Madison Street, Suite 800, Jefferson City,
7 MO 65101.

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

9 A. I am a Consumer Services Coordinator with the Missouri Public Service
10 Commission (“Commission”), Staff Counsel Department.

11 Q. Are you the same Contessa Poole-King that contributed to Staff’s August 2,
12 2012 Cost of Service Report and filed rebuttal testimony in this case?

13 A. Yes, I am.

14 **EXECUTIVE SUMMARY**

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

16 A. The purpose of my testimony is to respond to the rebuttal testimony of Kansas
17 City Power and Light Company (“KCPL” or “Company”) witness Scott H. Heidtbrink
18 concerning KCPL’s low-income payment program, the Economic Relief Pilot Program
19 (“ERPP” or “program”). In particular, Mr. Heidtbrink’s recommendation to expand and fully
20 implement the program, based on the results of an evaluation conducted by a third party
21 evaluator. As stated in my rebuttal testimony, the customer survey results contained in the
22 evaluation report are insufficient. The methodology used to assess customer feedback of the
23 program is isolated to 10% of currently enrolled participants and omits feedback from former

1 participants. While Staff believes additional assessment of the program is needed before
2 proceeding to permanent status with full recovery of all program cost from ratepayers, Staff
3 does support continuing the ERPP, as a pilot program, maintaining currently authorized
4 participation levels, current program terms and that funding remain 50% ratepayer and 50%
5 shareholder.

6 **RESPONSE TO REBUTTAL TESTIMONY OF SCOTT H. HEIDTBRINK, KCPL**

7 Q. Company witness Scott H. Heidtbrink states on page 5, lines 11 through 13 of
8 his rebuttal testimony state that, “I believe the evaluation report confirms the success of the
9 pilot phase and the Program is ready to be expanded and fully implemented.” Do you agree
10 with Mr. Heidtbrink’s assessment that the evaluation confirms the ERPP is successful and
11 ready for expansion and full implementation?

12 A. I cannot conclude the evaluation report confirms the ERPP is a successful
13 program deserving expansion and full implementation, given that the results included in the
14 evaluation lack objectivity. The evaluation report does confirm that nine out of 10 current
15 participants surveyed are satisfied with ERPP. However, the satisfied respondents are active
16 ERPP participants and currently receiving a monthly fixed credit from KCPL. An 11-point
17 questionnaire was mailed to 200 of these randomly selected current enrollees; overall 144
18 responded. The evaluation excludes feedback from customers that were removed from the
19 program sometime between September 2009 when the pilot program started and March 2012,
20 when the questionnaires were mailed. Excluded from providing feedback were customers that
21 were terminated from the program by KCPL and customers that completed the program in 12
22 months and no longer participating.

1 According to the direct testimony of former KCPL employee Jimmy D. Alberts the
2 purpose of the customer survey was to allow participants an opportunity to address program
3 weaknesses, strengths, and provide suggestions for improvement. Mr. Heidtbrink, who
4 adopted Mr. Alberts' direct testimony, provides a similar explanation of the purpose of the
5 evaluation on page 4, lines 10 through 13 of his rebuttal testimony. Staff believes the
6 Company fails to garner the objective customer feedback they wished to obtain by limiting
7 the sampling to only 10% of active participants and excluding prior participants all together.

8 Q. In addition to the customer survey results, the evaluation report includes
9 responses from four Salvation Army employees interviewed because of their experience in
10 enrolling customers in the ERPP. Did the employees offer suggestions on how to improve the
11 ERPP?

12 A. Yes. Overall, the Salvation Army employees believe that the ERPP is
13 administered well and beneficial to qualifying customers; however, they did identify
14 opportunities for improvement. As previously stated in my rebuttal testimony, I encourage
15 the Company to consider the Salvation Army's recommendations concerning the application
16 process and qualification requirements. It is my belief the recommendations will not change
17 the terms and conditions of the program, but instead simplify the language in the customer
18 application form, increase opportunity for applicants to quality and enhance communications
19 between the applicant, KCPL, and the Salvation Army.

20 Q. If Staff views the evaluation report as an insufficient measure of determining
21 the ERPP is a successful program, why is Staff recommending the program continue at all?

22 A. As I stated in my rebuttal testimony, Staff recognizes the monthly

1 “fixed-credit” helps relieve some financial hardship for customers that may not otherwise
2 qualify for other assistance programs due to the income eligibility requirements of other
3 assistance programs. Staff understands the importance of ensuring there are programs for
4 customers on fixed incomes. However, as stated in my rebuttal testimony, after a thorough
5 analysis of the data provided by the Company, Staff was unable to identify a need to expand
6 the program from 1,000 to 2,500 participants with 100% rate recovery from ratepayers of all
7 program cost. Again, the data did indicate current enrollee numbers are appropriate at this
8 time. Staff believes continuation and not expansion is most appropriate.

9 Q. What is your recommendation to the Commission?

10 A. I have three recommendations. First, the Economic Relief Pilot
11 Program (ERPP) should remain a pilot program, maintaining current program terms including
12 participation levels, and program funding should remain 50/50. Staff recommends an
13 additional pilot period to ensure this is a viable program before making it a permanent 100%
14 ratepayer funded program.

15 Second, the ERPP reports should not be submitted to the DSM Advisory Group
16 because, as stated in my rebuttal testimony, the ERPP is not a demand side management
17 program (DSM) per the Commission approved Non-Unanimous Stipulation and Agreement in
18 Case No. ER-2009-0089. Staff recommends the development of a separate advisory group
19 who is familiar with low-income customers, issues and rate programs, for all future
20 collaborative discussion regarding the ERPP.

21 Third, Staff is recommending KCPL provide the Economic Relief Pilot Program
22 report to the advisory group on a monthly basis.

23 Q. Does this conclude your surrebuttal testimony?

Surrebuttal Testimony of
Contessa Poole-King

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A. Yes, it does.

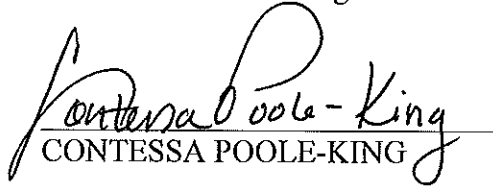
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Kansas City Power & Light)
Company's Request for Authority to) Case No. ER-2012-0174
Implement a General Rate Increase for)
Electric Service)

AFFIDAVIT OF CONTESSA POOLE-KING

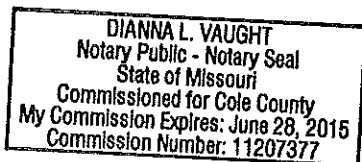
STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

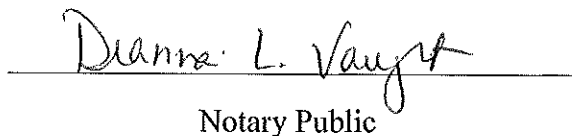
Contessa Poole-King, of lawful age, on her oath states: that she has participated in the preparation of the foregoing Surrebuttal Testimony in question and answer form, consisting of 5 pages to be presented in the above case; that the answers in the foregoing Surrebuttal Testimony were given by her; that she has knowledge of the matters set forth in such answers; and that such matters are true and correct to the best of her knowledge and belief.



CONTESSA POOLE-KING

Subscribed and sworn to before me this 2nd day of October, 2012.





Notary Public