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Case No.: EM-2000-369

MISSOURI PUBLIC SERVICE COMMISSION
UTILITY SERVICES DIVISION

REBUTTAL TESTIMONY

OF

JOHN M. KIEBEL II

UTILICORP UNITED INC.

AND

EMPIRE DISTRICT ELECTRIC COMPANY

CASE NO. EM-2000-369

Jefferson City, Missouri
June 2000

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REBUTTAL TESTIMONY
OF
JOHN M. KIEBEL II, CPA, CMA, CIA
UTILICORP UNITED INC.
AND
THE EMPIRE DISTRICT ELECTRIC COMPANY
CASE NO. EM-2000-369

Q. Please state your name.

A. My name is John M. Kiebel II.

Q. Please state your business address.

A. My business address is P.O. Box 360, Jefferson City, Missouri 65102-0360.

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

A. I am employed as a Utility Management Analyst for the Missouri Public Service Commission (Commission or PSC).

Q. Please describe your educational background.

A. I graduated from the University of Iowa, Iowa City, Iowa, with a Bachelor of Business Administration degree in Finance in December 1979. I graduated from Lincoln University, Jefferson City, Missouri with a Bachelor of Science in Business Administration degree in Accounting in December 1993 and a Masters of Business Administration degree in December 1998.

1 I have completed three professional certification examinations. I passed
2 the Uniform Certified Public Accountant (CPA) examination in May 1988, the Certified
3 Management Accountant (CMA) examination in June 1992, and the Certified Internal
4 Auditor (CIA) examination in November 1994. I currently possess the professional
5 licenses associated with each of the examinations (CPA #13114, CMA #16943, CIA
6 #21980).

7 Q. Please describe your work experience.

8 A. I worked for the Office of the Comptroller of the Currency in Sioux City,
9 Iowa, from January 1980 through February 1982. I was an assistant national bank
10 examiner, participating in the examinations of approximately 40 national banks in
11 northwest Iowa and northeast Nebraska. The examinations focused on a review of the
12 banks' capital structure, quality of assets, overall opinion of management, adequacy of
13 earnings and the composition of the banks' liquidity.

14 I worked for Central Bancompany, Incorporated, in Jefferson City,
15 Missouri, from February 1982 through July 1984. I was an assistant internal auditor for a
16 privately-held multi-bank holding company. My responsibilities included performing
17 operational audits in the banks' major balance sheet classifications. I also assisted the
18 external auditor (Peat Marwick) in its annual audit of the holding company's financial
19 statements.

20 I have been working for the Commission since August 1984. Most of my
21 work has been with the Commission Staff's Engineering and Management Services
22 Department (EMSD), assessing management operating and control systems at
23 investor-owned utilities under the Commission's jurisdiction. The EMSD was created in

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1 February 2000 because of the merger of the Staff's Depreciation and Management
2 Services Departments. In addition, I have worked approximately three years in the
3 Commission's Accounting Department and one year in the Commission's Financial
4 Analysis Department.

5 I am currently an adjunct faculty member at the Jefferson City campus of
6 State Fair Community College in Sedalia, Missouri. I have been teaching Principles of
7 Financial Accounting since January 2000.

8 Q. What has been the nature of your duties while in the employ of the
9 Commission?

10 A. I have conducted and jointly participated in management audits,
11 implementation reviews, rate cases and special investigations of electric, water, sewer,
12 natural gas and telecommunications companies since 1984.

13 Q. Have you previously filed testimony before this Commission?

14 A. Yes. I have filed testimony in the six cases listed below:

- 15 • Southwestern Bell Telephone Company, Case Nos. TC-89-14, et
16 al.
 - 17 • KPL/Gas Service, Case No. GR-90-50
 - 18 • Missouri Public Service, Case Nos. ER-90-101, et al.
 - 19 • The Empire District Electric Company, Case No. ER-97-81
 - 20 • Union Electric Company, Case No. GR-97-393
 - 21 • Missouri Gas Energy, Case No. GR-98-140
- 22

Purpose of Testimony

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to present an overview of the Staff's position regarding quality of service issues. These issues are critical in assessing the standard of no public detriment in consideration of the proposed utility merger of UtiliCorp United Inc. (UtiliCorp or UCU) and The Empire District Electric Company (Empire). Please refer to the rebuttal testimonies in this case of Staff witnesses Cary G. Featherstone of the Accounting Department and Lisa A. Kremer of the EMSD for additional information on the standard of no public detriment.

Q. How does your testimony filed in this merger application compare to the testimony you filed earlier concerning the same issues in the UtiliCorp/St. Joseph Light & Power Company (SJLP) merger application, Case No. EM-2000-292?

A. I did not file testimony in Case No. EM-2000-292. However, this testimony is similar to that filed by Staff witness Deborah A. Bernsen in the UCU/SJLP merger application. There are unique aspects of the UCU/Empire merger as it relates to customer service concerns that I am addressing in this testimony that Ms. Bernsen did not address in her earlier testimony.

Q. Why are quality of service issues of particular concern in the consideration of a proposed merger request among investor-owned utilities?

A. The quality of service received by customers can become particularly vulnerable given the events that normally occur during or after a merger. The financial pressures typically associated with a merger could encourage a utility to engage in short-term and long-term expense reductions that may adversely impact overall service

1 quality. The most common occurrence is the consolidation of operating functions, which
2 normally result in staffing reductions. The Staff believes it is necessary that the
3 maintenance of quality customer service continue to be a primary focus in proposed
4 utility merger cases.

5 Q. Why should this be a concern in proposed utility merger cases?

6 A. The Commission has set out this concern in the Missouri Code of State
7 Regulations (4 CSR 240-2.060 (8) (D)). Applications for authority to merge must
8 include reasons why the proposed merger is not detrimental to the public interest. It is
9 the Staff's opinion that proposed utility mergers should not result in a deterioration of
10 customer service because a deterioration in customer service is detrimental to the public
11 interest.

12 **Recent Proposed Utility Merger Applications**

13 Q. Has the Staff expressed concern with quality of service in recent proposed
14 utility merger applications?

15 A. Yes. The Staff has expressed this concern in at least four recent proposed
16 utility merger applications. They are the following:

- 17 • Western Resources, Inc. (Western Resources) and Kansas City
18 Power & Light Company -- Case No. EM-97-515
- 19 • Southern Union Company (Southern Union) and Pennsylvania
20 Enterprises, Inc. -- Case No. GM-2000-43
- 21 • Atmos Energy Company (Atmos) and Associated Natural Gas
22 Company -- Case No. GM-2000-312
- 23 • UCU and SJLP -- Case No. EM-2000-292

1 Q. Please describe the Staff's involvement in the development of quality of
2 service issues in the Western Resources case.

3 A. According to the August 24, 1999 Stipulation and Agreement, a series of
4 indicators and conditions were jointly developed and agreed to by the Staff, both
5 companies, and the Office of the Public Counsel (OPC) to ensure that a detriment to
6 customer service did not occur if the merger was implemented.

7 The measurable components of customer service in the Western Resources
8 case included, but were not limited to, Call Center responsiveness, customer complaints
9 and distribution system reliability indicators. The Stipulation and Agreement also
10 contained reporting requirements to enable the Staff and the OPC to monitor various
11 components of customer service following the closing of the merger.

12 Q. Please describe the Staff's involvement in the development of quality of
13 service issues in the Southern Union case.

14 A. According to the October 6, 1999 Stipulation and Agreement, a series of
15 indicators and conditions were jointly developed and agreed to by the Staff, both
16 companies, and the OPC to ensure that a detriment to customer service does not occur.

17 The measurable components of customer service in the Southern Union
18 case included, but were not limited to, Call Center responsiveness, customer complaints
19 and adherence to customer service operating procedures. The Stipulation and Agreement
20 also contained reporting requirements to enable the Staff and the OPC to monitor various
21 components of customer service following the closing of the merger.

22 Q. Please describe the Staff's involvement in the development of quality of
23 service issues in the Atmos case.

1 A. According to the March 29, 2000 Stipulation and Agreement, a series of
2 indicators and conditions were jointly developed and agreed to by the Staff, both
3 companies, and the OPC to ensure that a detriment to customer service does not occur.

4 The measurable components of customer service in the Atmos case
5 included, but were not limited to, Call Center responsiveness, customer complaints and
6 adherence to customer service operating procedures. The Stipulation and Agreement also
7 contained reporting requirements to enable the Staff and the OPC to monitor various
8 components of customer service following the closing of the merger.

9 Q. Please describe the Staff's involvement in the development of quality of
10 service issues in the current proposed UCU/SJLP merger.

11 A. The Staff's involvement in the proposed UCU/SJLP merger is similar to
12 Staff's involvement in the Southern Union and Atmos utility merger application cases
13 mentioned earlier in my rebuttal testimony. The rebuttal testimonies in Case No.
14 EM-2000-292 of Staff witness Bernsen of the EMSD on quality of customer service
15 issues, Staff witness J. Kay Niemeier of the EMSD on Call Center responsiveness, and
16 Staff witness James L. Ketter of the Electric Department on distribution system reliability
17 is very similar to my rebuttal testimony in this proceeding on quality of service issues, to
18 Staff witness Kremer's rebuttal testimony on Call Center responsiveness, and to Staff
19 witness Ketter's rebuttal testimony on distribution system reliability.

20 Q. Were the above-referenced stipulations and agreements for the Western
21 Resources, Southern Union and Atmos merger cases approved by the Commission?

22 A. Yes. The UCU/SJLP merger application is currently set for hearing before
23 the Commission.

Customer Service Indicators

Q. What has the Staff supported in previous utility merger application cases regarding methods to ensure that the level of customer service is maintained in a post-merger environment?

A. The Staff has recommended the use of several indicators to help assess the level of service being provided to the customer. Once the indicators are developed, they provide a benchmark over time to determine the extent of changes in the level of service received by the customer. Reporting systems have also been included to monitor these indicators.

Q. In the Staff's opinion, can the use of such indicators provide complete assurance that customers are receiving the same level of service as before a merger?

A. No. The use of indicators alone cannot provide assurance that deficiencies are not present in other facets of customer service. However, the indicators could alert a utility and the Staff to deviations from intended or historical levels of customer service. The indicators could also provide a useful tool in monitoring changes and trends in specific areas as well as identifying potential problems.

Q. Will other Staff witnesses be presenting rebuttal testimony relating to quality of service issues in this case?

A. Yes. Staff witness Kremer will be submitting rebuttal testimony on Call Center responsiveness and Staff witness Ketter will be submitting rebuttal testimony on distribution system reliability.

Informal Complaints and Inquiries

Q. Are you testifying on other customer service issues?

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1 A. Yes. My testimony will also address the level of informal complaints and
2 inquiries received by the Commission's Consumer Services Department and the
3 importance of continuing selected customer service programs presently offered by
4 Empire. In addition, I will address reporting methods and remedial actions that the Staff
5 supports in this proposed utility merger application in conjunction with Call Center
6 responsiveness and distribution system reliability indicators.

7 Q. Does data on informal consumer complaints and inquiries provide useful
8 information on quality of service levels?

9 A. Yes. The Staff believes that this data provides an indication of the level of
10 service being received by the customer. The Consumer Services Department of the
11 Commission maintains information on the number and type of complaints and inquiries
12 regarding service provided by the utilities under the Commission's jurisdiction.
13 Complaints and inquiries typically include any contacts received from a utility's
14 customers, but may not necessarily be the result of a utility's violation of tariffs or
15 Commission rules.

16 Q. Present and discuss the number of complaints and inquiries received by
17 the Consumer Services Department relating to the Missouri Public Service (MPS)
18 operating division of UtiliCorp for 1997 through 1999.

19 A. The number of MPS complaints and inquiries for 1997 through 1999 for
20 electric and natural gas service are included in the following table:

PSC Complaints and Inquiries on MPS (1997-1999)

<u>Year</u>	<u>Total Complaints/Inquiries</u>	<u>Number of Customers</u>	<u>Complaints/Inquiries per 1,000 customers</u>
1997	156	168,051	.93
1998	124	171,680	.72
1999	97	175,192	.55

Source: PSC Consumer Services Department

The table illustrates that the number of complaints and inquiries to the Commission per 1,000 MPS customers has steadily declined from .93 to .55 over the three-year period.

Q. Present and discuss the number of complaints and inquiries received by the Consumer Services Department relating to Empire for 1997 through 1999.

A. The number of Empire complaints and inquiries for 1997 through 1999 for electric service are included in the following table:

PSC Complaints and Inquiries on Empire (1997-1999)

<u>Year</u>	<u>Total Complaints/Inquiries</u>	<u>Number of Customers</u>	<u>Complaints/Inquiries per 1,000 customers</u>
1997	164	117,271	1.39
1998	48	119,265	.40
1999	50	121,385	.42

Source: PSC Consumer Services Department; Empire Annual Reports

The table illustrates that the numbers of complaints and inquiries to the Commission per 1,000 Empire customers has decreased dramatically since 1997 and have remained relatively stable during 1998 and 1999. The Commission received approximately 100 complaints and inquiries in a six-week period when Empire's most recent request for rate relief was pending in the spring of 1997.

1 Q. Does the Staff have a specific recommendation regarding tracking of
2 complaints and inquiries to the Commission for the post-merger MPS and Empire
3 operating divisions of UtiliCorp?

4 A. Yes. The Staff believes that it should continue to track and monitor the
5 number of complaints and inquiries per 1,000 customers for both the MPS and Empire
6 operating divisions of UtiliCorp separately, assuming the proposed utility merger is
7 approved. A significant increase in this indicator could prompt the Staff to request an
8 explanation from UtiliCorp for the increase. The Staff could also initiate an investigation
9 to determine the cause(s) of the increase and the impact of the change on the level of
10 service received by the customer.

11 **Empire Customer Service Programs**

12 Q. Are there services and/or programs that Empire presently offers its
13 customers that the Staff believes should continue to be offered by the merged company?

14 A. Yes. Empire has a support program for its elderly and/or handicapped
15 customers, a flexible payment due date for customers who sign up for the average
16 payment plan, a credit card payment option and a formal customer satisfaction survey.

17 Q. Please describe the support program for Empire's elderly and/or
18 handicapped customers.

19 A. Empire has a support program designed for its elderly (age 60 and older)
20 and/or handicapped customers entitled "Empire's Action to Support the Elderly" (EASE).
21 According to Empire, EASE is designed to lift the burden of worry for approximately
22 3,200 registered customers. For customers who register, late payment fees and security
23 deposits are waived, due dates can be adjusted, and third party notification is available

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1 when an account becomes delinquent. The participant can also be automatically enrolled
2 in Empire's average payment billing plan.

3 Q. Does UtiliCorp offer such a plan to its elderly and/or handicapped
4 customers?

5 A. No. A UtiliCorp customer must contact a local assistance agency to
6 initiate this process.

7 Q. Describe the flexible payment due date afforded to Empire customers who
8 sign up for the average payment plan.

9 A. The average payment plan attempts to smooth fluctuations in monthly
10 electric bills. An "average" amount is billed for each of 11 months with a settlement
11 amount to be determined for the 12th month. Customers who choose this plan may flex
12 the due date to accommodate their payday.

13 Q. Does UtiliCorp offer flexible due dates to its average payment plan
14 customers?

15 A. No. UtiliCorp customers who choose the average payment plan are not
16 allowed to change the billing cycle due date.

17 Q. Describe the credit card payment option available to Empire's residential
18 customers.

19 A. Empire has a credit card payment option that is available for the
20 convenience of its residential customers. The only requirements are that a residential
21 customer must have a touch-tone telephone and a valid major credit card, such as Visa,
22 MasterCard or Discover.

1 Q. Does UtiliCorp offer its residential customers the opportunity to pay by
2 credit card?

3 A. No. UtiliCorp residential customers cannot presently pay by credit card.
4 The Staff is aware that UtiliCorp is investigating the feasibility of taking residential
5 customer payments by credit card during the summer of 2000.

6 **Formalized Customer Satisfaction Survey**

7 Q. What is the purpose of a customer satisfaction survey?

8 A. Customer surveys serve several purposes. First, a customer survey
9 attempts to determine the customer's expectations. Second, a customer survey can help
10 the utility measure its performance in satisfying customer expectations. Third, the results
11 of a customer survey can help the utility prioritize performance areas for quality
12 improvement and additional resource allocation.

13 Q. Does Empire engage in a formal customer satisfaction survey?

14 A. Yes. Since 1984, Empire has participated in biennial electric utility
15 surveys administered by Central Surveys, Inc., (Central) of Shenandoah, Iowa. The most
16 recent Empire survey was completed by Central in the spring of 1997. Central
17 interviewed approximately 600 residential customers randomly selected from Empire's
18 four-state system. Empire customers were asked to rate the utility on a 7-point scale,
19 where "1" is defined as the least favorable response possible and "7" the most favorable
20 response possible.

21 Q. Would the Staff summarize the results of the 1997 customer survey?

22 A. Yes. According to the survey, Empire customers rated the utility
23 significantly more favorable than the Midwest average on 10 of the 16 rating items.

1 Empire also rated significantly higher than the Missouri statewide averages on seven of
2 the 16 rating items.

3 Q. What states comprised the Midwest in the Central survey?

4 A. According to Central, the eight states that comprised the Midwest
5 included: Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota
6 and Wisconsin.

7 Q. Please list the 10 items in which Empire customers rated the utility
8 significantly more favorable than the Midwest average.

9 A. The 10 items include (1) overall favorability; (2) electric rates; (3) having
10 prompt, efficient and courteous employees; (4) having fair and reasonable billing and
11 collection policies; (5) being honest and trustworthy; (6) providing programs to help
12 customers control utility bills; (7) protecting and preserving the environment; (8) being
13 civic-minded and supporting community activities; (9) making it easy to reach employees
14 who can answer questions or solve problems, and (10) showing concern for customers.

15 Q. How did Empire compare to the Midwest average in the six remaining
16 items?

17 A. Empire was above the Midwest average in five of the six remaining items.
18 The five items include (1) reliable service; (2) having efficient and cost-conscious
19 management; (3) having accurate meters and meter readers; (4) explaining to customers
20 what they are being charged for, and (5) operating in a safe manner. The only item that
21 Empire was below the Midwest average was in planning carefully for future energy needs
22 of customers.

1 Q. Please list the seven items in which Empire customers rated the utility
2 significantly higher than the Missouri statewide average.

3 A. The seven items include (1) electric rates; (2) reliable service; (3) having
4 fair and reasonable billing and collection policies; (4) being honest and trustworthy;
5 (5) providing programs to help customers control utility bills; (6) being civic-minded and
6 supporting community activities, and (7) showing concern for customers.

7 Q. How did Empire compare to the Missouri statewide average in the nine
8 remaining items?

9 A. Empire was above the Missouri statewide average in each of the nine
10 remaining items. The nine items include (1) overall favorability; (2) having efficient and
11 cost-conscious management; (3) having prompt, efficient and courteous employees;
12 (4) having accurate meters and meter readers; (5) explaining to customers what they are
13 being charged for; (6) planning carefully for the future energy needs of customers;
14 (7) operating in a safe manner; (8) protecting and preserving the environment, and
15 (9) making it easy to reach employees who can answer questions or solve problems.

16 Q. Were other Missouri investor-owned electric utilities included in the
17 survey?

18 A. Yes. According to Central, customers from all of the major investor-
19 owned electric utilities in Missouri were included in the survey database. The survey
20 also included responses from customers of several Missouri municipalities and electric
21 co-operatives.

22 Q. Does the Staff believe that Empire's survey efforts are useful and should
23 be continued?

1 A. Yes. The Staff believes that independent customer surveys provide a
2 valuable resource in assessing customer satisfaction with the level of service that the
3 customer is receiving. The survey results may also be used to direct consumer education
4 efforts and to deploy scarce resources in an optimal manner.

5 Q. Has UtiliCorp begun utilizing customer opinion surveys to help determine
6 the satisfaction that its customers have with the level of service being provided?

7 A. Yes. UtiliCorp initiated a formal customer satisfaction survey for its MPS
8 operating division in April 2000. It is a telephone survey and it focuses on four areas of
9 service: connect services, payments, billing and image. The results of the first month of
10 the survey are expected to be available during the summer of 2000. The Staff
11 recommends that UtiliCorp continue its formalized customer survey efforts.

12 Q. In regard to customer surveys, what does the Staff recommend for the
13 Empire operating division, assuming that the proposed utility merger is approved?

14 A. The Staff recommends the continuance of use of surveys for the Empire
15 operating division if the proposed merger is approved. The Staff also encourages
16 UtiliCorp to continue its process of beginning to use customer surveys, at least as it
17 pertains to its Missouri electric and natural gas operation. In addition, the Staff
18 recommends that Empire and UtiliCorp agree to provide copies of the surveys to the Staff
19 on a timely basis, or the Commission order Empire and UtiliCorp to do so regardless of
20 whether the merger is approved by the Commission.

Formalized Reporting Requirements

Q. Staff witnesses Kremer and Ketter have proposed service indicators for Call Center responsiveness and distribution system reliability in their respective testimonies. Does the Staff propose that this information be reported to the Staff?

A. Yes. The Staff proposes a reporting requirement be established similar to that agreed upon in the Western Resources, Southern Union and Atmos utility merger applications described earlier in this testimony.

Q. Describe these reporting requirements.

A. UtiliCorp should provide actual monthly performance indicators to the Staff on a calendar year quarterly basis beginning on January 1 following the effective date of the merger. If the proposed merger has an effective date before the end of 2000, the reporting requirements would begin on January 1, 2001. If the proposed merger has an effective date in 2001, the reporting requirements would begin on January 1, 2002. The information should be reported for each Missouri operating division and for the combined Missouri UCU operating divisions as a whole.

Q. What Call Center indicators should be provided to the Staff?

A. At a minimum, UtiliCorp should provide the Staff with information about abandoned call rates and the average speed of answer. Staff witness Kremer explains these indicators in her rebuttal testimony.

Q. What distribution system reliability indicators should be provided to the Staff?

A. At a minimum, UtiliCorp should provide the Staff with information about division-wide and system-wide averages that track the overall performance level of

1 distribution system reliability. These reliability indices will provide a benchmark to
2 monitor how the system average provision of electric service is being maintained if the
3 proposed utility merger is approved. Staff witness Ketter explains these indices in his
4 rebuttal testimony.

5 Q. What is the specific reporting timetable that the Staff recommends?

6 A. UtiliCorp should submit a draft report to the Staff within 90 days after the
7 end of each calendar year. The draft report should include actual performance on these
8 indicators for the calendar year and an explanation of any deviations where performance
9 is unfavorable when compared to the established performance indicator. The draft report
10 should also include a description of the corrective measures deployed or planned to be
11 implemented to eliminate the performance deviations and an estimate of the costs of such
12 actions.

13 Q. What will happen after UtiliCorp files its draft report?

14 A. The Staff will provide a written response to UtiliCorp's draft report within
15 30 days of the receipt of the draft report. UtiliCorp will file individual reports for each
16 Missouri operating division and a combined report for all Missouri operating divisions
17 with the Commission 150 days after the end of each calendar year.

18 Q. Is there any other information that should be reported to the Staff?

19 A. Yes. Again, assuming the Commission approves the merger, the Staff is
20 also recommending that UtiliCorp be required to include information on the staffing
21 levels in the Call Centers at Raytown and Joplin. This information will allow the Staff to
22 monitor staffing level changes at both Raytown and Joplin as the transition to a single

1 Call Center in Raytown occurs. This information will be reviewed by the Staff in
2 conjunction with the analysis of Call Center performance data.

3 Q. Should the Commission require any remedial action if UtiliCorp's actual
4 performance is unfavorable when compared to the Call Center and distribution system
5 reliability performance indicators should the Commission set such performance
6 indicators as recommended by the Staff?

7 A. Yes. The Staff recommends that the Commission order the following
8 procedures in order to prevent a detriment to the public interest. If the actual
9 performance is unfavorable when compared to the established performance indicator,
10 UtiliCorp should be required to provide the Staff with a written explanation as to why its
11 performance did not meet the acceptable levels as established by the Commission.
12 UtiliCorp should also be required to provide an estimate of any cost to improve its
13 performance to an acceptable level.

14 Q. What about the expenditures that would be necessary to correct any
15 deficiencies?

16 A. UtiliCorp should be required to expend a reasonable and appropriate
17 amount in the following year to improve the performance to the identified level. In
18 addition, UtiliCorp should credit its customers with a like amount during the subsequent
19 year for the year in which the indicator was exceeded. If the Commission believes that
20 this approach is reasonable, the Commission should direct UtiliCorp, the Staff, the OPC
21 and other interested parties to meet for the purpose of reaching agreement on the
22 necessary administrative procedures associated with the accounting treatment and
23 payment of any credit amounts.

1 Q. Is this consistent with the monitoring, reporting and remedial procedures
2 that were agreed to by the Staff and other parties in other recent merger application
3 cases?

4 A. Yes. These procedures were agreed to by the Staff and other parties in the
5 Western Resources, Southern Union, and Atmos utility merger cases described earlier in
6 my testimony. These procedures are also identical to the customer service procedures
7 recommended by the Staff in Case No. EM-2000-292, the UCU/SJLP merger application.

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Q. Does this conclude your rebuttal testimony?

3

A. Yes, it does.

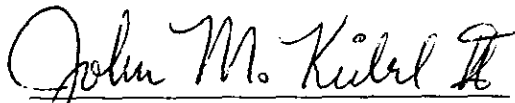
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Joint Application of UtiliCorp)
United Inc. and The Empire District Electric Company)
For Authority To Merge The Empire District Electric) EM-2000-369
Company With and Into UtiliCorp United Inc. and, In)
Connection Therewith, Certain Other Related Transactions,))
Filed.)

AFFIDAVIT OF JOHN M. KIEBEL II

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

John M. Kiebel II, is of lawful age, on his oath states: that he has participated in the preparation of the foregoing Rebuttal Testimony in question and answer form, consisting of 20 pages to be presented in the above case; that the answers in the foregoing Rebuttal Testimony were given by him; that he has knowledge of the matters set forth in such answers; and that such matters are true and correct to the best of his knowledge and belief.



John M. Kiebel II

Subscribed and sworn to before me this 20th day of June 2000.

ANNETTE KEHNER
Notary Public - Notary Seal
STATE OF MISSOURI
Cole County
My Commission Expires: July 17, 2003

