

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION
TRANSCRIPT OF PROCEEDINGS

Public Hearing
November 17, 2005
St. Joseph, Missouri

In the Matter of an)
Examination of Class Costs of)
Service and Rate Design in)
the Missouri Jurisdictional)
Electric Service Operations) Case No. EO-2002-384
of Aquilla, Inc., formerly)
known as UtiliCorp United)
Inc.)

In the Matter of Tariff)
Filing of Aquila, Inc., to)
Implement a General Rate)
Increase for Retail Electric) Case No. ER-2005-0436
Service Provided to Customers)
in the MPS and L&P Missouri)
Service Areas)

In the Matter of the Tariff)
Filing of Aquila, Inc., to)
implement a General Rate)
Increase for Retail Steam) Case No. HR-2005-0450
Heat Services Provided to)
Customers in its L&P Missouri)
Service Area)

KEVIN A. THOMSPON, Presiding
DEPUTY CHIEF REGULATORY LAW JUDGE
JEFF DAVIS, Chairman,
LINWARD "LIN" APPLING,
COMMISSIONERS.

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1 PROCEEDINGS

2 (Proceedings began at 6:11 p.m.)

3 JUDGE THOMPSON: Good evening, ladies and
4 gentlemen. My name is Kevin Thompson, I'm Regulatory Law
5 Judge employed by the Missouri Public Service Commission,
6 and I have been assigned to preside of this hearing
7 tonight. With me are CHAIRMAN Jeff Davis and Commissioner
8 Lin Appling. Also Lera Shemwell, counsel for the staff of
9 the Missouri Public Commission; and there are various
10 other attorneys here representing other parties, and
11 you'll hear them give their names when they enter their
12 appearances later.

13 This is an official hearing of the Missouri
14 Public Service Commission. The purpose is to take the
15 testimony of interested members of the public, with
16 respect to three pending cases. These cases are:

17 ER-2005-0436, In the Matter of the Aquila, Inc.,
18 to Implement a General Rate Increase for Retail Electric
19 Service Provided to Customers in its MPS and L&P Service
20 Areas. In that case, Aquila, which does business as
21 Aquila Networks MPS, Aquila Networks L&P, seeks a general
22 electric service rate increase of \$69.2 million of gross
23 annual electric revenues excluding gross receipts sales
24 franchise and occupational taxes in the MPS service area,
25 and a 20.3 percent increase over existing revenue. An

1 increase of 9.4 million dollars, an additional gross
2 annual electric revenues in it's L&P service area,
3 exclusive of taxes, a 9.6 percent increase.

4 This hearing also concerns, HR-2005-0450, In the
5 Matter of the Tariff Filing of Aquila, Inc, to Implement a
6 General Rate increase for Retail Steam Heat Service
7 Provided to Customers in its L&P Missouri Service Area.
8 In that case, Aquila seeks of general rate increase for
9 Steam Heat Services of 5 million dollars in gross annual
10 Steam Heat revenue, excluding taxes, a 44.3 percent
11 increase.

12 This hearing also concerns Case No. EO-2002-384,
13 In the Matter of an Examination of Class cost of Service
14 and Rate Design in the Missouri Jurisdictional Electric
15 Service Operations of Aquila, Inc., Formerly known as
16 UtiliCorp United Inc. In that case, the Commission will
17 consider the proportional responsibility of each of the
18 Aquila's customer classes for costs incurred in providing
19 retail electric service in it's MPS and L&P service
20 areas. A change in the proportional responsibility of the
21 customer class and the operation costs of a utility, can
22 result in either a rate increase or a rate decrease. The
23 studies presently purport a commission, propose changes
24 for the residential customer class, ranging from a
25 decrease of two-tenths of a percent to an increase of 9.27

1 percent for the MPS service area, and ranging from a
2 decrease of seven-tenths of a percent to an increase of
3 13.56 percent in the L&P service area.

4 The Missouri Public Service Commission regulates
5 rate charge by investor owned utility companies in
6 Missouri to ensure that the rates are just and
7 reasonable. A just and reasonable rate is one that covers
8 the companies proven operating expenses, and allows a fair
9 return on the assets permitted to public service. A rate
10 case typically has two parts. In the first part, a total
11 amount of annual revenue requires cover proof operating
12 expenses and to pay a fair return on assets devoted to the
13 public service is determined.

14 In the second part, the commission will determine
15 how best to collect the required amount of revenue from
16 the company's customers through rate. In setting rates,
17 the commission is required to consider all relevant
18 factors one of which is proportional responsibility of each
19 customer class for the company's operating costs. The
20 commission also regulates the quality of service and
21 safety of investor owned utilities.

22 The commissioners is made up of five members, two
23 of whom are here today. The commissioners are appointed
24 by the Governor to confirm and confirmed by the Senate.
25 The commissioners employ a staff of engineers,

1 accountants, attorneys, financial annalists, and other
2 experts in the field of utility regulation to assist them
3 in their regulatory tasks.

4 As I stated earlier, this is an official hearing
5 of the Public Service Commission. The purpose of the
6 hearing tonight is to hear from you, on the subject of the
7 proposed rate increases. The company will not be
8 presenting witnesses tonight and will not be answering
9 questions, so far as I know. Tonight is your opportunity
10 to testify. Your testimony will be apart of the official
11 record of the state, all of the commissions will have the
12 opportunity to read the testimony given at tonight's
13 hearing.

14 The statements and testimony of all witness will
15 be recorded by the court reporter and must be given on the
16 other hand oath or affirmation. After giving your
17 testimony, you may be asked questions by some of the
18 attorneys present, by some commissioners, or by me.
19 Please do not leave the podium until I excuse you.

20 In addition to the local public hearing tonight,
21 another local public hearing will be held in Raytown,
22 Missouri, on November 29th. In addition, a trial type
23 evidentiary hearing will be held in Cases ER-2005-0436 and
24 HR-2005-0450, beginning on January 9, 2006, at nine a.m.
25 at the Commissions offices in Jefferson City, Missouri.

1 That hearing will be open to the public. At that hearing,
2 the Company will have the burden of showing that the
3 proposed rate increase is necessary and is just and
4 reasonable. The various parties will present their
5 witnesses for and against the proposed increase at that
6 time.

7 The procedure tonight will be as follows: I will
8 call the name of each witness that has signed up to give
9 testimony. I will call you in the order in which you
10 signed up. When your name is called, please come to the
11 podium at the front of the room. I will place you under
12 oath or affirmation, and ask some preliminary questions.
13 You will then have a opportunity to give your testimony.
14 As I stated before, there may then be questions from
15 commissioners or from counsel. Please do not leave the
16 podium until you are excused.

17 We will end when everyone who desires to speak
18 has had an opportunity to do so. In order to get all of
19 you on the record, please be brief. If a previous speaker
20 has already made the points you desire to make, you can
21 simply identify yourself, and testify that you agree with
22 the testimony that, that speaker gave.

23 There may be someone who wants to testify, but
24 because of religious convictions, does not want to take an
25 oath, in that case, simply indicate that you affirm. Does

1 anyone have any questions about the procedure we will
2 follow? Hearing none, I will ask counsel to make their
3 entry of appearance, please? Let's begin with counsel for
4 Aquila.

5 MS. WHEELER: Entering appearance for Aquila,
6 Inc., doing business as Aquila Networks MPS, and Aquila
7 Networks L&P, Janet E. Wheeler, of Brydon, Swearngen, and
8 England, P.C. 312 East Capital Avenue, Jefferson City,
9 Missouri, 65107.

10 JUDGE THOMPSON: Staff?

11 MS. SHEMWELL: Thank you, Judge. Lera Shemwell,
12 representing the staff of the Missouri Public Service
13 Commission. Post Office Box 360, Jefferson City,
14 Missouri, 65102.

15 JUDGE THOMPSON: Thank you. Public Counsel.

16 MR. MILLS: Appearing on behalf of the Office of
17 Public Counsel, my name is Lewis Mills, my address is Post
18 Office Box 2230, Jefferson City, Missouri, 65102. Thank
19 you.

20 JUDGE THOMPSON: Thank you. Interveners,
21 Mr. Conrad.

22 MR. CONRAD: Thank you Judge Thompson. Please
23 let the record reflect the appearance of Stuart W. Conrad,
24 on behalf of the Sedalia Industrial Energy Users
25 Association on AG Processing. I'm a member of the Law

1 Firm of Finnegan, Conrad, & Peterson, 3100 Broadway, Suite
2 1209, Kansas City, Missouri.

3 JUDGE THOMPSON: Thank you, Mr. Conrad.
4 Mr. Coffman?

5 MR. COFFMAN: Appearing on behalf of AARP, my
6 name is John Coffman, 1623 University, Avenue, Columbia,
7 Missouri 65201.

8 JUDGE THOMPSON: Is counsel present for any of
9 the other interveners?

10 CHAIRMAN DAVIS: Judge, can you identify who the
11 interveners are?

12 JUDGE THOMPSON: The other interveners are
13 Calpine, do we have counsel present for Calpine? The City
14 of Kansas City, counsel present for the City of Kansas
15 City? The City of St. Joseph? County of Jackson? I
16 believe that's all.

17 CHAIRMAN DAVIS: The Missouri Department of
18 Natural Resources?

19 JUDGE THOMPSON: Yes. Also the Missouri
20 Department of Natural Resources.

21 MR. MILLS: And Empire.

22 JUDGE THOMPSON: And Executive.

23 MR. MILLS: And Empire.

24 JUDGE THOMPSON: And Empire. Any one else think
25 of anyone else think of any parties that I can't?

1 CHAIRMAN DAVIS: Is the Missouri Attorney General
2 a party in this case, judge?

3 JUDGE THOMPSON: No, sir. Very well. At this
4 time, we will call the first witness: Jerry Lewin. Good
5 evening, Mr. Lewin.

6 THE WITNESS: Good evening.

7 JUDGE THOMPSON: Go ahead and state your name,
8 please, and spell your last name, if you would.

9 THE WITNESS: Jerry Lewin. L-E-W-I-N.

10 JUDGE THOMPSON: Raise your right hand.

11 JERRY LEWIN

12 Of lawful age, produced, sworn, and examined and says:

13 JUDGE THOMPSON: Thank you Mr. Lewin. Let me ask
14 you, are you currently a customer of Aquila.

15 THE WITNESS: Yes, I am.

16 JUDGE THOMPSON: Go ahead and make your
17 statement, sir.

18 THE WITNESS: Okay. Unfortunately, I don't have
19 all that much to say, and what I do have to say, comes
20 from the earlier questioning, during the informal session.
21 But it my understanding, from the answers that we received
22 at that, we received, but, they're requesting five million
23 dollars increase in the St. Joseph area, and I want to
24 compare that to a couple of things in making my issue.

25 One is that the retiring CEO of Aquila, in 2002, was

1 given a bonus of 7.6 million dollars, that's according to
2 the information I received during that informal
3 questioning. All though the current CEO seems like a
4 really nice guy, he makes a million dollars a year, and,
5 if things go right, apparently, he can get a bonus of
6 million dollars. I taught school for 30 years, I'm
7 retired. When I retired, my income was approximately
8 \$33,000 a year. If I had made that much all through the
9 years, which I didn't, I started out at the rate of \$5,000
10 a year, the first years. But if I'd made that much, I
11 could work my entire career and I wouldn't have made a
12 million dollars.

13 I think teaching is as important as many things, but
14 just to point out the, I think excess that occur, and that
15 may be legal, and may be acceptable, in some cases, but I
16 don't believe in them. And basically, I think that's the
17 points I wanted to make.

18 JUDGE THOMPSON: Thank you Mr. Lewin. Before you
19 step away, questions from the bench? Chairman Davis?

20 CHAIRMAN DAVIS: Mr. Lewin, I just want to say
21 thank you for coming in tonight. I know it's cold
22 outside, and we do appreciate your interest, we do
23 appreciate the interest of everyone who's here tonight,
24 and we appreciate you coming. I look forward to hearing
25 from everyone. Mr. Lewin, just, in general, how would you

1 describe your quality of your electric service?

2 THE WITNESS: Well, I have a concern about that
3 and I don't have any evidence to present on it, other than
4 with the combining of various companies, I'm afraid that
5 the electric companies are doing away with linemen and
6 other workers of that type, and maybe even equipment that
7 would be used in servicing lines, that when there is power
8 outages, they might be for extended periods of time. But,
9 I don't know what the cause was, but my father-in-law
10 lives next door to me and his power and some of his
11 neighbor's went out last night, but they did get it fixed
12 in about a half an hour. I don't know what the problem
13 was.

14 CHAIRMAN DAVIS: Do you ever have power outages?

15 THE WITNESS: Well, it would usually be during
16 ice storms or something of that nature. Pretty, pretty
17 steady.

18 CHAIRMAN DAVIS: Do they do a good job of
19 responding?

20 THE WITNESS: Well, now that you ask, I think
21 they probably do. I do have facts to present, but, I had
22 to be the one to call for my father-in-law, he's 95. And
23 last night he let us know that his power was out, and I
24 consider that something of an emergency when it's about 15
25 degrees outside.

1 And, of course I had to go through the menu
2 system, and then, I made my report to a recording. And I
3 don't know why, and I tried to get the, the profit, amount
4 of profit, I got the percent of profit that Aquila
5 claimed, the nine percent, in the in the inform session.
6 But, I don't know why, when you're making that much money,
7 and you're a 24 hour a day business and you're dependant
8 on by, I don't know how many people, millions, I would
9 guess, why you couldn't have somebody to answer the phone.
10 I'm not sure that answers your question, but I, I think
11 that would be a nice thing to have.

12 JUDGE THOMPSON: Commissioner Appling?

13 COMMISSIONER APPLING: Jerry, I would like to say
14 the same thing, I thank you for coming out, and I heard
15 you loud and clear about you were a schoolteacher. I
16 respect that, and thank you for being a schoolteacher. I
17 think that's one of the most important things that.

18 THE WITNESS: Thank you.

19 COMMISSIONER APPLING: I heard what you had to
20 say, and thank you for your comments.

21 JUDGE THOMPSON: Questions for the counsel of
22 Aquila?

23 MS. WHEELER: No questions.

24 JUDGE THOMPSON: Staff?

25 MS. SHEMWELL: No, thank you.

1 JUDGE THOMPSON: Public Counsel?

2 MR. MILLS: No questions, thank you.

3 JUDGE THOMPSON: Mr. Conrad?

4 MR. CONRAD: No questions, Judge.

5 JUDGE THOMPSON: Mr. Coffman?

6 MR. COFFMAN: No, thank you.

7 JUDGE THOMPSON: Very well, you may step down.

8 Thank you very much. Joyce Starr.

9 THE WITNESS: Good evening. My name is Joyce

10 Starr.

11 JUDGE THOMPSON: Could you spell your last name?

12 THE WITNESS: S-T-A-R-R.

13 JUDGE THOMPSON: Raise your right hand.

14 JOYCE STARR

15 Of lawful age, produced, sworn, and examined and says:

16 JUDGE THOMPSON: Ma'am, are you presently a

17 customer of Aquila?

18 THE WITNESS: Yes.

19 JUDGE THOMPSON: Go ahead and make your statement

20 THE WITNESS: All right. As I said, my name is

21 Joyce Starr, and I'm one of the City Council person's of

22 the City of St. Joe. And I stand before you to speak for

23 a number of people in the, in the City of St. Joseph: The

24 elderly, the families that have only one breadwinner.

25 It seems for the past year, year and a half these

1 are people are getting lots of cuts. Medicare, medicaid,
2 all of the deferent benefits are being cut. Gas has gone
3 up, as far as heating bills. Medicine, the prescription
4 drugs.

5 All of these people are having quite a time.
6 It's hard for, probably, we were talking earlier, it's
7 probably hard for some of the gentlemen at Aquila to
8 understand what a difference four dollars, approximately
9 \$4.54 a month would make. But, to a mother with babies,
10 it could be milk or it could be diapers. For senior
11 citizens, it could be medicine or maybe I'll buy my
12 medicine and not eat tonight. It could amount to, to lots
13 of hardships on lots of people.

14 I'm not sure why Aquila needs the increase. We
15 did talk, I still didn't really understand. Because
16 whenever you're making over a million dollars a year, so,
17 if you don't get the increase, then you're still making a
18 million dollars a year. That's much more than any of the
19 people that I'm representing will ever see in their whole
20 lifetime.

21 I don't think they really need an increase. I
22 feel like they should do just as these people are doing
23 that are taking the heavy cuts with their medical or their
24 prescription drugs or any of those benefits that have been
25 cut by the state. I think -- they do the best they can.

1 And I think Aquila should be the best they can. I think
2 there should be some cost cutting within the corporation
3 instead of asking for increases.

4 I really feel that this would put such a hardship
5 on most of the families in St. Joseph, whether they're --
6 some of them have two jobs. I know young families that,
7 they have children and they work two jobs instead of one.
8 They work at a nursing home and work at a fast food, just
9 to make it. You know? So four dollars, approximately
10 \$4.54, which we can't really anticipate that's going to be
11 the, the amount.

12 But I am here representing these people and
13 saying please, please do not give another increase,
14 because the people that are on a fixed income, they're not
15 getting any increase. The people that are working two,
16 three jobs to make a living, to keep their family
17 together, they're not receiving increases, they're
18 receiving cuts. So, I think Aquila needs to get it
19 together, and within the corporations they need to see
20 about cutting costs, cutting salaries, whatever they need
21 to do. And that's all I have to say.

22 JUDGE THOMPSON: Thank you, ma'am. Before you
23 step away, questions from the bench? Chairman Davis?

24 CHAIRMAN DAVIS: Ms. Starr, thank you, thank you
25 for being here to represent your constituents. You're the

1 only elected official here tonight, so, thank you for
2 coming. In terms of, how is the quality of service for
3 the citizens that you represent --

4 THE WITNESS: Well --

5 CHAIRMAN DAVIS: Or --

6 THE WITNESS: -- the complaints that I have
7 heard, is not having a customer service here in town. The
8 little old ladies or little old men, or whatever, you
9 can't go down and talk to someone about their bill. You
10 get on the phone, and you're probably going to be on the
11 phone a very long time if you have to straighten a billing
12 problem. There's not that friendliness --

13 CHAIRMAN DAVIS: Is that hard for elderly
14 people?

15 THE WITNESS: That is very for hard for even me,
16 and I'm not that elderly.

17 CHAIRMAN DAVIS: Okay.

18 THE WITNESS: And I've had to do it. So, yes,
19 it's very, very hard. There's no customer-friendly
20 anything. And then if you go into automation, a lot of
21 elderly people don't understand how to do that unless
22 they've been taught.

23 JUDGE THOMPSON: Commissioner Appling? Are you
24 done?

25 CHAIRMAN DAVIS: Yeah. Ms. Starr, let me, I'm

1 just going to ask this question: And then I'm done. I'm
2 try to figure out a way to phrase this. Were you here for
3 the question and answer session?

4 THE WITNESS: Yes, I was.

5 CHAIRMAN DAVIS: And, I guess one of the things
6 that we grapple with as commissioners is -- you understand
7 that the utility is entitled to make a certain amount of
8 profit.

9 THE WITNESS: Profit, yes, yes. And we, we don't
10 want to deny them that.

11 CHAIRMAN DAVIS: Right

12 THE WITNESS: Any business must make a profit.

13 CHAIRMAN DAVIS: And the problem is that, no
14 matter how they can, as a business they can do what ever
15 they want to, to get that profit, no matter how
16 distasteful some people might find that.

17 THE WITNESS: Absolutely.

18 CHAIRMAN DAVIS: And --

19 THE WITNESS: I understand that.

20 CHAIRMAN DAVIS: If they want to give all their
21 money to one particular person, they, they can do that.

22 THE WITNESS: That's right. That's, that's
23 legal. I, I understand that.

24 COMMISSIONER: Okay. All right. Okay. And,
25 have you looked at, have you had a opportunity to look at

1 any of the costs that, you know, that they say are
2 increasing?

3 THE WITNESS: Yes, they, they did have some
4 charts showing the increases, the cost on coal and the
5 other materials that they use, yes.

6 CHAIRMAN DAVIS: And looking, looking at that,
7 and either, just based, do you see anything, do you see
8 anything that they could do a better job where they could
9 save money?

10 THE WITNESS: Well, one of the things would be
11 the bonuses.

12 CHAIRMAN DAVIS: Right.

13 THE WITNESS: I think, that you know, that some
14 of the ways that they're spending their money, they could
15 cut costs that way. Because, as I said, the general
16 public, they're having increases in gas, and, and water,
17 and all of the deferent things, and they're having to make
18 do. Maybe they eat a little less or maybe they throw more
19 blankets on the bed and keep the thermostat down, but
20 they're, they're doing things --

21 CHAIRMAN DAVIS: Right.

22 THE WITNESS: And so, I find that the general
23 public, the consumers, what we do is keep tightening out
24 belt, you know? Just keep squeezing.

25 CHAIRMAN DAVIS: Right.

1 THE WITNESS: And the big utility companies, they
2 just keep on flowing. So, some how, that needs to be
3 stopped.

4 CHAIRMAN DAVIS: Okay. Thank, thank you
5 Mrs. Starr.

6 THE WITNESS: All right.

7 JUDGE THOMPSON: Thank you, Mr. Chairman.
8 Commissioner Appling?

9 COMMISSIONER APPLING: Ms. Starr, I hear you.
10 You're a City Council member?

11 THE WITNESS: Yes. I'm a City Councilmen for the
12 Second District. As far as how many people, I don't know,
13 but my district is pretty chopped up. I have all of
14 downtown as far as West. North, I have to, up to 10th and
15 Lincoln. South, I have I go all the way to Pacific
16 Street. And east, 28th Street and then I have a portion
17 of 32nd Street and Noyes Boulevard.

18 COMMISSIONER APPLING: I don't know exactly what
19 to say, I think, Commissioner Davis explained that the
20 company has a right to spend --

21 THE WITNESS: Absolutely.

22 COMMISSIONER APPLING: -- the money it really
23 doesn't go over that with someone that's struggling --

24 THE WITNESS: That's right. We don't see it. We
25 just don't see it.

1 COMMISSIONER APPLING: Yes. I know, and it's,
2 it's very distasteful --

3 THE WITNESS: Yes.

4 COMMISSIONER APPLING: -- to people who are
5 trying to live, and I empathize with you and I thank you
6 for coming out.

7 THE WITNESS: Thank you.

8 JUDGE THOMPSON: Chairman Davis, an additional
9 question?

10 CHAIRMAN DAVIS: Ms. Starr, I just thought of
11 something. How have the City's feelings been with Aquila?
12 Can you characterize?

13 THE WITNESS: How the what?

14 CHAIRMAN DAVIS: I mean, you're on the City
15 Council, so, I'm assuming that you've seen the City's
16 electric bills and things of that nature, and do you want
17 to comment on any of the City's feelings of Aquila as far
18 as --

19 THE WITNESS: I, I can tell you this: I was
20 selected as a City Council in September of this year.

21 CHAIRMAN DAVIS: Okay.

22 THE WITNESS: I was sworn in September 26th.

23 CHAIRMAN DAVIS: Okay.

24 THE WITNESS: I am currently serving a term of
25 Mr. John Shay, that passed away, and I was selected for

1 his term. So, I would not be the right person after being
2 on the council, I'd say seven, seven, maybe eight weeks,
3 to be able to answer that question. I can answer
4 questions regarding of the community, because I've been a
5 community activist for about 30 years. So, I can answer
6 those kinds. As far as the City versus Aquila, I'm not
7 the person.

8 CHAIRMAN DAVIS: Well, certainly I just wanted to
9 offer you, as also a representative of the City to --

10 THE WITNESS: All right.

11 CHAIRMAN DAVIS: -- if the City wanted to comment
12 and we still will take written comments?

13 JUDGE THOMPSON: Yes we will.

14 CHAIRMAN DAVIS: So, I just wanted to make you
15 aware, that if the City wanted file their comments or
16 anything like that, that they have that opportunity as
17 well.

18 THE WITNESS: All right. All right. I'll pass
19 that on. Thank you.

20 JUDGE THOMPSON: Other questions from the bench?
21 Question from Counsel Aquila?

22 MS. WHEELER: Nothing, Judge.

23 JUDGE THOMPSON: Staff?

24 MS. SHEMWELL: Nothing.

25 JUDGE THOMPSON: Public Counsel?

1 MR. MILLS: No, thank you.

2 JUDGE THOMPSON: AG Processing?

3 MR. CONRAD: Ms. Starr, I just wanted to comment

4 that I think that your continuants are well represented,

5 even though you're, very new at the job. Thank you for

6 coming. No question, Judge.

7 JUDGE THOMPSON: AARP?

8 MR. COFFMAN: No, thank you.

9 JUDGE THOMPSON: Thank you very much Ms. Starr,

10 please step down.

11 THE WITNESS: Thank you.

12 JUDGE THOMPSON: Jerome Williams? Good evening

13 Mr. Williams.

14 THE WITNESS: Good evening. Jerome Williams.

15 JUDGE THOMPSON: Excuse me.

16 THE WITNESS: Yeah.

17 JUDGE THOMPSON: You stated your name, will you

18 spell your spell your last name for the reporter?

19 THE WITNESS: W-I-L-L-I-A-M-S.

20 JUDGE THOMPSON: Raise your right hand.

21 JEROME WILLIAMS

22 Of lawful age, produced, sworn, and examined and says:

23 JUDGE THOMPSON: Sir are you presently a customer

24 of Aquila?

25 THE WITNESS: Yes, I am.

1 THE JUDGE: Go ahead and give your testimony.

2 THE WITNESS: Well, I'm, I'm not a City
3 Councilmen, and I may not be well versed, but, not to
4 apologize for the people who are not here, but, it may be
5 too cold for them to be out and maybe it wasn't advertised
6 enough. But, there's a lot of people with a lot of
7 interest on this rate increase that are not here. Wish
8 they were here, because you would hear a lot more than --
9 they can talk better than I can. But, I was just, just
10 wanting to say that the rate increase, I wish there
11 wouldn't be an increase because of the gas rate increase
12 that we just had, like Ms. Starr said, it is a hardship on
13 some people.

14 Myself, I am a lowly old state worker, and I
15 don't get raises at all. I have to make do with what I
16 got. I wish Aquila would make do with what they have,
17 also. Pretty much, said everything I wanted to say,
18 except for I, I wanted to know when the Raytown meeting
19 was going to be, at what time. I have the date, but I
20 don't have the time.

21 JUDGE THOMPSON: I'm sorry, the time will be just
22 like tonight.

23 THE WITNESS: Okay. I'm sorry about that. But
24 in an ice storm, I'm a little bit worried that seeing how
25 things have been, like the other gentlemen said, if we

1 have a bad ice storm, we will be without power for a long
2 time, because they are based out of Kansas City, and not
3 here. They have some people here, but they don't have
4 enough to take care of what we need in this community.

5 And like the phone service, I know that you have
6 called on the phone to several places and you get this
7 prompting, prompting, prompting. You do not get a real
8 person. You get frustrated -- I think that's what they
9 want, but that's not for me to say -- that you get
10 frustrated enough, that you hang up and say you don't, I
11 don't want to deal with it. That's what's happening with
12 some of the people that I know that I work with. They may
13 not be elderly, but they are upset about any kind of rate
14 increase that come across.

15 Like Ms. Starr said, please have them
16 consolidate, liquidate, whatever they have to do. Do not
17 raise the rates on us, the electrical rates. We've been
18 increased to death to the point where we cannot function
19 without, doing without what we, we should have.

20 And another thing I was wanting to say was, even
21 in they over charge us and they decided to give us a
22 refund, it's in the form of the credit. That does not
23 help the people that they took to money from. They need
24 that money back. But they're allowed to give us a credit
25 refund, which is fine but, they move, there may not be a

1 way that knew that they were going to have charge us that
2 much money, but a credit refund, you cannot buy anything
3 with a credit refund.

4 But that's pretty much all I have to say. I'm,
5 again, I'm not a person talk about this kind of thing, but
6 I just wanted to voice my opinions.

7 JUDGE THOMPSON: Thank you Mr. Williams.
8 Questions from the bench? Chairman Davis?

9 CHAIRMAN DAVIS: Mr. Williams, do you think it
10 would be better if Aquila had, had live people to talk to,
11 to answer the phone or maybe one person sitting behind a
12 desk here in St. Joseph during the day? In terms of
13 customer service staff, what do, what do you think would
14 be sufficient

15 THE WITNESS: Well, like Ms. Starr said, they
16 should have an office here that people can actually talk
17 to a person. I know with this rate increase it might not
18 be the safest job in the world, but they need to be able
19 to talk to a face. It'd be a lot easier to talk to a face
20 than to talk to someone, to an answering machine on the
21 phone. With -- it's their money, they can spend it anyway
22 they want to, like you said. But they should spend some
23 money for people to answer the phone, and have an office
24 in this area, because there's a lot of people here that'd
25 like to, that would rather talk to a person. That one

1 person may get a lot of abuse, but at least it will be a
2 face verses of automation.

3 CHAIRMAN DAVIS: And then, Mr. Williams, let me
4 just ask you this. We set the time, location, for our two
5 local pubic hearings. Normally we usually set one during
6 the day and one during and one at night. The one in
7 Raytown is at six clock?

8 JUDGE THOMPSON: Yes Mr. Chairman, they're both
9 evenings.

10 CHAIRMAN DAVIS: Do you think it would be
11 beneficial to have a daytime hearing as well on a future
12 basis, just trying to, in especially in times of cold
13 weather, and things like that, would it be better if we
14 had one in the day as well as one at night?

15 THE WITNESS: As a general rule, most of the
16 people that probably would be upset about this, would
17 probably be working in the daytime.

18 CHAIRMAN DAVIS: Okay.

19 THE WITNESS: I had to hear second hand that
20 there was going to be a meeting. That may be one of the
21 reasons there's not enough citizens here to help out,
22 because I did not find out on my own. Someone just
23 happened to tell me that there was going to be an Aquila
24 meeting.

25 CHAIRMAN DAVIS: Are you aware that there was

1 supposed to be a notice with your bill?

2 THE WITNESS: Not to -- whenever I get the bill,
3 I see how much I pay, I pay it, and the bill goes, the
4 receipt goes out of the way, and but the rest of the bill
5 goes in the trash. It's a situation that everybody is too
6 busy with their own personal lives, to actually stop and
7 read what comes in the mail.

8 CHAIRMAN DAVIS: Right.

9 THE WITNESS: But, I'm sorry, I will start
10 reading everything I get --

11 CHAIRMAN DAVIS: Well, I'm just trying -- it's my
12 understanding that we required the utility to notify
13 everyone in the bill two to three weeks in advance of
14 things. We'll send a notice to the local radio and
15 newspapers, you know. Is there anything else, I know we
16 called some of the elected officials, that you can think
17 of to notify and get better attendance?

18 THE WITNESS: I think you're doing just about all
19 you can do.

20 CHAIRMAN DAVIS: Thank you.

21 THE WITNESS: Can I say one more thing. As far
22 as electric rates, as far as electricity goes, I've never
23 had a power out, outage. I'm very satisfied with their
24 work, but something's got to give. And I just can't give
25 any more.

1 CHAIRMAN DAVIS: I understand. Thank you, thank
2 you very much.

3 JUDGE THOMPSON: Mr. Appling?

4 COMMISSIONER APPLING: Mr. Williams, thank you
5 for coming. You speak very well, and you don't have to
6 apologize for the fact that your bills out pace your
7 income. Where do you work at?

8 THE WITNESS: The Missouri Department of
9 Transportation.

10 COMMISSIONER APPLING: Where is that located at?

11 THE WITNESS: Located in the City Office
12 Building. No, actually it's the Division of Traffic in
13 MODOT Services. It used to be called Highway
14 Transportation, and, this is my 30th year working. I'm
15 getting close to that retirement time, and I just can't
16 retire because I can't pay the bills.

17 COMMISSIONER APPLING: Thank you for coming out
18 tonight.

19 JUDGE THOMPSON: Questions from counsel? Aquila?

20 MS. WHEELER: We have nothing.

21 JUDGE THOMPSON: Staff?

22 MS. SHEMWELL: Thank you for being here tonight.
23 We have nothing.

24 THE WITNESS: I'm sorry. Would it be all right
25 to get the addresses that you spoke of earlier at the

1 beginning of the meeting?

2 JUDGE THOMPSON: When the hearing's completed I'm
3 sure you can get addresses from counsel. They probably
4 will have cards for you.

5 MS. SHEMWELL: Excuse me, Judge. I have a
6 question.

7 JUDGE THOMPSON: That's quite all right.

8 MS. SHEMWELL: Do you have the handout sheet, the
9 gold hand out sheet. That has the Commissions address on
10 that.

11 THE WITNESS: Yes, I do. I got them all. It's
12 here somewhere. Thank you.

13 JUDGE THOMPSON: Counsel?

14 MR. MILLS: I have no questions, but I'd be happy
15 to give you my card when we're done. Call me or write me
16 anytime.

17 JUDGE THOMPSON: Thank you, Judge. Mr. Williams,
18 you had asked or had a comment about the refunds, do you
19 remember that?

20 THE WITNESS: Yes.

21 MR. CONRAD: Help me understand a little bit.
22 Are you concerned that the refunds and the company is
23 using credit, are they not going back to the right
24 people? Did I understand you?

25 THE WITNESS: No, no. What I, what I meant by if

1 they had an over charge, they pay you back by a credit
2 refund instead of giving you the cash or whatever. Just
3 don't other charge us. I mean, I can do without the
4 refund, credit refund, just don't overcharge us.

5 MR. CONRAD: Okay. Thank you, sir. Thank you
6 for your testimony. That's all.

7 JUDGE THOMPSON: Mr. Coffman?

8 MR. COFFMAN: No questions, thank you.

9 JUDGE THOMPSON: Thank you very much,
10 Mr. Williams. You are excused. Is there anyone else that
11 would like to testify that did not have an opportunity to
12 sign up? Yes, ma'am. Please come forward to the podium.
13 State your name ma'am.

14 THE WITNESS: Virginia Weigum. W-E-I-G-U-M.

15 JUDGE THOMPSON: Go ahead and raise your right
16 hand.

17 VIRGINIA WEIGUM

18 Of lawful age, produced, sworn, and examined and says:

19 JUDGE THOMPSON: Go ahead and -- excuse me. Are
20 you currently a customer of Aquila?

21 THE WITNESS: Yes.

22 JUDGE THOMPSON: Go ahead and give your
23 testimony, ma'am.

24 THE WITNESS: I'm a residential customer, and I
25 do appreciate having electricity in my house. And I know

1 that it's hard for people to understand change. I do
2 appreciate having a human being talk to me when I call.
3 But at times, I have, I have a neighbor who lived next
4 door to me, she lives on a ventilator and when the
5 telephone or the electric would go out, we would take it
6 upon ourselves to notify the utility company, and to get a
7 response, and to make sure she wasn't in a life and death
8 situation. And I have to say you've always comply with my
9 request in a reasonable amount of time. But I do
10 understand that it's hard for elderly people to use the
11 systems that we now live with.

12 The increase that you state in your flier, even though
13 we're not Kansas City. For Kansas City that increase
14 would be 11 percent. That would be very, very hard to
15 swallow all at one time. I appreciate that the coal costs
16 more, but I don't know how they can sustain 11 percent hit
17 at one time. In our community, the hit is half that
18 amount. But, for a person on a fixed income to have to
19 come up with four dollars and 50 cents more a month, that's
20 almost choosing between paying the utility bill or going
21 without food or going without medication, or resorting to
22 animal food, there's many documented cases of that.

23 And if we could cut that increase by a lesser
24 percentage, because our over-all rates, the gas, the
25 natural gas is going up 50 to 75 percent. The water

1 doubled a couple, three years. I know you're not the gas
2 company, and I know you're not the water company, but when
3 you put it all together in a package, it's, it's
4 unbearable. And I do thank our Lord because we are both
5 retired, but we have been blessed, and we don't have to,
6 we have to be careful, but we don't have to pinch pennies
7 like that. But I do feel bad for people that have to. I
8 just, we have, it has to stop some place.

9 To have an increase five percent at one time, and 11
10 percent in Kansas City every thing that goes up on the
11 commercials level with companies, for instance, in our
12 community, we, we have a can plant and their costs go up,
13 it's going to be taxed on to the consumers. So all the
14 way around, we're going to be paying for this. Not just
15 in our utility bills, but in everything that's
16 manufactured, everything that's delivered to us. And it's
17 not just going to be the four and a half, five percent
18 that you're talking about. It's going to compound. And
19 I'm very concerned about that. Very concerned about it.
20 Thanks, that's all I have to say.

21 JUDGE THOMPSON: Yes, ma'am. Questions from the
22 bench? Chairman Davis?

23 CHAIRMAN DAVIS: Ms. --

24 THE WITNESS: Weigum.

25 CHAIRMAN DAVIS: Weigum.

1 THE WITNESS: Um-hum.

2 CHAIRMAN DAVIS: Any comments about, I mean, and
3 I appreciate your comments about keeping your neighbor's
4 electricity on. Obviously, she has special needs, any
5 other comments about water service, telephone service --

6 THE WITNESS: I have adequate service and I do
7 appreciate living in a modern age with those conveniences.

8 CHAIRMAN DAVIS: No further questions.

9 JUDGE THOMPSON: Thank you Mr. Chairman.

10 CHAIRMAN DAVIS: Thank you for coming,
11 Ms. Weigum.

12 JUDGE THOMPSON: Commissioner Appling?

13 COMMISSIONER APPLING: Virginia?

14 THE WITNESS: Yes.

15 COMMISSIONER APPLING: Thank you for coming in.
16 From your testimony, and what I'm hearing you say. Are we
17 moving to a position in this country where there would be
18 a large number of persons who just want be in charge of
19 money?

20 THE WITNESS: Yes, and it's already happened
21 because of job out-sourcing. It's brutal out there.
22 There's professionals, people with Ph.D's Degrees that
23 just cannot find work. Highly educated people, and it,
24 it, they're working two and three menial, minimum wage
25 jobs just to make ends meet. They've lost their homes,

1 they've lost all their retirement.

2 And when you work for a large corporation and you have
3 a civil service job, sometimes you don't know what's
4 happening in the trenches. That is happening, it's a
5 very, very scary. The middle class is being eroded, and
6 this company -- country, all the jobs are going off shore.
7 What have you with Delta, it's, I don't know how to turn
8 the tide. It's a, it's a, I feel very bad for my, for my
9 grandchildren. They spend \$50,000 getting a college
10 education, they're left with a large debt and we have no
11 job to offer them.

12 COMMISSIONER APPLING: What --

13 THE WITNESS: And --

14 COMMISSIONER APPLING: What can you give me --

15 THE WITNESS: Okay. Here's what --

16 COMMISSIONER APPLING: Give me what --

17 THE WITNESS: Here's what we have to do. I'm a
18 political activists. We're so busy taking care our normal
19 lives that we don't have time to read the newspaper.
20 Pressure has to be put on our elected people. We have to
21 pick up the telephones, send them e-mails. We have to
22 start putting pressure on our elected people. We have
23 America, I'm a baby, was born in the Second World War, we
24 have helped everyone around the world, but we left people
25 who are victims of Katrina and the other disasters that

1 we, unfortunately, have had happen to this country in the
2 last few months.

3 Now we're going to throw those people on the streets
4 because we don't have money in our federal coffers to pay
5 for a room for them. Everyone, pick up the telephone,
6 call your elected officials, send them an e-mail, it only
7 takes you 15 minutes a day. And I've seen it over and
8 over. And so, I am picking up the phone and my elected
9 officials, they know me name, because they hear from me.
10 I try to be civil, I try to be polite, but that's the way
11 I feel.

12 COMMISSIONER APPLING: Thank you, again.

13 THE WITNESS: Thank you very much.

14 JUDGE THOMPSON: Just a moment ma'am. Questions
15 from Counsel? Aquila?

16 MS. WHEELER: No questions.

17 JUDGE THOMPSON: Staff?

18 MS. SHEMWELL: I do have a question for you.

19 When you called Aquila on behalf of your neighbor, people
20 talked about getting into the automated systems, you said
21 that you got out, how do you get to a person?

22 THE WITNESS: Well, I will leave a message, and
23 then I start pressing zero for the operator. And I just
24 keep pressing and maybe I pressed it 50 times, but
25 eventually some one comes on the line.

1 MS. SHEMWELL: So you do get to a person?

2 THE WITNESS: Yes, because I'm persistent.

3 MS. SHEMWELL: Thank you.

4 THE WITNESS: I'm like a bad nightmare, I don't

5 go away.

6 MS. SHEMWELL: Thank you.

7 THE WITNESS: Thank you.

8 JUDGE THOMPSON: Public counsel?

9 MR. MILLS: I have no questions, thank you.

10 JUDGE THOMPSON: Mr. Conrad? Mr. Conrad?

11 MR. CONRAD: Ms. Weigum, thank you for coming.

12 You mentioned you were retired.

13 THE WITNESS: Yes.

14 MR. CONRAD: Have you been a member of the

15 community up here for a long time?

16 THE WITNESS: For 35 years.

17 MR. CONRAD: You had also talked or mentioned

18 about the, I think you listed the gas rate increase, and

19 the water?

20 THE WITNESS: Yes, our water doubled in

21 St. Joseph after the '93 flood or when they put in the new

22 plant.

23 MR. CONRAD: Comment what, what over that period

24 of time, you mentioned 30 years, don't go back that far,

25 and I'm, I'm not looking for an economist answer, just

1 somebody who's lived here in the community, how has is the
2 economy in St. Joseph worked --

3 THE WITNESS: We have --

4 MR. CONRAD: -- over the last four or five
5 years?

6 THE WITNESS: We have sustained terrible down,
7 down sizing in our community. We've lost Quaker Oats
8 which was, I don't know 600 people. Well paying jobs. We
9 Friskies leave St. Joe because they could not afford the
10 water, they just, and that left another 300 people out of
11 work. We've lost Mead. We've lost a large Sherwood
12 Medical after the flood. I mean it just goes on and on
13 and on. And we had a few jobs.

14 But, but here's a good comparison: Quaker Oats labor
15 made \$15 an hour, starting a person, an hourly person.
16 Now they want to replace that same job with the pork plant
17 that pays nine to ten dollars an hour. You cannot support
18 a family on nine or ten dollars an hour. You cannot
19 support a family on nine or ten dollars an hour. You
20 can't do it. I don't care how careful you are. Not when,
21 and our property taxes have, mine has just about doubled
22 in eight years, even though it's very affordable, it's not
23 the east coast, it's not the west coast, it's not the
24 middle, north. We're very fortunate that our cost of
25 living is low here. But people can only take so much.

1 MR. CONRAD: Thank you, ma'am.

2 THE WITNESS: Thank you.

3 JUDGE THOMPSON: Mr. Coffman?

4 MR. COFFMAN: Yes. Ms. Weigum, you talked about

5 how you hit zero to try to find a live --

6 THE WITNESS: Yes.

7 MR. COFFMAN: -- operator when you talk to

8 Aquila. Is that, is that option made available to you on

9 the recording?

10 THE WITNESS: I just know that from experience.

11 MR. COFFMAN: Would it be helpful if they gave

12 you that --

13 THE WITNESS: Yes.

14 MR. COFFMAN: -- on the recording --

15 THE WITNESS: Yes.

16 MR. COFFMAN: -- as an escape route --

17 THE WITNESS: Yes.

18 MR. COFFMAN: -- to a live operator? Thank you

19 for being an activist.

20 THE WITNESS: Thank you.

21 JUDGE THOMPSON: The flier you were referring to

22 in your testimony, is that the orange sheet that you're

23 holding?

24 THE WITNESS: Yes.

25 JUDGE THOMPSON: Okay. And it was provide to you

1 here?

2 THE WITNESS: And I just took my electric rate
3 with no air conditioning, no heating, and turned it into a
4 percentage based on your increase.

5 JUDGE THOMPSON: Okay.

6 THE WITNESS: That's how --

7 JUDGE THOMPSON: Okay. Mr. Ocher, can I get a
8 copy of, copy of that for the reporter, I want to have one
9 marked to go with your testimony. Counsel have any
10 objections?

11 MR. COFFMAN: None.

12 MS. WHEELER: None.

13 MR. MILLS: None, and I have a copy if you would
14 like me to give it to the court reporter.

15 JUDGE THOMPSON: Okay. That'll do. Go ahead and
16 mark that as Exhibit 1.

17 (Exhibit 1 marked and recieved into evidence)

18 JUDGE THOMSPON: Mr. Mills gave his copy of it.
19 Thank you. And thank you very much for your time.

20 THE WITNESS: Thank you.

21 JUDGE THOMPSON: Is there any one else present
22 that did not have an opportunity to sign up and would like
23 to testify? Sir, come forward to the podium.

24 State your name, sir.

25 THE WITNESS: Terry McClatchey.

1 JUDGE THOMPSON: Could you please spell your last
2 name?

3 THE WITNESS: M-C-C-L-A-T-C-H-E-Y.

4 JUDGE THOMPSON: First name Terry?

5 THE WITNESS: Yes. T-E-R-R Y.

6 TERRY MCCLATCHEY

7 Of lawful age, produced, sworn, and examined and says:

8 JUDGE THOMPSON: Sir, are you presently a
9 customer of Aquila?

10 THE WITNESS: Yes.

11 JUDGE THOMPSON: Go ahead and give your
12 testimony.

13 THE WITNESS: My name is Terry McClatchey. I'm
14 here to represent Ag Processing, Inc. A cooperative, as
15 the Marketing Manager of the St. Joseph facility

16 I would like tot thank the Missouri Public
17 Service Commission for allowing AGP to express our
18 concerns relating to the recent filed St. Joseph Light and
19 Power steam and electric rate increase, Docket
20 HR-2005-0450, Steam Rate Increase, and Docket
21 ER-2005-0436, Electric Rate Increase, plus the cost of
22 service study known as Docket EO-2002-384, Cost of Service
23 Study.

24 AGP has soybean processing and soybean oil refineries
25 located in Minnisota, iowa, Nebraska, and in St. Joseph,

1 Missouri. AGP is a cooperative owned by various local and
2 regional, regional co-ops that are, in turn, owned by
3 farmers, including farmers in Missouri. We operate in a
4 very competitive industry with local, national and
5 international market. Trade prices for feed stock, or
6 soybeans, and finished products, soybean meal and soybean
7 crude oil, are set by the Chicago Board of Trade.

8 Because we are in the commodity business, we do not
9 have the opportunity to pass on higher steam and electric
10 costs to our customers. We have three options: Reduce
11 the patronage or dividend paid to our farmer members; find
12 alternate means to further reduce already minimized
13 operating costs; or shift production to other AGP owned
14 facilities.

15 AGP employs 162 at the St. Joseph facility with an
16 annual payroll of over \$9.8 million, including wages and
17 benefits. We pay property taxes to the City, County, and
18 State of Missouri totaling \$600,000 in addition to several
19 thousand dollars in transit fees, use taxes and sales
20 taxes. AGP, being located in St. Joseph, hires local
21 contractors and uses local merchants for supplies and
22 services. We also provide other St. Joseph industries with
23 finished products. AGP is considered a good corporate
24 citizen and is involved in the community.

25 I would like to address four areas of concern:

1 The first concern is utility accountability. Everyone
2 in this room is accountable for their actions and
3 decisions. On a personal level, accountability is
4 required when using credit cards, paying a home mortgage
5 loan, supporting a family, and being productive their job.
6 Companies are accountable to their owners to have sound
7 business ethics and and have to have sound business ethics
8 to be profitable. Politicians are accountable to their
9 voters. Utilities must also be held accountable for their
10 business decision.

11 If a Utility company buys high cost electric or steam
12 generation fuel, the utility can ask rate payers to pay
13 the higher cost in rates. If utility signs a contract and
14 the contracting party does not deliver, the utility can
15 ask the rate payer to for the undelivered service. If the
16 utility gives their management large salary bonuses, the
17 utility can ask rate payers to pay. These sorts of
18 requests must be denied. The only way utilities are going
19 to be held accountable is to stop every request to pass
20 unreasonable costs onto rate payers, and to ensure
21 accountability for managers' actions accrued in stead to
22 the owners of the utility. As a result the owners would
23 be encouraged to demand sound management practices which
24 would benefit rate payers in the State of Missouri.

25 Earlier, I mentioned fuel for electric generation.

1 AGP buys coal and natural gas for our plants, and we work
2 hard to manage these costs because it impacts our profits.
3 Utilites do not have the same incentive because they are
4 allowed to pass on the reuslt of poor buying decisions and
5 mistatkes to the rate payers. We do not have the specific
6 recomendation to address this concern, but ask that the
7 Commission to do everything within it's powers to protect
8 rate paeyers.

9 Example: Aquila signs a coal contract with C.W.
10 Mining. C.W. Mining did not deliver as agreed, and Aquila
11 later went to the open market to replace the undelivered
12 coal at a higher price. Aquila now wants the rate payers
13 to pay the higher coal cost associated with the cancelled
14 contract. We're told that it may be as much as \$373,000,
15 even though it was sued C.W. Mining to recover the extra
16 cost. We can see no reason for rate payers to pay.
17 Aquila and C.W. Mining are engaged in a lawsuit to
18 determine who is at fault. This is a utlity/supplier
19 management issue and the mistake should be Delta with by
20 Aquila or C.W. Mining stock holders who chose their
21 managers and are not paid by rate payers.

22 Another example: Aquila should utilize a sound
23 hedging program when buying fuel to avoid price spikes to
24 prevent rate payers from paying high fuel costs in some
25 unusually high priced months. They tell us they are doing

1 that now, but they should have doing it a long time ago.
2 Many experts are projecting lower coal and natural gas
3 prices in the future. We ask the Commission not to
4 approve a high fuel cost base that will almost inevitably
5 allow Aquila excessive profits in the future. Instead,
6 there must be a mechanism that will avoid the possibility
7 of unwarranted windfall profits for Aquila and that will
8 provide an appropriate incentive to keep costs down.

9 Second concern is the rate of return. St. Joe Light
10 and Power believes that earning an 11.5 rate of return is
11 fair. On a personal level, a four percent rate of return
12 is all that is available at my local bank and that's based
13 on a 12 month, month investment. The stock market may
14 yield six percent if you have a real good diversified
15 investment portfolio. I do not believe that four percent
16 is appropriate, but I know 11.5 percent is excessive. We
17 ask that the Commission consider an 8.79 percent rate of
18 return as proposed by AGP's witness Michael Gorman based
19 on the limited risk of the utility as compared to other
20 competitive business.

21 Third concern, is the cost of service. There are
22 several theories to calculate cost of service for each
23 rate class. We take the position that all customers
24 should pay the cost that their service actually costs the
25 utility. Said another way, we don't want others to pay

1 our bill, and we don't think we should be asked to pay
2 others' bills. We believe there's some individuals
3 supporting the theory that industrial and commercial
4 customers should subsidize residential rates, paying no
5 attention to which class causes demand or electric
6 generation capacity. We ask that the Commission use
7 historical proven methods in applying cost of service
8 principles and to stop subsidizing other customers in
9 different rate classifications. We believe that
10 subsidized classes do not realize the true cost of energy,
11 which does not promote efficient energy practices, wastes
12 energy and is not in Missouri's best interest.

13 And my fourth concern, is service reliability. The
14 price of utility services is of great concern. However,
15 if customers experience abnormal amounts of service
16 interruptions, price becomes secondary. AGP's customers
17 demand of rate reliable service, and a high quality
18 products at a reasonable price. Similarly, we believe that
19 utilities should be held to similar high standards. Since
20 AGP is multi-plant continuous operation, many times it's
21 difficult to start back up after utility outage. Starting
22 the plant under full load puts stress on equipment and the
23 weak areas are exposed plus unloading filled systems
24 become an issue itself, as safety is always a concern.
25 AGP normally experiences up to nineteen electrical and

1 steam outages per year. The problems ought to be
2 identified and addressed promptly.

3 In conclusion, it is well known that Aquila, St. Joe
4 Light and Power, is experiencing, experiencing financial
5 difficulties. Rate payers are not the cause of Aquila's
6 financial problems and rate payers should not be required
7 to pay higher rates due to Aquila's problems. There are
8 several other issues that will be addressed in the rate
9 case proceeding, we trust that the Commission will protect
10 the rate payers. Please help industrial customers located
11 in St. Joe to compete with other states and in the world
12 economy allow us to continue operation. We need, we need
13 fairly determined rates that exclude all unreasonable costs
14 and encourage the Commission to do all in its power to
15 ensure the results.

16 Thank you.

17 JUDGE THOMPSON: Thank you sir. Do you have a
18 written version of your testimony? Would you mind us
19 placing that in record?

20 THE WITNESS: Sure.

21 JUDGE THOMPSON: Thank you, sir. Go ahead and
22 mark this as Exhibit 2. Do I have any objections from
23 counsel to receive that exhibit?

24 (Exhibit No. 2 marked)

25 MR. MILLS: I, I may have some voir dire.

1 JUDGE THOMPSON: You may. Would you like to go
2 ahead and do that now?

3 MR. MILLS: Mr. McClatchey, did you write that
4 testimony?

5 THE WITNESS: I wrote part of it, and I worked
6 with somebody in Omaha in composing the testimony.

7 MR. MILLS: Who else wrote that testimony?

8 THE WITNESS: A man by the name of Gary Chestne
9 helped me.

10 MR. MILLS: Is he here tonight?

11 THE WITNESS: No, he's not. He's in Omaha,
12 Nebraska. He's the one in charge of purchasing and
13 contracting the utilities, so he helped me through the
14 language.

15 MR. MILLS: I believe I have objection to this,
16 the admission of this, this as testimony in this case.
17 And my objection is that there is no proper foundation.
18 This witness did not write the testimony. It's one thing
19 for him to stand up there and say these things, but for it
20 to go on the record as a written piece of testimony that
21 he did not write, is another thing entirely. And I object
22 to its admission.

23 JUDGE THOMPSON: Mr. Mills, it strikes me that
24 you didn't object to his spoken testimony, and which can
25 go on the record as that. So, I guess I don't understand

1 why you have objection to the exhibit that contains
2 exactly the same testimony that he's just given on the
3 record without objection.

4 MR. MILLS: When he was speaking, I had no idea
5 that he was speaking words that weren't his own. Now I
6 know that, and know I object. I think perhaps it would be
7 more fair for me to object to his spoken testimony and ask
8 that it be stricken, and so I do so.

9 JUDGE THOMPSON: Okay. Do I have a response,
10 Mr. Conrad, since this is your client?

11 MR. CONRAD: Sure do. This is a public hearing.
12 Mr. McClatchey, I believe has testified that he is in a
13 management position here in St. Joseph. He, as in many
14 corporations, worked these matters through their
15 centralized office. That is where, in many respects the
16 formal reference cap, all though Mr. McClatchey is here,
17 available, and Mr. Mills wants to inquire about his
18 personal familiarity to the circumstances that he has
19 described in his testimony. I'm sure Mr. McClatchey can
20 more than amply supplement his statement, if you'd like to
21 go that way, Mr. Mills.

22 MR. MILLS: And, and if I may, this is as,
23 Mr. Conrad points out, this is a public hearing, in which
24 we generally hear from the public and not from parties to
25 the case. We're hearing here from a party to the case who

1 has the opportunity to present and has, in fact, presented
2 filed testimony in the case, and for a witness to appear
3 on behalf of a party is, at least, somewhat unusual in
4 public hearings.

5 MR. CONRAD: Well, actually, in my view, it's not
6 unusual, at all, it's quite common. Mr. McClatchey is
7 customer of Aquila, he is also an employee of AG Process.
8 And as such, he's certainly, appear to me, constitute a
9 member of the public. More over, my vague recollection
10 is, a corporation in Missouri law is a legal person, and
11 since it cannot speak for itself, it can only through it's
12 employees, Mr. Mills. So, you would expect apparently,
13 that the technical witnesses would speak for the client.
14 I would think that you might be interested to hear what
15 the client, itself, has to say as a representative of the,
16 of the public, itself.

17 JUDGE THOMPSON: Mr. McClatchey --

18 THE WITNESS: Yes.

19 JUDGE THOMPSON: -- is that how you pronounce your
20 name? Thank you. To the extent that the testimony you've
21 given was not written by you, do you adopt it as your own?

22 THE WITNESS: Absolutely.

23 JUDGE THOMPSON: And, are you able to state that,
24 through your experience in your job at AG Processing,
25 interaction to other parts of your employer, and personal

1 employer, do you know that your testimony is true?

2 THE WITNESS: Absolutely.

3 JUDGE THOMPSON: Mr. Mills, I'm going to overrule
4 your objection and we will receive Exhibit No. 2 of the
5 records of these proceedings. Do I hear any other
6 objections?

7 MS. SHEMWELL: Judge we would object as well.
8 Only to the extent that we would like to have a an
9 opportunity to offer written rebuttal testimony after
10 review Mr. McClatchey's testimony, in light of the fact
11 that the time for the parties to file direct testimony has
12 already passed. Our opportunity to respond in written
13 rebuttal is upon us, in light of due fairness, we should
14 have an opportunity to review the testimony and fairly
15 respond.

16 JUDGE THOMPSON: You certainly may.

17 MR. CONRAD: Judge, we would have no object to
18 that, because certainly we want to be fair.

19 JUDGE THOMPSON: I figured you would not have an
20 objection to that. Any other objections to that exhibit?
21 You can also respond in writing, if you like Mr. Mills.

22 MR. MILLS: Thank you, I may.

23 (Exhibit No. 2 recieved in to evidence)

24 JUDGE THOMPSON: Very well. Questions from the
25 bench for this witness? Chairman Davis?

1 CHAIRMAN DAVIS: All right. Mr. McClatchey, you
2 said that AG Processing has plants in Minnesota, Iowa,
3 Nebraska, and Missouri; is that correct?

4 THE WITNESS: That's correct.

5 CHAIRMAN DAVIS: So, do you know what electric
6 rate are you paying here in Missouri? Do you how much per
7 kilowatt you are paying?

8 THE WITNESS: With demand charges and everything?

9 CHAIRMAN DAVIS: Um-hum.

10 THE WITNESS: A little over four cents.

11 CHAIRMAN DAVIS: Little over four cents. How, do
12 you know how that compares with Minnesota, Iowa, and
13 Nebraska?

14 THE WITNESS: We have plants both higher and
15 lower than that.

16 CHAIRMAN DAVIS: Do you have any idea what your
17 rate in Minnesota is?

18 THE WITNESS: The Minnesota plant is, is run by
19 Otter tail and it's a similar rate.

20 CHAIRMAN DAVIS: And what about Iowa?

21 THE WITNESS: At Eagle Grove we have the very
22 cheapest rate. But, we have co-generation there, so we
23 make our own steam and electricity. We have a plant in
24 Sergeant Bluff, just south of Sioux City, that's also
25 steam bought from another utility. It's, it's comparable

1 with what we have now, but certainly not, if you consider
2 a 44 percent increase. That's just unconscionable.
3 Forty-four percent increase.

4 CHAIRMAN DAVIS: Okay. And you testify earlier,
5 that, that you, you said, I think you said something to
6 the effect, that you buy coal and gas. Do you yourself,
7 but the coal and gas or does --

8 THE WITNESS: The company buys coal.

9 CHAIRMAN DAVIS: The company buys coal and gas.
10 Did any one, I mean, do you have any idea what you think a
11 fair price to pay for coal or gas in Liberty is?

12 THE WITNESS: In terms of per MBTU --

13 CHAIRMAN DAVIS: What part of MBTU for natural
14 gas, what do you, what should, what should be the fair,
15 what should be the fair price?

16 THE WITNESS: The fair, well, we hedge, obviously
17 --

18 CHAIRMAN DAVIS: Right.

19 THE WITNESS: In the other cases, so, we, I
20 think, hedged at lower than the MMBT prices.

21 CHAIRMAN DAVIS: Buying off of Mid-Continent?

22 THE WITNESS: Yes.

23 CHAIRMAN DAVIS: Okay. So, Mid-Continent is
24 obviously, cheaper than -- and you hedge, but when you, I
25 would assume right now, how far in advance does your

1 company hedge?

2 THE WITNESS: It, it varies right now, about six
3 months.

4 CHAIRMAN DAVIS: About six months. So, what are
5 you, what is your company doing for 2006?

6 THE WITNESS: We believe that the price is going
7 to fall from current values.

8 CHAIRMAN DAVIS: So, you're not buying natural
9 gas at the present moment?

10 THE WITNESS: Only some spots that has not been
11 bought, and we present spots and needs --

12 CHAIRMAN DAVIS: Right.

13 THE WITNESS: -- due to production variablities.

14 CHAIRMAN DAVIS: so, let me ask you this: What
15 do you think the price on the Mid-Continent market is
16 going to be before you jump back in and, and hedge?

17 THE WITNESS: Well, we'd certainly like to see it
18 get more would like to see us get more than six or seven
19 dollars. I think we'll start buying before that happens.

20 CHAIRMAN DAVIS: So --

21 THE WITNESS: That's ultimately not going to be
22 my decision. I'm marketing manager here, I'm in charge of
23 buying all soybeans, selling the soybean meal. So, that's
24 not going to be my decision.

25 CHAIRMAN DAVIS: So, it gets down to between

1 eight and nine dollars, do you see your company jumping in
2 and buying some?

3 THE WITNESS: Not a hundred percent, but it's
4 based on coverage.

5 CHAIRMAN DAVIS: Twenty-five, thirty percent?

6 THE WITNESS: I, I, I, I can't honestly tell you
7 percentages, because I don't know.

8 CHAIRMAN DAVIS: What about coal, do you buy, buy
9 coal as well?

10 THE WITNESS: We do, we do for the Eagle Grove
11 plant.

12 CHAIRMAN DAVIS: And --

13 THE WITNESS: And I don't, but --

14 CHAIRMAN DAVIS: Right. Do you have an idea what
15 your, what AG Processing is paying for coal for that
16 plant?

17 THE WITNESS: I believe it's in the low 20s.

18 CHAIRMAN DAVIS: Low 20s?

19 THE WITNESS: Per ton, I'm talking about.

20 CHAIRMAN DAVIS: Low 20s per ton. And is that,
21 is that a multi-year contract or --

22 THE WITNESS: I believe so.

23 CHAIRMAN DAVIS: Is there some sort of escalator
24 built in?

25 THE WITNESS: I, yeah. I, I used to work at

1 Eagle Grove, but that was 15 years ago. So, I've some
2 contact there.

3 CHAIRMAN DAVIS: And you testified that you
4 thought that 8.75 percent was the return on equity that
5 you would recommend as far as --

6 THE WITNESS: As recommend, we had a professional
7 look into it, and take a look what risk factors there were
8 in utilities, which is obviously letting them come under
9 business endeavors, and that was felt to be an adequate
10 return. Certainly better than I can get, or probably you
11 can get right now, but that is what we considered a
12 reasonable return.

13 CHAIRMAN DAVIS: But it's just a opportunity to
14 make 8.75 percent. And I guarantee that won't satisfy a
15 person; to that is correct?

16 THE WITNESS: That's correct.

17 CHAIRMAN DAVIS: And then your said you had
18 suffered 19 electrical/steam outages per year; is that
19 correct?

20 THE WITNESS: In the last year, we've had 19, at
21 the St. Joe plant.

22 CHAIRMAN DAVIS: Calendar year 2005 for us.

23 THE WITNESS: A rolling 12 months.

24 CHAIRMAN DAVIS: A rolling 12 months. And can
25 you describe the causes for, for those 19 outages?

1 THE WITNESS: We, we have meetings periodically,
2 with Aquila, and discuss the various causes. They have
3 equipment failure. We seem to have more outages now than
4 we used to, so we wonder if there is not as much
5 preventive maintenance as once occurred, as they're
6 tightening their budgets. But obviously, those outages
7 are very concerning to us, and cost us a lot of money
8 quite frankly.

9 CHAIRMAN DAVIS: So, how long have you worked at
10 the plant here in St. Joe?

11 THE WITNESS: Fifteen years here in St. Joe.
12 Twenty-two years for AG Processing.

13 CHAIRMAN DAVIS: When you started here, when you
14 started working here in St. Joe, do you remember the
15 outages?

16 THE WITNESS: There were certain outages, but not
17 19 a year. I mean, everybody's machinery fails. But
18 that, you know that's going happen unexpectedly.

19 CHAIRMAN DAVIS: Right.

20 THE WITNESS: Nineteen times is a lot, we heal.
21 Our plant does not go down 19 times through mechanical
22 error, unless they put us down.

23 CHAIRMAN DAVIS: How familiar with the testimony
24 that you gave regarding, are you very familiar with the
25 C.W. Mining that you cited in your testimony?

1 THE WITNESS: I was just given that example. And
2 the person that I talked believe it could be.

3 CHAIRMAN DAVIS: Well, what was the value of that
4 contract or the value of the default,

5 THE WITNESS: I believe, like \$370,000, roughly.
6 Could be, the courts are ultimately who was the party at
7 fault is.

8 CHAIRMAN DAVIS: No further questions, Judge.

9 JUDGE THOMPSON: Thank you Mr. Chairman.
10 Commissioner Appling.

11 COMMISSIONER APPLING: Yeah, Chairman Davis asked
12 the question about the 8.79 percent rate of return. At
13 what area of rate of return? What is your major products
14 that you produce? Soybeans --

15 THE WITNESS: Soy meal, and then about 200
16 different types of soybean oils we have a refinery here in
17 St. Joe. We make all the way from salad to hydrogenate
18 soybean oils for customers.

19 COMMISSIONER APPLING: Not to put you on the
20 spot, would you care to comment on your rate of return?

21 THE WITNESS: We have, sometimes, negative rate
22 of return, unfortunately. But Soy processing business is
23 a mature business. The last few years haven't, haven't
24 been real good in the processing. Now, In terms of our
25 company, we are also into ethanol and bio-diesel, and in

1 the last year, that's been very good. But that's where
2 most of our money's been made is ethanol and bio-diesel,
3 rather than soybean processing. In terms of actual return
4 on investment capital, last year we had, before taxes,
5 about four percent, and the even included the good stuff.

6 COMMISSIONER APPLING: Thank you very much,
7 Mr. McClatchey.

8 CHAIRMAN DAVIS: Mr. McClatchey, with respect to
9 a comparison of costs, you mentioned what you pay for
10 kilowatt electricity in Missouri, at the St. Joe plant,
11 but what about other all costs of all utilities? Are they
12 higher?

13 THE WITNESS: Water is, is now on the very high
14 side. We used to be very competitive, and I think the
15 lady before me talked about the water rate, and how we're,
16 we're, we're second from the high of all time plans on
17 water pressure.

18 CHAIRMAN DAVIS: So, would your plant in St. Joe
19 and AGP is the most expensive plan?

20 THE WITNESS: Oh, there's no question in terms of
21 pure cost, there's no question about that. We also have
22 some opportunities that other plants don't in terms of
23 location.

24 CHAIRMAN DAVIS: Okay, and you testified about
25 utility poor management position onto rate payers. Do you

1 know if you have prior testimony to support --

2 THE WITNESS: I'm not sure.

3 CHAIRMAN DAVIS: Did you know you could?

4 THE WITNESS: I, I usually leave that to legal
5 counsel.

6 CHAIRMAN DAVIS: Okay, um, with respect to the
7 reliability, number of other a outages you've had in the
8 last 12 month period, is more than is experienced at the
9 engineer plants?

10 THE WITNESS: Certainly more, but it may not be a
11 fair comparison to the degree we only have one other plant
12 that buys steam.

13 CHAIRMAN DAVIS: So, is that both steam and
14 electric outages?

15 THE WITNESS: Yes. The 19 is, yes.

16 CHAIRMAN DAVIS: Okay. And so that, do you
17 happen to know what the figures are for steam?

18 THE WITNESS: I believe it was about fifty-
19 fifty.

20 CHAIRMAN DAVIS: Okay. In terms of electric,
21 it's nine or ten outages a year, is that more or less or
22 about the same as the other plants?

23 THE WITNESS: That would be an amount --

24 JUDGE THOMPSON: Thank you very much. Questions
25 from counsel?

1 MS. WHEELER: We have nothing.

2 MS. SHEMWELL: Mr. McClatchey, do you have a
3 problem getting ahold of a person at Aquila?

4 THE WITNESS: No, that is, that is not a
5 problem. They, they have several people for that.

6 MS. SHEMWELL: Thank you.

7 JUDGE THOMPSON: Mr. Mills?

8 MR. MILLS: Yeah, I have a few questions, thanks.
9 I think you, you stated in response to a question from
10 Chairman Davis, that you thought a 44 percent rate increase
11 was unconscionable; is that correct?

12 THE WITNESS: I, I think that's a lot.

13 MR. MILLS: At what level does a rate increase
14 become unconscionable?

15 THE WITNESS: Well, and I, I'm not here to, to
16 dissect everything in terms of what needs to be., I just
17 think, if you have any rate increase personally or from a
18 business standpoint, all the sudden one year it hits 44
19 percent your major expense in a business. I think you
20 would be thinking the same as I was thing.

21 MR. MILLS: Absolutely. I might even be thinking
22 that at 30. Would you be thinking that at 30 percent.

23 THE WITNESS: 30 would probably be the top side,
24 and certainly, I'm, I'm thinking that there is some
25 increase certainly warranted, probably warranted more than

1 what the electric is. Electric is, what, nine percent is
2 what's asking on the electric. I think there'd be some
3 cases, say, should be more than nine percent, I think even
4 30 is too high.

5 MR. MILLS: So if you average, as a customer, if
6 you're faced a rate increase that up somewhere around 30
7 percent, that's probably unconscionable?

8 THE WITNESS: In this specific cause under these
9 specific circumstances, i believe it is. You have to look
10 at each cast on what causes it. But for this specific
11 case, I think that's too high.

12 MR. MILLS: What, in terms of rate SHIFT, in the
13 class costs of service case, what percent of increase has
14 AGP proposed that, that should be given to the residential
15 class in exchange for a decrease to, to the class to which
16 AGP belongs?

17 THE WITNESS: I don't believe that we've
18 testified that we need a rate decrease. With this
19 particular proposal. I'm not a aware that we have a rate
20 decrease.

21 MR. MILLS: You don't believe that in the rate
22 design class cost of service case, the one that you
23 referenced in your testimony as EO-2002-384, in which you
24 talked about customer class as being a fair share?

25 THE WITNESS: There certainly. But not on this,

1 not on this current 44 percent rate increase.

2 MR. MILLS: But I'm talking about the rate shifts
3 between classes. What percentage rate shift, in terms of
4 an increase, have you proposed for residential customers?

5 THE WITNESS: I don't know what to say.

6 MR. MILLS: If, if , one were to calculate
7 whether or not an increase to residential customers was
8 unconscionable as a result of a rate increase, should one
9 not also take into account the possible increase of that
10 class that they receive as a result of a rate shift as
11 well as an overall increase to Aquila?

12 THE WITNESS: Are you saying that you eliminate
13 subsidies; is that, is that correct?

14 MR. MILLS: If the rates go up, in your view to
15 eliminate subsidies, in addition to a rate increase
16 granted by the commission, should not those two effects
17 put together be summed in order to figure out whether a
18 rate increase to a particular class is unconscionable?

19 THE WITNESS: You'd have to take a look and see
20 what that is. And that's not to say that, if you decided
21 that there was a subsidy and decided to shift some from
22 commercial to, or industrial to residential, you may have
23 to phase that in over time. Hitting everything all at
24 once, does become unconscionable to people on fixed
25 income.

1 MR. MILLS: Is your file testimony in the class
2 cost of service case, discussed to phase in?

3 THE WITNESS: It don't know that fore sure.

4 MR. MILLS. But you think that's probably a good
5 idea, if it's fairly significant increase; is that
6 correct?

7 THE WITNESS: Depends on your definition of
8 significance. You can give me your definition of
9 significance, and then I can --

10 MR. MILLS: Well, let's, let's talk about 15
11 percent, for example.

12 THE WITNESS: You're saying if -- I don't believe
13 residential should go up 15 percent either.

14 MR. MILLS: You don't believe that residential
15 customers should go up 15 percent in the Class Cost of
16 Service, rate shift case?

17 THE WITNESS: I'm talking the current rate case
18 it's on.

19 MR. MILLS: You mentioned, you mentioned three
20 rate cases by number in your testimony. Are you familiar
21 with those three cases?

22 THE WITNESS: Yes.

23 MR. MILLS: Okay. I'm talking about E0-2002-384,
24 that you testified about it. In that case, AGP is
25 proposing that residential rates be increased and certain

1 other classes decrease.?

2 THE WITNESS: Yes.

3 MR. MILLS: Okay.

4 THE WITNESS: We do not, as I said in this
5 testimony, we do not believe that somebody else should pay
6 for our costs, nor do we believe that we should pay for
7 somebody else's costs. It should be determined, and give
8 it to the appropriate party.

9 MR. MILLS: Right, but you also testified that at
10 some level that those shifts should be phased in rather
11 than die all at once.

12 THE WITNESS: Me, as a residential person, would
13 not like to see a 44 percent increase on anything either.

14 MR. MILLS: Right. And I what I'm trying to get
15 to you, you as AGP, because you said you were testifying
16 on behalf of AGP.

17 THE WITNESS: Yes.

18 MR. MILLS: Just, for example, your proposal was
19 to increase residential rates by roughly 15 percent, you
20 think that is a significant enough increase that a phase
21 in out to be implemented, rather than hit all at once?

22 THE WITNESS: You may want to go a couple of
23 years rather than hit all at once.

24 MR. MILLS: A couple of years?

25 THE WITNESS: It might be a significant build.

1 MR. MILLS: Thank you. That's all the questions,
2 I have.

3 JUDGE THOMPSON: Thank you Mr. Mills.
4 Mr. Conrad?

5 MR. CONRAD: I'm going to stay out of this. I
6 think he's done pretty well. I don't have any questions.

7 JUDGE THOMPSON: Mr. Coffman?

8 MR. COFFMAN: No questions, thank you.

9 JUDGE THOMPSON: Thank you very much for your
10 testimony, sir. Further questions from the bench?
11 Hearing none, you may step down, you are excused. Is
12 there anyone else present who has not had an opportunity
13 to sign up and would like to testify? Did you raise your
14 hand, sir? No? Okay. Going once, going twice. Very
15 well. It appears as though there are no more members of
16 the public that would like to give their testimony,
17 therefore we will adjourn this local public hearing at
18 this time. And thank you all very much for coming and
19 thank you for your testimony. We are adjourned.

20 (proceedings concluded at 7:32 p.m.)

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