

Exhibit:  
Issue: Retiree Health Insurance  
Witness: Glenn Rhoads  
Type of Exhibit: Rebuttal  
Sponsoring Party: Intervenor Retirees  
Case No.: EM-2000-369  
Date Prepared: June 19, 2000

FILED

JUN <sup>22</sup>~~21~~ 2000 *nh*

Missouri Public  
Service Commission

Before the Public Service Commission  
of the State of Missouri

Rebuttal Testimony

of

Glenn Rhoads

June 2000

**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.                                     )

**AFFIDAVIT OF GLENN RHOADS**

STATE OF MISSOURI         )  
                                      )       ss.  
COUNTY OF JASPER         )

Glenn Rhoads, of lawful age and being first duly sworn, deposes and states:

1.     My name is Glenn Rhoads. I am a retiree of Empire District Electric.
2.     Attached hereto and made a part hereof for all purposes is my Rebuttal Testimony consisting of pages 1 through 4.
3.     I hereby swear and affirm that my statements contained in the attached testimony are true and correct to the best of my knowledge and belief.

  
Glenn Rhoads

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

  
Notary Public

My Commission Expires: ~~MARSHA ANN RUIZ~~, Notary Public  
State of Missouri, Jasper County  
My Commission Expires Sept. 28, 2002

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI  
REBUTTAL TESTIMONY OF GLENN RHOADS  
ON BEHALF OF INTERVENOR EMPIRE RETIREES**

**CASE NO. EM-2000-369**

1     Q.     Please state your name.

2     A.     Glenn D. Rhoads.

3     Q.     Please state your age.

4     A.     72 years old.

5     Q.     Please state your current occupation or if retired.

6     A.     Retired.

7     Q.     Who was your former employer?

8     A.     Empire District Electric Company.

9     Q.     For how long were you an employee of Empire District Electric?

10    A.     43 years.

11    Q.     When did you retire?

12    A.     1993.

13    Q.     Could you summarize the purpose of your testimony.

14    A.     To give my history with Empire District Electric and why I chose to work there and continue  
15           there until retirement. Then to discuss the benefits Empire District Electric gives its retirees.  
16           Finally, to oppose the proposed stripping of retiree benefits under the proposed merger. In  
17           the 1950's employees paid their insurance - preferred Blue Cross. Four years later, company  
18           went self-insured as it was cheaper. Put down roots with wife and five children. We cannot

1 maintain our standard of living as we know it with this merger. The unknown bothers me  
2 a great deal.

3 Q. When did you become aware of the proposed merger between Empire District Electric and  
4 Utilicorp?

5 A. August 2, 1999.

6 Q. How did you become aware of the proposed merger?

7 A. Stockholders meeting - voted no on my shares.

8 Q. When were you aware that the merger had to be approved by the Missouri Public Service  
9 Commission?

10 A. Yes, for all four states.

11 Q. Did you ever receive notice that you needed to intervene before the Public Service  
12 Commission by January 14, 2000?

13 A. No. I had no way of knowing about intervention.

14 Q. Going back to your employment with Empire District Electric, why did you go to work for  
15 Empire District Electric?

16 A. Great people, clean air, clean water, one child, owned my house, followed construction first  
17 two years and had to settle in one place.

18 Q. Were there opportunities to leave Empire District Electric for a better salary?

19 A. Yes. Kansas City Elect Construction; Black & Veach, Saudi Arabia.

20 Q. Why did you not take those other jobs?

- 1 A. Family did not want to move.
- 2 Q. What part of the retirement benefits were of importance to you?
- 3 A. All of them were important to me. I never thought it was right to allow officials the greater  
4 part of the retirement system.
- 5 Q. Could you discuss the current retirement benefits to which you are entitled?
- 6 A. I now pay \$25.25 per month or \$303.00 per year for health insurance. If this merger floats  
7 as I understand it, it will cost me \$400.00 per month in six years.
- 8 Q. How does the retiree medical insurance compare to other retirement plans you are aware of?
- 9 A. Probably one of the best in the state. I never had reason to check any others.
- 10 Q. How important is the medical insurance to you?
- 11 A. With the health problems my wife and I have it is of utmost importance to me.
- 12 Q. What is your current income?
- 13 A. \$50,000.00 per year. \$28,000.00 for me and the other for Mary Ann.
- 14 Q. What is your payment on the medical insurance?
- 15 A. \$25.25 per month at this time.
- 16 Q. Do you know what amount Empire District Electric pays for your medical insurance?
- 17 A. I pay 10% and they pay 90% at this time.
- 18 Q. Could you afford to pay the full premium amount for the medical insurance?
- 19 A. No, not really. This merger will also change our drug program. Mary Ann is a cancer  
20 survivor and has heart problems.

Rebuttal Testimony:  
Glenn Rhoads

1 Q. Are you aware of what will happen to the current medical insurance under the proposed  
2 merger?

3 A. Yes. It will have an adverse impact on u s.

4 Q. How did you first become aware of the effect on your benefits of the proposed merger?

5 A. By meeting and talking with other retirees.

6 Q. When was that?

7 A. Off and on over the last two months.

8 Q. What would the effect of this change be on you and other retirees?

9 A. I believe these changes will have dire effects on us, but nothing compared to the older,  
10 earlier retirees with less resources.