

In the Matter of:

THE APPLICATION OF KCP&L GREATER MISSOURI OPERATIONS COMPANY, etc.

EO-2019-0244, VOL. III

October 17, 2019



www.tigercr.com 573.999.2662

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

BEFORE THE PUBLIC SERVICE COMMISSION

STATE OF MISSOURI

TRANSCRIPT OF PROCEEDINGS

Evidentiary Hearing

October 17, 2019

Jefferson City, Missouri

Volume 3

In The Matter Of The) File No. EO-2019-0244
Application of KCP&L Greater)
Missouri Operations Company For)
Approval Of A Special Rate For)
a Facility Whose Primary)
Industry Is The Production Or)
Fabrication Of Steel In Or)
Around Sedalia, Missouri)

MORRIS L. WOODRUFF, Presiding
CHIEF REGULATORY LAW JUDGE
RYAN A. SILVEY, Chairman,
WILLIAM P. KENNEY,
DANIEL Y. HALL,
SCOTT T. RUPP,
COMMISSIONERS

REPORTED BY:
Tracy Taylor, CCR No. 939
TIGER COURT REPORTING, LLC

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A P P E A R A N C E S

ROGER W. STEINER
Kansas City Power & Light Company
1200 Main, 16th Floor
Kansas City, Missouri 64105
816.556.2791
FOR: Evergy Missouri West, Inc. d/b/a Evergy
Missouri West (f/k/a KCP&L Greater
Missouri Operations Company)

JAMES M. FISCHER
Fischer & Dority, PC
101 Madison, Suite 400
Jefferson City, Missouri 65101
573.636.6758
FOR: Evergy Missouri West, Inc. d/b/a Evergy
Missouri West (f/k/a KCP&L Greater
Missouri Operations Company)

STEPHANIE S. BELL
Ellinger and Associates, LLC
308 E. High Street, Suite 300
Jefferson City, Missouri 65101
573.750.4100
FOR: Nucor

MICHAEL K. LAVANGA
Stone Mattheis Xenopoulos & Brew, PC
1025 Thomas Jefferson Street, N.W.
8th Floor, West Tower
Washington, D.C. 20007
202.342.0800
FOR: Nucor

DAVID WOODSMALL
308 E. High Street, Suite 204
Jefferson City, Missouri 65101
573.636.6006
FOR: Midwest Energy Consumers Group

CALEB HALL
Department of Commerce & Insurance
200 Madison Street, Suite 650
PO Box 2230
Jefferson City, Missouri 65102
573.526.1445
FOR: Office of the Public Counsel

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

KEVIN A. THOMPSON
Department of Economic Development
200 Madison Street, Suite 800
PO Box 360
Jefferson City, Missouri 65102-0360
573.526.4887
FOR: Staff of the Missouri Public Service Commission

1 JUDGE WOODRUFF: We're here for the
2 evidentiary hearing in the matter of the application
3 of KCPL Greater Missouri Operations Company for
4 approval of a special rate for a facility whose
5 primary industry is the production or fabrication of
6 steel in and around Sedalia, Missouri, File Number
7 EO-2019-0244.

8 We'll start the day off by taking entries
9 of appearance beginning with Evergy Missouri West.

10 MR. FISCHER: Thank you, Judge. Let the
11 record reflect the appearance of Roger W. Steiner and
12 James M. Fischer on behalf of the Company.

13 JUDGE WOODRUFF: And I will add that
14 there might be a little confusion in this case with
15 the name of the company. Do you want to be Evergy
16 Missouri West or do you want to be GMO?

17 MR. FISCHER: I was going to mention that
18 in my opening and just indicate if we slip into using
19 GMO again, just note that the change -- the name has
20 changed and it's really Evergy West Missouri. But I
21 think our testimony reflects GMO yet and that's
22 probably where we'll end up talking today.

23 JUDGE WOODRUFF: Okay. Very good.
24 For Nucor?

25 MS. BELL: Yes, Your Honor. It's

1 Stephanie Bell and Mike Lavanga for Nucor, and the
2 court reporter has our information.

3 JUDGE WOODRUFF: And for the Staff.

4 MR. THOMPSON: Kevin A. Thompson for the
5 Staff of the Missouri Public Service Commission, Post
6 Office Box 360, Jefferson City, Missouri 65109.

7 JUDGE WOODRUFF: And for Public Counsel.

8 MR. HALL: Good morning. Caleb Hall
9 appearing on behalf of the Office of Public Counsel.
10 I have previously given my contact information to the
11 court reporter.

12 JUDGE WOODRUFF: For MECG.

13 MR. WOODSMALL: David Woodsmall appearing
14 on behalf of Midwest Energy Consumers Group.

15 JUDGE WOODRUFF: All right. I don't
16 believe there's any preliminary matters to be
17 addressed at this point, so we'll go to opening
18 statements.

19 MR. STEINER: Do you want to pre-mark
20 exhibits, Judge?

21 JUDGE WOODRUFF: There's only four of
22 them, I believe. So we'll just wait and do them as
23 they come.

24 MR. STEINER: We were also going to enter
25 the stipulation. Is that something that you want to

1 have order-- entered?

2 JUDGE WOODRUFF: Well, it's up to you, if
3 you want. I mean, it's -- it's an evidentiary
4 decision.

5 MR. STEINER: Okay.

6 JUDGE WOODRUFF: In fact, now that I
7 think of it, let's go ahead and I'll go off the record
8 for a moment while you go ahead and mark those four
9 exhibits and then we'll get them out of the way -- or
10 five exhibits.

11 (Off the record.)

12 (Company Exhibits 1, 2P, 2C, 3, 4, 5P and
13 5C were marked for identification.)

14 JUDGE WOODRUFF: Okay. Let's go ahead
15 and get started with opening statements, beginning
16 with Evergy.

17 MR. FISCHER: Thank you, Judge. May it
18 please the Commission. My name is Jim Fischer. Roger
19 Steiner and I will be representing the Company today
20 in this proceeding.

21 I should note though that effective
22 October 7th of this year, Evergy Missouri West, Inc.,
23 doing business as Evergy Missouri West, adopted the
24 service territory of KCPL Greater Missouri Operations
25 Company or what we refer to as GMO. Some of the

1 testimony refers to GMO in the record and we may slip
2 back into referring to the Company occasionally as
3 GMO, but -- but just please note that the actual name
4 has changed.

5 This case involves the Company's request
6 for authority for a special incremental load rate for
7 a steel production facility in Sedalia, Missouri owned
8 by Nucor Se-- Nucor Steel Sedalia, LLC.

9 I think attracting Nucor to Missouri was
10 a very significant economic win for our state. The
11 ability of the state of Missouri and Sedalia to win
12 the project over the competition from multiple other
13 aggressive states I think exemplifies the
14 public/private partnership approach to economic
15 development in Missouri. The -- the success is
16 expected to have a ripple effect on other projects
17 considering locating in our state and in the Midwest.

18 Finally, the Nucor expansion into Sedalia
19 will create a local opportunity for many businesses
20 because, you know, local businesses follow the jobs.
21 Nucor will invest approximately 250 million dollars to
22 build a steel bar micro mill in Sedalia, a substantial
23 portion of which has already been completed.

24 This is a new project to Missouri. When
25 it's completed and commercially operational, it's

1 expected that the Nucor facility will create more than
2 250 well-paying jobs. These jobs are permanent,
3 full-time and they have average wages that are about
4 65,000 dollars a year, which is about twice the
5 average for the county of Pettis.

6 Nucor broke ground on the Sedalia
7 facility in late April of 2018 and is expected to be
8 ready to begin commercial operations in the first
9 quarter of 2020.

10 Now, the price of electricity comprises a
11 substantial component of the steel manufacturer's cost
12 of doing business. Therefore, a competitive
13 electricity rate is very important to a steel
14 manufacturer like Nucor and represented a primary
15 factor in their decision to locate in Sedalia.

16 In order to provide a competitive
17 electricity rate, the Company offered an attractive
18 rate structure to make the Missouri business case for
19 Nucor even more competitive. The Company and Nucor
20 have entered into a contract for a special rate based
21 upon the provisions of a new tariff, the Company's
22 special rate for incremental load tariff. And we're
23 seeking, in this proceeding, approval of the Nucor
24 contract and the tariff.

25 The details of the incremental cost and

1 rate are contained in the Direct Testimony of Darrin
2 Ives on page 10. While the in-- that information is
3 confidential, I can say that the Company will more
4 than recover its incremental cost and make a
5 meaningful contribution to the recovery of fixed costs
6 and thereby reduce rates paid by all other customers.

7 There will also be other benefits to the
8 Company's other customers. These benefits include an
9 increase in the number of residential customers that
10 will result from the addition of the 250 jobs at Nucor
11 and the addition of new jobs that will be created in
12 the Sedalia area by businesses that will be providing
13 services and supplies to Nucor.

14 Now, if one were to conservatively
15 estimate that half of the Nucor jobs and half of the
16 local business jobs were -- were new people coming
17 into town, that would indicate that -- and assuming
18 they're all residential, the additional revenues
19 associated with that new job growth would be about
20 261,000 dollars annually; a portion of which would,
21 again, offset the fixed costs borne by the other new
22 non-Nucor customers.

23 On September 19th of this year, the
24 Company, Nucor and the Commission Staff entered into a
25 Non-unanimous Stipulation and Agreement that

1 recommends the approval of the Nucor contract and the
2 special incremental load tariff. The Office of Public
3 Counsel did not sign, but it did not object to the
4 stipulation.

5 The Midwest Energy Consumers Group,
6 however, is an objecting party. Under the terms of
7 the stipulation, there will be extensive monitoring
8 and reporting of the costs and the revenues. Over the
9 course of the ten-year contract, we expect to yield a
10 profit that will contribute to the recovery of the
11 Company's fixed costs and, therefore, reduce the rates
12 paid by all customers. The expected profits from the
13 ten-year contract are addressed in the confidential
14 version of Darrin Ives Direct Testimony, again on page
15 10.

16 There are also significant customer
17 protections to ensure that other customers are not
18 adversely affected by the Nucor contract or its
19 operation. The specifics of those protections and --
20 are contained in paragraph 7 and paragraph 8 of the
21 stipulation. And I thought Mr. Thompson's position
22 statement did a very good job of laying out those
23 customer protections, if you want to look there.

24 The Commission Staff and other parties
25 will be kept informed through detailed and regular

1 reporting commitments. The anticipated reporting
2 format is included in Exhibit 1 to the stipulation and
3 it will include the following. It will include,
4 first, the Company will identify and isolate the plant
5 costs to provide service to Nucor, and the Company
6 will also identify and isolate the supply costs
7 attributable to Nucor.

8 These are expected to include the energy
9 as obtained through the SPP integrated marketplace and
10 all transactions associated with the renewable supply
11 source, which will be a designated wind facility for
12 Nucor. As a result, this special contract promotes
13 the State's policy in favor of renewable energy.

14 The Company will monitor Nucor's
15 operations and will identify additional SPP-related
16 costs resulting from unexpected operational events.
17 If these unexpected operational events would happen to
18 increase costs to non-Nucor customers, the amount of
19 the increased costs will be identified and reflected
20 in the subsequent FAC rate changes and appropriate
21 adjustments would be made.

22 Now, at the time of a general rate case,
23 the portion of the Company's revenue requirement
24 associated with the incremental cost net of the wind
25 PPA revenues to serve Nucor would be assigned to

1 Nucor. And the amount by which the Nucor's rate
2 revenues exceed the incremental cost would be used to
3 lower the rates are reflected in the revenue
4 requirement and that would lower rates to other
5 customers.

6 Now, if Nucor's revenues do not exceed
7 the incremental costs to serve Nucor, the Company will
8 make an additional revenue adjustment covering the
9 shortfall in the revenue requirement. This will
10 ensure that non-Nucor customers will be held harmless
11 from the effects of serving Nucor.

12 In other words, we expect this to be a
13 profitable contract that will benefit all customers,
14 but in no event will any revenue deficiency from the
15 Nucor operations be reflected in the rates of other
16 customers.

17 There will also be communication between
18 Nucor and the Company related to things like planned
19 outages, maintenance outages and similar operational
20 details that the Company will be in a position to
21 carefully monitor what's going on at the plant and
22 what effects that would have on its electric system.

23 Now, after the stipulation was filed,
24 Mr. Woodsmall, on behalf of his incorporated entity
25 the Midwest Energy Consumers Group, filed an objection

1 to the stipulation. It's my understanding that MECG
2 is not opposing the rate that Nucor will receive under
3 the contract. Instead, he's opposing GMO's right to
4 request the special incremental load tariff and enter
5 into a contract that provides the Company an
6 opportunity to make a profit and ultimately provide
7 the opportunity to share that profit with customers in
8 the future.

9 He may raise the point that GMO did not
10 propose to use the tracker that's provided in Section
11 393.355, but this is a red herring because the Company
12 did not file its case under the provisions of Section
13 393.355. According to subsection 2 of that statute,
14 this statute is specifically designed for situations
15 where the special contract is -- and I'll quote -- not
16 based upon an electric company's cost-of-service for a
17 facility. In our case, it is based upon the Company's
18 cost of serving the Nucor facility.

19 Mr. Ives also explains in his testimony
20 that Section 393.355 was an effort to reopen the
21 Noranda aluminum smelter plant in southeast Missouri
22 and to generally make Missouri attractive to aluminum
23 and steel production industries. It was specifically
24 designed for the Noranda situation where there was no
25 need for new investment. And since that investment

1 already existed, it was already in the rate-base of
2 the serving public utility.

3 Although the statute indicates that it's
4 intended to have a broader applicability than just
5 that, it's technically deficient in the situation like
6 we have with Nucor. The Company here is making an
7 18 to 20 million dollar investment in new facilities
8 and it will need to be able to earn a return on those
9 investments.

10 Subsection 21 of that -- of 355 would not
11 allow an increase in the net income of the Company,
12 which would mean that the Company would not be
13 recovering its investment in the new facilities
14 necessary to serve Nucor. Nor would that special rate
15 be covering the incremental cost of making a
16 contribution to the fixed cost which helps to keep
17 rates lower for other customers.

18 KCPL and GMO both have had, over the
19 years, many special contracts approved by the
20 Commission under your general rate-making authority.
21 Usually that's -- the authority is cited as Section
22 393.150, subsection 1, and 393.140, subsection 11, as
23 well as the general statute 393.130.

24 The fact that Section 393.355 gives the
25 Commission additional rate-making authority under

1 appropriate circumstances does not preclude the
2 Commission from exercising its normal rate-making
3 authority to approve special contracts as it's done
4 for years.

5 There's nothing in Section 355 that
6 states that it's the exclusive or the only means by
7 which the Commission has the authority to approve a
8 special rate outside of a rate case. Section 393.355
9 is, in my mind, just another tool in the -- in the
10 Public Service Commission's toolbox for dealing with
11 these special contracts. These statutes can be
12 clearly harmonized and both given affect as required
13 by case law.

14 The Commission has often exercised that
15 authority under Section 393.140 and 393.150 to approve
16 special contracts in the past. And we've -- we've
17 cited several there. The GS Technology's case, the
18 ARMCO Steel special contract, and the more recent
19 special contracts approved as a part of KCPL's
20 comprehensive energy plan. And we're requesting that
21 the Commission exercise that traditional rate-making
22 authority to approve the Nucor contract and the tariff
23 in this case.

24 The Company will be sponsoring three
25 witnesses today: Mr. Darrin Ives, the vice president,

1 regulatory affairs for the Company; Mr. Mark
2 Stombaugh, director of Regional Engagement Division of
3 the Missouri Department of Economic Development; and
4 Ms. Jessica L. Craig, the executive director of
5 Economic Development, Sedalia-Pettis County.

6 And as our first witness today, Nucor
7 will sponsor Mr. Kevin Van de Ven, the vice president
8 and general manager of Nucor Sedalia, LLC. Now, we
9 appreciate the fact he's going to be participating by
10 phone since he's currently in Europe observing the
11 construction of manufacturing equipment for use at the
12 Sedalia plant.

13 These witnesses will be happy to answer
14 your questions, but in conclusion, the Company's
15 requesting the Commission approve the Nucor contract
16 and its special rate for incremental load tariff with
17 the additional customer protections that are included
18 in the Non-Unanimous Stipulation and Agreement signed
19 by the Staff, Nucor and the Company. Thank you.

20 JUDGE WOODRUFF: Any questions for
21 Mr. Fischer? Mr. Chairman?

22 COMMISSIONER KENNEY: I have none, thank
23 you.

24 JUDGE WOODRUFF: Commissioner Hall?

25 BY COMMISSIONER HALL:

1 Q. Good morning.

2 A. Good morning.

3 Q. You noted that this Commission has
4 approved a number of special contracts for the Company
5 in -- in the past. Were any of those special
6 contracts approved outside of a general rate case?

7 A. Yes.

8 Q. Could you -- could you elaborate on that?

9 A. I think the ARMCO Steel case was approved
10 outside of contract. I think the GST Technology case
11 also. And then the special contracts that I mentioned
12 were -- let me give you the case number. Related to
13 the -- the comprehensive energy plan, that was --
14 those were EO-2006-0193, the steel contract was
15 EO-78-227. And I don't have the number on the GST
16 Technologies, but that was -- that was the subject of
17 the court appeal. So many of those are outside the
18 context of rate cases.

19 Q. Okay. What harm would occur from your
20 perspective, from the Company's perspective, if you
21 had made this request under 393.355?

22 A. Well, several things. The --

23 Q. I understand your argument that you think
24 it's inapplicable because the -- because it is based
25 on the electric corporation's cost-of-service. But

1 putting that aside for a moment -- and I want to ask
2 more about that, but putting that aside, what harm
3 would --

4 A. Well, several things. As I mentioned,
5 the Company's making an 18 to 20 million dollar
6 investment there at the plant. It does need to get a
7 return on that. This mechanism would allow them to do
8 that and then the amount above of the incremental
9 costs would be used to keep other company's rate --
10 ratepayers' rates lower. If you used -- if you use --

11 Q. Let me stop you there for a second.

12 A. Yes, sir.

13 Q. Because I think that's really important
14 what you're -- so your -- your -- your position -- the
15 Company's position is that the 18 to 20 million dollar
16 investment which will be necessary to provide service
17 to this customer, under -- if -- if you used the House
18 Bill 1 special rate, under Section 3, the Company
19 would not be allowed to recover on that investment?

20 A. Yes. As I understand that, net income
21 could not go up or go down as a result of that. And
22 that would keep the Company from being -- earning a
23 return on that 20 million dollars. That's -- that's a
24 fundamental problem, but there are other things too
25 that concern us.

1 Q. Would that -- well, I mean, that's a
2 pretty big one though.

3 A. Definitely. It's a major one.

4 Q. Would -- would -- would the Company's
5 inability to get a return on that investment just be
6 until the next rate case, or would it be beyond the
7 next rate case?

8 A. I don't know that that statute's been
9 employed, so I'm not sure --

10 Q. Right.

11 A. -- how it would be interpreted. It could
12 be interpreted there's just no income increase at all,
13 but I would hope -- I would hope that even if you
14 didn't get a return on it in the interim, you'd --
15 you'd at least get to do it in the rate case --

16 Q. I would think so --

17 A. -- but I don't know how it would be
18 interpreted.

19 Q. I would think so as well, because you --
20 you would just put that amount in --

21 A. I mean it would be a substantial problem
22 if it -- under that -- if you -- if you had to keep
23 net income zero throughout the entire life of that
24 plant.

25 Q. Yeah. I -- I can't imagine that would be

1 the result. But it is clear that between now and the
2 next rate case, the Company would not be able to get a
3 return on that 18 to 20 million dollar investment?

4 A. And there would be no profit on that as a
5 result that would be used to keep ratepayers' rates
6 lower. In the event there was actually a loss, it
7 could be interpreted that you would socialize that to
8 the other ratepayers.

9 Q. And under 564 it couldn't be -- it
10 wouldn't qualify under PISA because it's bringing in
11 new revenue. Correct?

12 A. I hadn't thought about that, but that
13 would be another issue.

14 Q. Okay. Thank you. Well, actually so you
15 were -- you were giving other reasons, other potential
16 harm and I -- and I stopped you with -- with the first
17 one.

18 A. Well, I think one of the major benefits
19 is that we are going to have a profitable contract
20 here that is going to benefit not only the Company but
21 other ratepayers. I think you can interpret the no
22 net income increase or decrease as indicating that if
23 you had a loss on a contract, it would have to be
24 socialized by the other ratepayers and paid for by
25 other classes of service. We don't think that's what

1 we want to do here and that's -- that would be a
2 concern.

3 Q. Okay. Thank you.

4 JUDGE WOODRUFF: Thank you.

5 Next then, we'll move to Nucor.

6 MR. LAVANGA: May it please the
7 Commission. My name is Mike Lavanga with the law firm
8 of Stone Mattheis Xenopoulos and Brew. My partner,
9 Pete Mattheis, and I are representing Nucor Steel
10 Sedalia in this case, along with our co-counsel,
11 Stephanie Bell of Ellinger and Associates.

12 I would also like to introduce Trevor
13 Saunders, the melt shop manager at Nucor Sedalia, and
14 John Kinter, the environmental manager at Nucor
15 Sedalia who are with us at the hearing today.

16 At the outset, we would like to express
17 our appreciation to the Commission and the other
18 parties for agreeing to allow Kevin Van de Ven's
19 appearance by telephone today. Mr. Van de Ven is the
20 vice president and general manager of Nucor Sedalia.
21 He is overseeing the construction of the plant and
22 will be charge -- in charge of the plant once it is up
23 and running. Mr. Van de Ven is currently in Italy
24 observing the testing of equipment needed for the
25 plant and regrets not being able to be here in person.

1 Power supply for the steel mill is a
2 critical issue though and Mr. Van de Ven recognizes
3 the importance of this hearing and the need for the
4 Commission to hear from him directly. So, again, we
5 appreciate that the Commission was able to facilitate
6 Mr. Van de Ven's appearance by phone and Mr. Van de
7 Ven looks forward -- looks forward to answering any
8 questions the Commission and the parties might have.

9 I'd like to start with a quick overview
10 of Nucor Corporation and Nucor Sedalia. Nucor
11 Corporation is the nation's largest steel maker.
12 Nucor is headquartered in Charlotte, North Carolina
13 and has facilities engaged in the manufacture of steel
14 and steel products located throughout the country.

15 Among these facilities are 21 steel mills
16 that employ electric arc furnaces to melt and recycle
17 scrap steel into new steel products. In addition to
18 being the largest steel maker in the United States,
19 Nucor is also the largest recycler in North America.

20 The newest steel mill in Nucor's fleet is
21 nearing completion just about an hour away down the
22 road in Sedalia. When completed, the plant will
23 provide over 250 full-time jobs. Nucor Sedalia will
24 produce steel rebar for the regional market
25 encompassing Missouri, Kansas and the surrounding

1 states.

2 At this point Nucor expects to start
3 operations and testing at the plant before the end of
4 the year and expects to start full commercial
5 operations in the first quarter of 2020. The need to
6 have the rate approved and in place prior to the start
7 of commercial operations meant that we and GMO had to
8 ask for an expedited procedural schedule. We really
9 appreciate the willingness of all the parties and the
10 Commission to recognize the significance of this
11 project and to accommodate the schedule in the case.

12 It should be noted that while Nucor
13 Sedalia will be Nucor's first electric arc furnace
14 steel mill in Missouri when it is completed, it is not
15 Nucor's only facility in the state. Other Nucor
16 facilities include Nucor LMP Steel in Maryville; Nucor
17 St. Louis Cold Drawn; Harris Steel, a subsidiary of
18 Nucor has facilities in St. Louis and Kansas City; and
19 Nucor Scrap Steel affiliate David J. Joseph Company
20 has several facilities located throughout the state of
21 Missouri. These other Nucor facilities currently
22 provide hundreds of jobs throughout the state.

23 Because electric arc furnace steel making
24 is extremely energy intensive, electric costs are
25 typically among the highest variable costs at Nucor

1 steel mills.

2 Nucor -- the Sedalia facility will be no
3 exception. Nucor Sedalia will use massive amounts of
4 electricity at a cost of millions of dollars a year.
5 For this reason, the availability of a competitive
6 long-term electric rate was a critical factor in
7 Nucor's decision to site the plant in Sedalia.

8 Nucor is appreciative of the efforts of
9 the parties involved in bring the new plant to
10 Sedalia, including the Governor's office, Pettis
11 County, the City of Sedalia, the Missouri Departments
12 of Economic Development, Natural Resources, Revenue
13 and Transportation, Sedalia-Pettis County Economic
14 Development, and KCP&L GMO.

15 As part of the negotiations with the
16 Missouri team, GMO committed to provide a rate with
17 the pricing and the term that Nucor needed to come to
18 Sedalia. And as Mr. Van de Ven testifies, Nucor would
19 not have selected the Sedalia site without this
20 commitment.

21 In late 2017, soon after Nucor publicly
22 announced that it was coming to Sedalia, Nucor and GMO
23 began negotiating the power supply agreement in
24 earnest. The negotiations resulted in the power
25 supply agreement and rate schedule SIL that were filed

1 in this case in July. The power supply agreement
2 meets Nucor's needs in term of price, term and rate
3 design.

4 After several weeks of discussion
5 following the filing, the Commission Staff, GMO and
6 Nucor entered into the stipulation that was filed on
7 September 19th. The Office of Public Counsel did not
8 object. Under the stipulation, the settling parties
9 recommend that the Nucor contract and rate be approved
10 and affirms the operational communication commitments
11 included in the Nucor contract.

12 The stipulation also sets out mechanisms
13 that will be used by GMO, Staff and OPC to monitor and
14 report costs and revenues associated with the Nucor
15 contract and address how the contract will be treated
16 for purposes of rate-making. With the objection of
17 M-- MEEG, the stipulation becomes the joint position
18 of the Staff, GMO and Nucor.

19 Nucor respects -- respectfully requests
20 that the Commission approve the application of GMO
21 consistent with the terms and conditions in the
22 stipulation.

23 In conclusion, Nucor is pleased to be
24 here today and is excited to be opening its new steel
25 mill in Sedalia. The project has already brought many

1 jobs to the Sedalia area and we think that the
2 permanent jobs at the plant, along with the additional
3 investment in economic development activities directly
4 and indirectly related to the plant, will benefit
5 Sedalia, Pettis County and the state of Missouri for
6 years to come. Thank you.

7 JUDGE WOODRUFF: Thank you.

8 Any questions, Mr. Chairman?

9 CHAIRMAN SILVEY: Briefly.

10 BY CHAIRMAN SILVEY:

11 Q. Thank you, sir. When Nucor initially
12 sought the special rate, was it due to the language in
13 House Bill 1 or the publicity around House Bill 1, or
14 has it always been the Company's understanding that
15 this would be sought under the Commission's general
16 rate-making authority?

17 A. Chairman Silvey, I don't think we --
18 Nucor had a -- a understanding one way or the other in
19 terms of -- of House -- of 355. We -- we understood
20 that the -- that statute had been passed, but we -- we
21 were not -- our concern -- Nucor's concern was getting
22 the rate it needed. And whatever mechanism that --
23 that GMO thought would work best, we thought we -- we
24 would be okay with.

25 We -- the -- we -- again, we did

1 understand that 355 was on the books. It created a --
2 a -- a environment that seemed to be welcoming to new
3 investment in these types of facilities, but it
4 wasn't -- our -- Nucor's agreement to come to Sedalia
5 didn't -- didn't hinge on 355 or having a contract
6 under 355.

7 Q. Okay. Thank you.

8 JUDGE WOODRUFF: Commissioner Kenney?

9 COMMISSIONER KENNEY: No questions.

10 Thank you.

11 JUDGE WOODRUFF: Commissioner Hall?

12 COMMISSIONER HALL: No questions. Thank
13 you.

14 JUDGE WOODRUFF: Thank you very much
15 then.

16 MR. LAVANGA: Thank you.

17 JUDGE WOODRUFF: And we'll move to Staff.

18 MR. THOMPSON: Good morning. May it
19 please the Commission.

20 You have heard in some detail a
21 description by the Company and by Nucor of the
22 agreement that they have made of the rate at which GMO
23 has agreed to provide power to Nucor under the
24 proposed SIL tariff and about the significant economic
25 benefits that the Nucor special contract and the SIL

1 tariff will deliver to Sedalia, Pettis County and the
2 state of Missouri.

3 You have also heard what Staff considers
4 to be the most salient feature of this proposal, which
5 is that while the anticipated benefits will be shared
6 with the ratepayers, the detriments, should there be
7 any, will be borne by GMO's shareholders.

8 It is a remarkable thing when a utility
9 proposes a new venture in which the risk of loss is
10 borne by the shareholders. It is even more remarkable
11 when that occurs in an economic development context in
12 which the ratepayers are generally expected to provide
13 a subsidy in order to allow some worthwhile venture to
14 go forward.

15 Staff understands this provision as a
16 sure token that GMO does not expect any loss. This
17 provision made it very easy for Staff to simply accept
18 GMO's proposal. It is a win-win for GMO's ratepayers.
19 They will share the benefits of success, but they will
20 not share the risk of failure.

21 The tariff and special contract are not
22 proposed under Section 393.355, as you have heard.
23 That provision contains features that are unattractive
24 to the Company, as Mr. Ives explains in his testimony
25 and as Mr. Fischer has explained in his opening

1 statement.

2 It also contains a feature that is
3 unattractive to Staff. I refer to subsection 2,
4 part 2, which provides after approval of the special
5 rate, the Commission allocates in each general rate
6 proceeding of the electrical corporation serving the
7 facility the reduced revenues from the special rate as
8 compared to the revenues that would have been
9 generated at the rate the facility would have paid
10 without the special rate, to the electrical
11 corporation's other customers through a uniform
12 percentage adjustment to all components of the base
13 rates of all customer classes.

14 In other words, under Section 393.355,
15 the ratepayers are on the hook. The ratepayers are
16 required -- required -- to subsidize the special rate.
17 You heard Mr. Fischer say that gosh, maybe the
18 ratepayers would be on the hook. No, the language of
19 the statute makes it clear. The ratepayers are on the
20 hook. And that is the feature that makes Staff choose
21 this proposal, which is outside of 393.355, over a
22 proposal under that section.

23 Under the proposed tariff and special
24 contract that's before you today, the ratepayers are
25 not required to provide any subsidy. In fact, they

1 are held harmless in the event of any revenue
2 deficiency. That is, as I have already said, a
3 remarkable thing and Staff urges the Commission to
4 approve the proposed tariff and special contract.

5 Section 393.355 authorizes a special rate
6 for steel smelters, but nowhere provides that it is
7 the exclusive means by which a steel smelter may
8 obtain an economic development rate.

9 The proposed SIL tariff and the Nucor
10 special contract are before you under 393.150, your
11 general authority for considering and approving new
12 rates or charges, new forms of contracts or
13 agreements, new rules, regulations or practices
14 relating to any rate, charge or service.

15 Economic development rates and special
16 contracts, in fact, are not unusual. Every electric
17 company in this state has an economic development
18 tariff of one sort or another or perhaps more than
19 one. And special contracts, as you heard from
20 Mr. Fischer, already have existed and continue to
21 exist without the authority of 393.355.

22 Because this is a new service offering,
23 the proposed SIL tariff is not required to be
24 introduced in a general rate case. The consideration
25 of all relevant factors is not required. The

1 prohibition on single issue rate-making does not
2 apply.

3 Section 393.130 requires rates to be just
4 and reasonable. One aspect of just and reasonable
5 rates is that they are neither unduly preferential nor
6 unduly discriminatory with respect to any customer or
7 class of customers.

8 As a matter of law, the Commission has no
9 authority to approve discriminatory rates. The fixing
10 of just and reasonable rates involves a balancing of
11 investor interests and consumer interests and the
12 making of pragmatic adjustments. In determining
13 rates, a regulatory body is not bound to the use of
14 any single formula or combination of formulas.

15 In the final analysis, it is not the
16 methodology or theory used, but the impact of the rate
17 order which determines whether the rates are just,
18 reasonable, lawful and non-discriminatory.

19 Nucor will be GMO's largest single
20 customer. Under the SIL tariff, Nucor will be in a
21 customer class by itself. Neither the proposed SIL
22 tariff nor the Nucor special contract is unduly
23 preferential or unduly discriminatory because the
24 difference in treatment according to Nucor relates to
25 the difference in service taken by that customer.

1 As I said, this is a remarkable
2 proposition for the reasons I've already described.
3 The special contract rate is in excess of the
4 incremental cost-of-service and, thus, is expected to
5 provide additional revenue which will reduce the
6 cost-of-service for all other GMO ratepayers.

7 Those ratepayers are held harmless in the
8 event of failure, in the event of a revenue
9 deficiency. They're not required to make it up. The
10 shareholders will eat it. It is a win-win for GMO's
11 ratepayers. And Staff, therefore, urges the
12 Commission to approve it subject to the conditions
13 contained in paragraphs 5 through 11 of the
14 Non-Unanimous Stipulation and Agreement. Thank you.

15 JUDGE WOODRUFF: Questions?

16 CHAIRMAN SILVEY: Briefly.

17 BY CHAIRMAN SILVEY:

18 Q. Thank you. So Staff is confident that
19 the Commission has the authority to approve this under
20 its general rate-making authority?

21 A. Yes, sir.

22 Q. And the cases that were referenced
23 previously, you believe those to be directly
24 applicable to this case?

25 A. I have not examined those cases yet, but

1 I certainly will as soon as we get out of here. But I
2 do believe the Commission has authority to approve
3 this tariff and this special contract.

4 Q. Okay. Thank you.

5 JUDGE WOODRUFF: Commissioner Kenney?
6 Commissioner Hall?

7 BY COMMISSIONER HALL:

8 Q. Good morning.

9 A. Good morning, sir.

10 Q. So looking at 393.355, sub 2 that you --

11 A. Yes, sir.

12 Q. -- that you highlighted a moment ago, if
13 the -- if the rate charged Nucor covered all of its
14 incremental costs, how under Section 2 do you think
15 that the reduced revenues would be allocated?

16 A. The rate proposed for Nucor will cover
17 incremental costs. It will not cover all costs in a
18 traditional cost-of-service sense. So that's the
19 differential. The rate that is provided to Nucor
20 compared to the rate that would have been charged
21 under traditional cost-of-service rate-making, the
22 Nucor rate's going to be below that.

23 Nucor is -- is going to provide a
24 contribution to fixed costs, but it's not going to
25 carry its full allocated share of fixed costs, the

1 full share that it would pay under traditional rates.
2 That's why it needs a special rate.

3 Q. Yeah. I understand all that and I agree
4 with all that. But I'm trying to understand your
5 position, Staff's position that Section 2 of this
6 statute would still require -- in the situation that
7 you just discussed, how that would allocate additional
8 costs to all other ratepayers in that scenario?

9 A. As I understand the statute, you would
10 take the rate that's charged Nucor and compare that to
11 the rate it otherwise would pay, calculate the
12 difference -- and that would be a difference over some
13 period of time, let's say annually -- and you would
14 then divide that and make a percentage adjustment to
15 every other class rate.

16 Q. So from -- from your perspective, this is
17 a provision that essentially makes the utility -- it
18 holds the utility harmless from a revenue requirement,
19 so it's going to increase everyone else's rates?

20 A. Yes.

21 Q. So that the utility will ultimately get
22 the rate that it would have received absent the
23 special rate?

24 A. Yes, sir. It requires a subsidy.

25 Q. And that would obviously be post-rate

1 case?

2 A. I think it would have to be.

3 Q. Okay. Thank you.

4 A. Thank you.

5 JUDGE WOODRUFF: All right. Thank you.

6 And then we'll move onto Public Counsel.

7 MR. HALL: May it please the Commission.

8 Good morning.

9 I find it odd to say this at this time as
10 an attorney, but I'm not actually going to have much
11 to say on this case. Office of Public Counsel has
12 taken no position. However, we -- I do want to say
13 that our office does support the special rate for
14 Nucor.

15 Instead, Public Counsel is here to listen
16 and ask questions. I invite this Commission to also
17 ask questions of the witnesses. Keep in mind you are
18 an investigatory body. If you believe the record is
19 lacking, you are free to call other witnesses and ask
20 them whatever questions you have at that time.

21 If you have any other questions of me,
22 that is all the time I'll take of you.

23 CHAIRMAN SILVEY: Briefly.

24 BY CHAIRMAN SILVEY:

25 Q. So you mentioned that you -- the Office

1 of Public Counsel does support the special rate?

2 A. That is correct.

3 Q. So do you concur with Staff and the
4 Company's position that the general rate-making
5 authority of the Commission is sufficient to approve
6 this rate?

7 A. That is a pointed question. And that's
8 actually particularly why we joined two different list
9 of issues because we believe that legal issue is the
10 key crux of this case.

11 I cannot honestly say that I concur. And
12 only because -- and I don't mean to quibble with you,
13 but I can't give a definitive answer to that question.
14 It is well recognized that the Commission would have
15 authority to generate a special rate within a rate
16 case. Economic development rider tariffs have -- have
17 ex-- have existed for some time.

18 What I struggle with is the Commission's
19 powers post-HB-1. A court could read HB-1 to be read
20 as a merely ancillary statute that could be elected at
21 a company's choosing. I struggle to read it that way
22 simply because it makes that entire special session
23 meaningless.

24 Q. Okay. So you definitively can't say that
25 the Commission does have the authority under the

1 general rate-making authority, but conversely, you
2 can't say that we don't?

3 A. What I'm -- what I'll say is we don't
4 have the case on point. In my review of the case law,
5 I -- this would be an issue of first impression. If
6 you were going to ask me honestly as an attorney
7 advising you on how the -- how a court would take it,
8 right now, I would say it's a toss up and I would have
9 to personally do more research on that point.

10 Q. But if you believed that we couldn't, you
11 would have opposed the special rate?

12 A. If our office definitively believed that
13 the Commission lacked that authority, we would need to
14 take that in consideration. And I don't mean to give
15 you a non-answer, but whether or not we would or would
16 not have opposed would have had to have been subject
17 to deliberations within our office.

18 Q. But where we are today, you have no
19 position?

20 A. Correct.

21 Q. Okay. Thank you.

22 JUDGE WOODRUFF: Commissioner Kenney?

23 COMMISSIONER KENNEY: No, thank you.

24 JUDGE WOODRUFF: Commissioner Hall?

25 COMMISSIONER HALL: No questions. Thank

1 you.

2 JUDGE WOODRUFF: We'll move to MECG.

3 MR. WOODSMALL: Good morning. David
4 Woodsmall appearing on behalf of the Midwest Energy
5 Consumers Group.

6 As an initial matter, I'd just like to
7 say, I hope Kip Smith is watching this. And I say
8 that in all seriousness because what we're hearing
9 from the signatories now is that the Commission had
10 the authority to do what Noranda wanted all along but
11 didn't do. And I'll get to that more.

12 As you know, MECG is opposing the
13 Non-Unanimous Stipulation filed by Staff, GMO and
14 Nucor. I don't want to lead with the impression that
15 because we objected to the stipulation, MECG is
16 opposed to economic development. Nothing is further
17 from the truth.

18 In fact, while none of the other
19 signatory parties testified in support, MECG testified
20 in support of House Bill 1, which created Section
21 393.355.

22 In fact, Chairman Silvey was carrying
23 that legislation and he may recall that I indicated in
24 my testimony there that we supported the legislation,
25 but that it was too narrowly focused. That by

1 limiting it to 50 megawatts of load, it eliminated so
2 many other customers. As -- as you heard, this steel
3 mill will be GMO's largest customer, but they still
4 don't reach that. So it should have been brought down
5 to five megawatts or something, if it wanted to truly
6 stimulate economic development. So MECG is in favor
7 of economic development.

8 Furthermore, in SB 564, while we didn't
9 support the entirety of that legislation, MECG
10 supported the economic development discounts that were
11 contained therein. And a couple of the companies that
12 support MECG are utilizing those discounts.

13 Finally, I'll tell you that MECG is
14 likely to propose legislation this year that will make
15 the SB 564 discounts permanent. It is our belief that
16 the Commission needs economic development authority.
17 The SB 564 authority is tailored only to the time
18 period that PISA is in effect. So it's going to go
19 away.

20 We believe you need that authority and
21 it's going to be our proposal to try and push
22 legislation that gives you that authority as a
23 permanent piece of legislation.

24 Just to be clear what our position is
25 today, we believe that Nucor should be given the

1 special rate in this case. Not only the special rate,
2 but the ten-year term that it seeks. That said, and
3 where MEGC differs from the signatories, is that this
4 special rate and term should come with the tracker
5 that's mandated by Section 39-- 393.355.

6 That section says that the Commission
7 shall impose a tracker to ensure that GMO's, quote,
8 net income is neither increased nor decreased, end
9 quote. That's the entire substance of this case.
10 That tracker. The tracker that customers want so that
11 we get all the upside profit and that GMO doesn't want
12 to have so that they can keep these profits in between
13 rate cases. That's the case.

14 Do you give the tracker that the
15 legislation calls for? Or do you allow GMO to keep
16 the profits in between the rate case?

17 In contrast to MEGC's position that this
18 needs to be under 393.355, the signatories argue that
19 they have found a way to provide the special rate to
20 Nucor which is independent of 393.355 and that the net
21 income tracker is not required.

22 I think that once we discuss the recent
23 Noranda case that all of you were involved in that led
24 to the 2017 extraordinary session, you'll agree with
25 MEGC.

1 So let's talk about that case. How did
2 Section 393.355 ever come into existence? I'm sure
3 all three of you will recall that Noranda aluminum
4 smelter is located in New Madrid. As you know,
5 aluminum smelters use an incredible amount of energy.
6 In fact, the Noranda smelter used 600 megawatts of
7 electricity; more than the entire city of Springfield.
8 The cost of electricity for this smelter, like the
9 steel mill, is a fundamental cost driver.

10 Noranda was concerned about its cost of
11 electricity and in several cases asked the Commission
12 to address this cost. Noranda pointed out because of
13 the low cost of electricity for some of its
14 competitors, it needed a lower cost from Ameren or it
15 would cease to exist.

16 In a 2014 Ameren rate case, among all the
17 issues -- other issues that were considered, the
18 Commission considered a two-part proposal from
19 Noranda. First, Noranda sought an incremental
20 cost-based rate. Second, in order to provide it
21 certainty and the ability to compete, Norenda --
22 Noranda asked that this rate remain effective for ten
23 years.

24 And that's the kicker. You didn't have
25 the authority to give it to them for ten years.

1 Remember? All this authority that they now quote
2 existed then, but everybody told you and your order
3 said we can't give you a ten-year rate. That's the
4 rub here. You don't have authority to give -- make
5 this rate ten years unless you do it under 393.355.

6 Ultimately, the Commission partially
7 agreed to Noranda's request. The Commission
8 authorized an incremental cost rate of 36 dollars a
9 megawatt hour. The Commission pointed out, however,
10 that it lacked the authority to provide Noranda the
11 ten-year term that it sought.

12 Now, Judge, I know you recall this
13 because you wrote the decision, but that provision --
14 that section of the order said, quote, While a
15 Stipulation and Agreement can be binding on its
16 signatories for ten years, the Commission cannot bind
17 future Commissions, nor can it preclude future
18 litigants from presenting contrary positions in future
19 rate cases, positions to which the Commission will
20 need to give due consideration, end quote.

21 Clearly, if you listen to the
22 deliberations in that case, the Commission wanted to
23 do something for Noranda, but found itself powerless
24 to do anything. So it created the incremental cost
25 rate, but it said this is the best we can do for you.

1 We can't give you a ten-year term.

2 So what happened then? Noranda took the
3 incremental cost rate and they set about trying to
4 pass legislation which would give it the certainty of
5 a ten-year term. During the 2017 legislative session,
6 the General Assembly took up several electric utility
7 related matters.

8 The Noranda rate issue kept getting
9 bogged down with the other utility rate-making bills
10 that were also filed. After time finally ran out, the
11 Governor called the General Assembly in for an
12 extraordinary session to consider the Noranda issue.
13 Out of the extraordinary session came House Bill 1.

14 Now, House Bill 1, Section 393.355
15 provides three primary things. First, it states that
16 the Commission can authorize a special rate based upon
17 the utility's incremental cost. And this is available
18 to steel mills, aluminum smelters. An incremental
19 load that comes to the state in excess of
20 50 megawatts.

21 Second, House Bill 1 says that the
22 Commission can make this incremental cost-based rate
23 effective for a period of ten years.

24 Third, and this is the important part,
25 House Bill 1 also states that if you want the other

1 things, you have to -- the Commission, quote, shall
2 establish, end quote, a tracking mechanism to assure
3 that the, quote, electric corporation's net income is
4 neither increased nor decreased, end quote.

5 With House Bill 1 we finally have the fix
6 that Noranda was seeking, but we also have the
7 mechanism to attract new steel mills and other large
8 50 megawatt customers to Missouri.

9 The problem in this case is that the
10 Nucor contract does not comply with House Bill 1.
11 Yes, the Nucor contract includes an incremental
12 cost-based rate and the ten-year term provided in
13 Section 393.355. That said, however, the stipulation
14 does not include the mandated tracker for GMO's net
15 income. Instead, while the stipulation uses the word,
16 quote, "tracking," end quote, the provision is not a
17 tracker. Rather, it is simply a reporting
18 requirement.

19 The actual wording used in the
20 stipulation, quote, GMO will monitor and report to
21 Staff and OPC whether the revenues received under the
22 special contract rate cover the incremental cost of
23 providing service to Nucor. This reporting will be
24 submitted quarterly, but this isn't a tracker.

25 As mentioned, while Section 393.355

1 mandates a tracker to ensure that, quote, GMO's net
2 income is neither increased nor decreased, end quote,
3 the stipulation does not contain this net income
4 tracker.

5 Why? Why didn't they want to do this?
6 Well, I'll tell you that I believe like any other
7 company that is in the business to turn a profit, GMO
8 wants to make money from providing service to Nucor.
9 You'll recall that as a result of opting into plant
10 in-service accounting in SB 564, the Evergy Missouri
11 companies cannot file a rate case in Missouri for
12 three years.

13 Furthermore, as a result of concessions
14 that it gave in Kansas to get approval for the merger
15 with Westar, the Evergy Kansas companies cannot file a
16 rate case in Kansas for five years. Given that it is
17 unable to file rate cases for such an extended period
18 of time, Evergy is scrambling for ways to find new
19 sources of money.

20 In this case, GMO is hoping that it can
21 keep all the profits from this in between rate cases
22 to increase its net income. The problem is, as I
23 said, 393.355 does not provide for that. In their
24 statements of position, as you heard in the opening
25 statements, all the signatories agree. They -- they

1 all agree that this sig-- stipulation does not comply
2 with Section 393.355.

3 GMO states, quote, the Company is not
4 required to utilize the provisions of Section 393.355.
5 Nucor provides similar argument, quote, although
6 Schedule SIL largely tracks the requirement of Section
7 393.355, GMO is not seeking approval for Schedule SIL
8 and Nucor contract under that statute. Finally, Staff
9 suggests that, quote, the proposed special incremental
10 load tariff and Nucor special contract need not be
11 approved pursuant to Section 393.355.

12 I'm baffled. This settlement provides
13 for a ten-year term. Just four years ago the
14 Commission struggled with a way to provide Noranda
15 this ten-year term. Ultimately as I stated and as I
16 quoted from the Report and Order, the Commission
17 concluded that it could not bind future Commissions
18 and provide this ten-year term.

19 Now the signatories claim that the
20 Commission had this authority all along. The
21 signatories are claiming that due to just general
22 rate-making authority, that the Commission could have
23 done this for Noranda. The signatories are claiming
24 we never had to have an extraordinary session. The
25 Governor never needed to call 163 Representatives and

1 34 Senators back to Jeff City. They didn't need to do
2 any of this because the Commission had general
3 rate-making authority for this all along. I don't buy
4 that.

5 What is most puzzling, however, is why
6 Nucor would agree to this stipulation. If the
7 Commission's order from four years ago is correct, and
8 the Commission does not have the authority outside of
9 Section 393.355 to provide a ten-year term, why would
10 Nucor agree to this?

11 Why wouldn't Nucor insist that the
12 signatories proceed under Section 393.355 and
13 guarantee this rate for ten years? Why subject itself
14 to the risk that it's wrong; that the Commission will
15 have to take this up in the -- in all the rate cases
16 for the next ten years?

17 So what is the legal basis for the
18 stipulation? After all, as the Supreme Court has
19 stated since the Commission is, quote, a creature of
20 statute, end quote, it must find statutory authority
21 for the things that it does.

22 And I'm not talking just general
23 authority. I'm talking specific statutory authority.
24 The UCCM Supreme Court decision made that clear. In
25 that case, the Commission -- the Court was considering

1 in 1979 the Commission's use of a fuel adjustment
2 clause. And all the parties came in much like here
3 and said oh, you have this general rate-making
4 authority and oh, we've been doing it this way for
5 years.

6 And the Supreme Court said, that doesn't
7 cut it. I need specific statutory authority. And
8 just because you've been doing it this way for years
9 doesn't mean you have that authority. Ultimately the
10 parties couldn't provide it and the court struck down
11 the fuel adjustment clause.

12 So you are required to have specific
13 statutory authority for the settlement that the
14 parties are giving you. So let's look at those
15 various parts of that settlement and see if there's
16 statutory authority.

17 First, let's take up the ten-year term.
18 And I've talked about that at some length. As I
19 mentioned, the parties seek to make the ten-year term
20 absolute. Noticeably, however, they just cite to
21 general rate-making authority, but they don't provide
22 any specific authority for a ten-year term.

23 Instead, they generally refer to the
24 Commission's rate-making authority in Section 393.130,
25 which is very general; 393.140 (11), which is the

1 Commission's general rate-making authority; and
2 Section 393.150.1, which is a more specific
3 rate-making authority and the authority to suspend
4 statute -- or tariffs.

5 But none of these statutes say that the
6 Commission can bind future Commissions. There's
7 nothing in those statutes that says that the
8 Commission can prove a contract that's binding on
9 future Commissions for ten years. In fact, each of
10 these statutes were in existence just four years ago
11 when the Commission stated that it could not bind
12 future Commissions.

13 Let's look at the statutory authority for
14 the Commission to establish a rate-base on incremental
15 cost. And I agree. The Commission has the authority
16 to establish a rate-base on incremental cost. And
17 MEGC does not oppose that rate.

18 The problem there is that the Commission
19 can only do that in a rate case. There -- Section
20 393.270.4 in the Missouri Water case from 1957 tell
21 you that this isn't a rate case. There's no
22 consideration of all relevant factors in this case.
23 So this isn't a rate case. So where is the
24 Commission's authority to set an incremental
25 cost-based rate here? The only place you can get that

1 from is from Section 393.355.

2 The second problem is -- with setting
3 this incremental cost-based rate is that they want to
4 tell you that we're doing it with the Commission's
5 rate-making authority. Well, we have a problem
6 because GMO's opted into plant-in-service accounting,
7 which sets a three-year moratorium for GMO rates. How
8 are you changing those rates if not for 393.355?

9 Now, I would suggest that GMO may be able
10 to do that with a rate case, but it would have to give
11 up their PISA election in the meantime.

12 The third problem is that it appears that
13 the signatories seek to exempt Nucor from paying GMO's
14 RESRAM charge. Now, there is express statutory
15 authority to exempt large customers from paying a
16 utility's MEEIA cost. That authority is contained in
17 Section 393.1075.7. I'm unaware of any statutory
18 provision that allows any customers like Nucor to opt
19 out of the utility's RESRAM charge. There's just no
20 authority for that.

21 Finally, I'd like to address two other
22 quick points. First, the signatories have sought to
23 make this contract and its terms secret. I don't see
24 the logic in the secrecy. Statutes call for the
25 Commission to approve tariffs and rates and to publish

1 those rates for public review.

2 When the Commission approved the rate --
3 the incremental charge rate for Noranda, that rate was
4 made public. Why the secrecy behind this rate? I
5 would argue that by making this rate public, we show
6 other potential customers that a rate of this
7 magnitude is possible in Missouri. We show other
8 potential customers look what you can do in Missouri;
9 you may want to move here.

10 But if we hide this rate, if no one gets
11 to see it, they don't know the potential in Missouri.
12 You know, it seems somewhat contrary to economic
13 development to give this rate, make it secret and then
14 not use it to attract other customers. So I would
15 argue that this rate shouldn't be made public.

16 Finally, GMO suggests that we can't
17 proceed under Section 393.355. They say that that
18 statute was only designed for current customers, that
19 it wasn't designed for a new customer coming in, that
20 it wasn't designed for a customer that requires
21 incremental investment. And I think that's clearly
22 wrong.

23 If you look at the Statute 393.355, it
24 extends to steel mills. Well, before Nucor, Missouri
25 didn't have any steel mills. So if it extends to

1 steel mills, by implication that had to be a new steel
2 mill. If you look later, it says that it also
3 applies, quote, to a facility with new or incremental
4 increase in load equal to or in excess of
5 50 megawatts. New.

6 Clearly the General Assembly envisioned
7 that 393.355 would not only extend to the Norandas of
8 the world, but would extend to new customers. GMO
9 asserts that wow, well, we have a problem then because
10 we have this 18 million dollar investment and our net
11 income can't go down.

12 That's not a problem. As I said, the
13 track -- the statute says you have to have a tracker
14 to guarantee that their net income won't go up or go
15 down. So in addition to the net income tracker to
16 make sure that all profits flow back to customers,
17 there's another part of this net income tracker which
18 says we will give you carrying costs and depreciation
19 on this investment.

20 You do it all the time. You did it with
21 Sibley, you did it with Iatan when it was built, you
22 did it with La Cygne when it was built. You give not
23 only the net income tracker to cover the increased
24 profits, but also the net income tracker to make sure
25 that they don't suffer net income loss by tracking and

1 deferring their carrying costs and their depreciation
2 on this investment. They're made whole. They don't
3 get an increase because of profits, but they don't
4 suffer any decrease because of the investment.

5 Just a couple other things. You were
6 referred to several special contracts that the
7 Commission has done. Those special contracts have
8 never been challenged in any way. You've done them.
9 I don't know the terms of them because I didn't see
10 them. Do they have a ten-year term in them? If they
11 do, I'd say the same problem exists. But there has
12 never been a court case that says the Commission has
13 the authority to do special contracts.

14 Now, the signatories tried to slide one
15 by you by referring to a GST case, but -- and GST had
16 a special contract, but the court case has nothing to
17 do with special contracts. That court case, if you
18 read that opinion, all has to do with whether the
19 Commission should accept some evidence in a later
20 dispute.

21 It didn't say that the Commission can
22 approve special contracts. The fact that it uses the
23 term "special contract" in the holding or in the
24 entire decision doesn't mean you have that authority.
25 So I would argue that the issue of whether the

1 Commission can approve a special contract is still
2 entirely up in the air. But that said, outside of
3 Section 393.355, the special contract can't have a
4 term that binds future Commissions.

5 Finally, getting to some questions from
6 Commissioner Hall to Mr. Thompson about the subsidy
7 here, the parties have all raved that, quote, rates
8 will exceed incremental cost. I think Staff said sure
9 token that GMO does not expect any loss. There's
10 going to be profits here. There can't be a subsidy if
11 there's profits.

12 Now, Staff tried to make it seem like
13 there may be a subsidy, but what Staff fails to
14 realize is that current customers are picking up the
15 entirety of fixed costs already. So the only cost
16 going forward will be the incremental cost.

17 And they told you the rate will exceed
18 those incremental costs so there won't be a subsidy.
19 All there will be are profits. And that's the point
20 here today. There is going to be profits. And the
21 statute says that between those rate cases, those
22 profits go back to other customers. They don't go to
23 the utility.

24 So that's why I'm fighting here today.
25 Give this -- give the special contract this special

1 rate, but make it in terms of Section 393.355 because
2 that's the only way you're going to be able to give
3 the term that Nucor needs. That's all the questio--
4 all the comments I had.

5 JUDGE WOODRUFF: Commissioner Kenney?
6 Commissioner Hall?

7 BY COMMISSIONER HALL:

8 Q. Good morning.

9 A. Good morning.

10 Q. Well, I do agree with you that House
11 Bill 1 was designed both for new and existing
12 customers. I think the words of the statute make that
13 abundantly clear. But I'll also say I do not think
14 that it was designed for a situation where the utility
15 would have to expend significant amounts of money
16 to -- to either put a new customer online or to
17 provide additional service for an existing customer.
18 And I think that that is perhaps the rub here.

19 A. Now, is your concern -- you used the word
20 "significant amounts of money." Is it significant
21 amounts of money or any money?

22 Q. Well, I'll -- I'll let you address both.

23 A. Okay. I think the fact that -- there's
24 no distinction. The statute does not distinguish
25 whether it's one dollar to serve a new customer,

1 whether it's a billion dollars. What the statute says
2 is net income shall not be increased or decreased.

3 And you shall implement a tracker in order to do that.

4 We do that all the time. Like I said,
5 when Iatan 2 came online, we -- when La Cygne came
6 online, when Sibley renovation came online in 1979,
7 the Commission implemented trackers to make sure that
8 the utility's net income didn't go down as a result of
9 that.

10 And that's all the statute says.
11 Implement a tracker to make sure their net income
12 doesn't go down. So if GMO is making a hundred
13 dollars now and they invest money to serve this
14 customer, they're going to have -- when that comes in
15 service, they're going to have carrying costs and
16 depreciation. And absent some tracker, that will
17 drive their net income down.

18 Q. So where -- where in the statute do you
19 see that the Company can get depreciation and carrying
20 costs --

21 A. Let me grab the statute.

22 Q. -- on this investment between rate cases?

23 A. It says -- 393.355.3 says the Commission
24 shall establish trackers and shall ensure that the
25 changes in net margin experienced by the electrical

1 corporation between general rate cases as a result of
2 serving the facility are calculated in such a manner
3 that the electrical corporation's net income is
4 neither increased nor decreased.

5 Q. So in your -- so from your perspective,
6 that means that the Company would be able to get its
7 depreciation on this 18 to 20 million dollar
8 investment and its carrying costs?

9 A. Correct. And net income is neither
10 increased nor decreased as a result of that.

11 Q. And that amount would be included in
12 the -- in the tracker?

13 A. Those amounts, depreciation and carrying
14 costs, would be collected in a tracker, deferred into
15 the next rate case at which point they would get
16 recovery of that.

17 Q. So then the only difference or the only
18 issue would be the return on that investment?

19 A. Carrying cost is a return essentially.

20 Q. So then -- so then -- well, it's usually
21 a cost of debt, isn't it?

22 A. The Commission -- there's no established
23 rule. The Commission can determine what the carrying
24 costs should be on that.

25 Q. So then essentially your position is that

1 under the tracker, the Company is going to get
2 essentially what it would get under this contract?

3 A. No.

4 Q. Okay. Well, explain the difference then.

5 A. What the Company is seeking under this
6 contract is to keep all the profits in between rate
7 cases.

8 Q. So the differen-- so explain to me what
9 you think the difference is between those profits and
10 the depreciation and carrying costs.

11 A. The profits -- the -- the profits --
12 they're -- the profits that are being -- that will be
13 garnered as a result of this are not based upon any
14 rate-making authority. So you can't say that the
15 profits will be X like it would under a rate case.

16 Q. Well, I mean I think what you're saying
17 is that the profits will be the -- the difference
18 between what the rates would be if it was just
19 covering incremental costs and the -- the amount that
20 it's going to cover on fixed costs. That is the
21 amount of profits that I think you're identifying.

22 A. Well, and since we're not doing a rate
23 case, we don't know if there are additional profits.
24 We don't know if the incremental cost of providing
25 will be two cents per kilowatt hour and they're

1 charging three cents a kilowatt hour. It's -- the
2 statute makes clear that all profits go back to other
3 customers and that the utility is simply made whole.
4 No increase or decrease in net income.

5 Q. Okay. Going back to -- I think it's your
6 slide four in your Noranda history, which I found very
7 interesting. Isn't it relevant though in that 2014
8 case that there was not a contract between Noranda and
9 Ameren; whereas, there is a contract here? Isn't that
10 of some relevance?

11 A. I -- I don't think so. I don't think --
12 the Commission, in my mind, doesn't have any
13 additional authority to approve a ten-year term simply
14 because it's in a contract versus in a tariff. Your
15 authority is your authority. I mean if -- if that's
16 where your authority had to come from, I'm sure
17 Noranda would have been happy to execute a contract
18 with Ameren.

19 Q. Oh, well, I -- not in -- not that year.

20 A. Well --

21 Q. Not that year.

22 A. -- Ameren might not have been happy to do
23 it, but Noranda. I -- I think it is -- if -- if the
24 fact that -- I don't see how a contract in and of
25 itself gives you some type of authority. Your

1 authority is contained in the statutes. If a contract
2 is all that's needed for you to get additional
3 authority, everybody will be doing contracts. Your
4 authority is pinned in by 386 and 393.

5 COMMISSIONER HALL: It's somewhat
6 unorthodox, but I would really like to hear
7 Mr. Thompson and Mr. Fischer respond to that -- that
8 position, that -- that -- that the contract doesn't
9 extend -- doesn't affect Commission authority and we
10 have -- what authority we have is either under the
11 statute or -- or under some other specific provision
12 in law, which have not been specifically identified.

13 JUDGE WOODRUFF: I think that would be
14 appropriate.

15 I have one other question too that might
16 draw a response from them as well, if asked that.

17 BY JUDGE WOODRUFF:

18 Q. And that's about the --

19 A. Do you want me to sit down or --

20 BY JUDGE WOODRUFF:

21 Q. No, you can wait here. This is a
22 question for you.

23 A. Okay.

24 Q. And it's about the tracker requirement
25 in -- in -- in the statute. Does it -- is it a

1 tracker requirement until the first rate case after we
2 approve it or is it after that rate case, is there a
3 new tracker until the next rate case until the end of
4 the -- the contract?

5 A. It -- I wouldn't have written it this
6 way. I would argue that it should only be till the
7 first rate case until all those costs are put into
8 rates, but the statute clearly uses the plural when it
9 says between general rate proceedings. So it seems to
10 mean that you'll have a tracker and then you'll have
11 another tracker.

12 But I would say that you wouldn't need
13 another tracker because once that is all built into
14 rates, the profits are reflected in the rates,
15 that's -- we don't need another tracker. It's not
16 like profits should go up or down. So six of one,
17 half dozen of the other. I don't know if it's
18 necessary.

19 Q. I was concerned about the same language.

20 JUDGE WOODRUFF: All right. Staff, Nucor
21 and GMO -- we'll call them that -- do you have any
22 response? We'll start with -- with -- with GMO. Did
23 you have any response to those questions from the
24 Commissioners?

25 MR. FISCHER: You're asking me? I'm

1 sorry.

2 JUDGE WOODRUFF: Yes, I am.

3 MR. FISCHER: Let me -- let me begin by
4 just saying that special contract -- contracts have
5 had terms for many years. And I don't -- I think that
6 if the Commission that at some future date wanted to
7 look at a contract and -- and it determined that for
8 some reason that it was not an appropriate rate under
9 changed circumstances, I think there's some old -- old
10 case law that probably suggests that the Commission
11 has authority to look at that and to do it in the
12 future.

13 But that is a future issue. It's not one
14 that says you can't approve a contract that has a
15 one-year or a ten-year term. That's not -- there's
16 not -- I don't think there's any case law that would
17 suggest that that's not appropriate. I think there is
18 some case law that said you can -- if you looked at a
19 contract in the future, you could -- you could revise
20 it if you needed to. And that general authority I
21 think exists.

22 Was there another specific question?

23 COMMISSIONER HALL: Well --

24 MR. FISCHER: And it's -- it's been done
25 outside the context of rate cases for many years, as

1 I've pointed out.

2 COMMISSIONER HALL: So then it would be
3 your position that four years from now a future
4 Commission could come back and look at this contract
5 and say it's no longer just and reasonable?

6 MR. FISCHER: I -- I've never seen that
7 directly addressed, but I think there is some old case
8 law that suggests that the Commission has the
9 authority to supersede contracts if they found that to
10 be in the public interest. That may go back to about
11 1913 though, Judge, so I'm not -- you know, I don't
12 think it's been addressed just recently.

13 JUDGE WOODRUFF: The other question I
14 asked Mr. Woodsmall was about the redoing trackers.
15 After another rate case, would there have to be
16 another tracker?

17 MR. FISCHER: Well, that -- that issue
18 was raised I think by Commissioner Hall a little bit.
19 And I think it's unclear in that statute how --
20 whether that net income would -- whether you ever
21 could change it or not.

22 I think Mr. Thompson made a very good
23 point though under Section 2. You could read that to
24 say whatever the difference between the embedded rate
25 under a tariff, say large power rate and the -- the

1 lower discounted rate for the -- for the -- under the
2 special term would be socialized among other
3 customers. And that -- that's not something the
4 Company wants to do.

5 I was actually addressing that if it fell
6 below incremental cost, then you would be socializing
7 it with other customers. But I think Mr. Thompson is
8 raising a very good point that under that statute, it
9 looks like it's the difference between the embedded
10 rate and the actual contract rate.

11 And that's not -- that's not what -- the
12 approach the Company wants to take. We don't want
13 other customers to be helping to subsidize this.

14 JUDGE WOODRUFF: Over to Nucor then.

15 COMMISSIONER HALL: Well, let me ask
16 one -- one more question to Mr. Fischer.

17 So do -- do you agree -- and I -- I may
18 not characterize this correctly, but I'll try. Do you
19 agree with Mr. Woodsmall that under Section 3 of
20 393.355, that -- that the Company would be able to --
21 to recover depreciation on that 18 to 20 million
22 dollar investment and get carrying costs?

23 MR. FISCHER: I'm not sure that's clear,
24 but I think I'd suggest that you ask our accountant
25 witness today, Mr. Darrin Ives, then how that net

1 income would be determined. I think he'd be the
2 better person to address that kind of accounting
3 question. But I don't think that's clear, no.

4 COMMISSIONER HALL: So if -- but if he --
5 if he is right that you would be able to recover that,
6 what would be the loss to the Company of -- of -- of
7 employing the tracker that is set forth in that
8 provision?

9 MR. FISCHER: I don't think you'd be able
10 to suggest that the -- the additional amount above the
11 incremental cost would be used to -- to help lower
12 other customers' rates under that scenario.

13 COMMISSIONER HALL: So it's not a harm to
14 the Company, it's a potential harm to other customers?

15 MR. FISCHER: I think it could be both.
16 I mean, in the interim we're -- we're not going to be
17 able to earn a profit, that's --

18 COMMISSIONER HALL: I guess I'm trying to
19 understand what that -- what it is that you think you
20 would not be able to learn -- earn?

21 MR. FISCHER: Well, that's how you define
22 the income. And that's where I think you ought to ask
23 Mr. Ives how -- how that would be handled.

24 COMMISSIONER HALL: Okay. Thank you.

25 JUDGE WOODRUFF: Public Counsel, anything

1 to add?

2 MR. HALL: Could I ask for a rephrasing
3 of the question? I believe the question was, is there
4 any implication between the -- whether there was a
5 contract between the industrial customer and the
6 utility company versus the situation without the
7 contract?

8 JUDGE WOODRUFF: Yes.

9 MR. HALL: As to -- at first blush, I
10 fail to see a distinction in how the contract would
11 involve that. What I would consider in the situation
12 with a contract would be that if a customer relies
13 upon the contract, as Nucor has testified they relied
14 upon the special rate to come to Missouri, and then
15 that special rate could not be approved for whatever
16 reason, I would imagine that the industrial customer
17 would have possible contract damages claims against
18 the utility.

19 And that could possibly put the customer
20 in a situation -- in a financial situation such that
21 it would have been served under the special rate as a
22 result of the successful contract claim.

23 JUDGE WOODRUFF: Mr. Woodsmall, any final
24 responses?

25 MR. LAVANGA: Judge --

1 JUDGE WOODRUFF: I'm sorry. Go ahead.

2 MR. LAVANGA: I'd just like to make a
3 couple points. And I haven't taken a close look at
4 the Noranda case, but it does appear that there are
5 factual differences in that case and our case.

6 In that case, the Commission seemed very
7 concerned about the fact that there was a possibility
8 of other customers having to subsidize Noranda. And,
9 in fact, it seemed like the -- the rate was well below
10 what the -- what the rate other customers paid, so
11 there was going to be some subsidization. I think
12 that's a key factual difference.

13 The other thing I'd point out kind of
14 following up on OPC is if -- if there's a situation
15 where an industrial customer makes a contract for ten
16 years and -- and there is a provision that allows the
17 Commission to reopen that and re-look at it, that
18 could be a death nail for economic development in --
19 in the state. You're not going to -- you're not going
20 to be able to draw customers like Nucor and other
21 large industrial customers if there's that type of
22 uncertainty.

23 JUDGE WOODRUFF: All right.

24 MR. THOMPSON: Were you skipping Staff?

25 JUDGE WOODRUFF: I'm sorry. I guess I

1 did skip you, Staff.

2 MR. THOMPSON: With respect to the narrow
3 question of the relevance of the contract, there's --
4 there's plenty of case law that contracts between
5 utilities and -- and customers don't control or and
6 abrogate the Commission's rate-making authority. So I
7 think that's good guidance that the contract doesn't
8 matter with respect to rate-making.

9 In a larger sense, you know, when I hear
10 Mr. Woodsmall explain his understanding of 355 and
11 that carrying costs and depreciation can be recovered
12 by the Company and that any excess profits would go
13 back to other ratepayers, it seems to me that that's
14 moving a 355 arrangement much closer to the
15 arrangement that's in front of you under the SIL
16 tariff and Nucor special contract.

17 The one difference that I see, in fact,
18 at this point is that in the event of deficient
19 revenues, under 355 the ratepayers are on the hook.
20 Under what's been proposed under the SIL tariff and
21 the Nucor special contract, the shareholders are on
22 the hook. So that's the one difference that I see.

23 JUDGE WOODRUFF: Mr. Woodsmall?

24 MR. WOODSMALL: Yeah. Just to wrap up.
25 I think Mr. Fischer hit on the exact point of my

1 concern here between him and what Nucor said.
2 Mr. Fischer said the Commission -- in a special
3 contract, the Commission can -- in the future can
4 change, review or revise in the future based upon
5 changed circumstances. But then you heard Nucor say
6 that's a death nail to economic development. And
7 that's the entire point.

8 Section 393.355 binds the Commission. It
9 gives economic development the certainty it needs.
10 The Commission can't review it in the future. They
11 know it's going to be good for ten years. So what you
12 have seems to be going on here is a conflict between
13 Nucor saying we want this for ten years, and GMO
14 saying well, we want to be able to keep the profits in
15 between cases; therefore, we're going to subject it to
16 further Commission review, other parties coming in and
17 reviewing for the next ten years.

18 So if you want to make this a certainty,
19 if you want to give economic development the -- the
20 certainty that their rate is going to lock in, 393.355
21 does that.

22 And so that's why I'm saying -- I
23 represent industrial customers. That's why I'm saying
24 do this under 393.355. Don't go out there and try and
25 get creative and sink this. Don't go out there and

1 try and get creative and cause uncertainty. We have a
2 certain path to get there. Do it.

3 BY COMMISSIONER KENNEY:

4 Q. I just had one brief question. On -- you
5 brought up on slide four that Commissioner Hall
6 mentioned and you brought up -- and the ER-2014-0258
7 and you mentioned the case law where a Commission
8 cannot bind further Commissions. But is there
9 anywhere in the statute that prevents us, pro--
10 prohibits us from accepting a ten-year contract?

11 A. There is -- and that's an important
12 point. The Commission's authority is limited to
13 what's in the statute. The Commission's authority
14 isn't everything that's out there except for what's in
15 the statute. So there is no statute that says you
16 can't do it --

17 Q. There's no --

18 A. -- but there -- but there is case law --
19 plenty of case law out there.

20 Q. Statute. I understand there's case law,
21 but there's also case law on other issues, so --

22 A. There -- but there's not.

23 Q. I didn't say on -- on -- okay.

24 A. There is case law --

25 Q. I'm the only non-attorney in here, but I

1 have two kids that are attorneys. That gives me an
2 idea.

3 A. There's lots of case law out there that
4 says that a doctrine called stare decisis does not
5 apply to the Commission. And what stare decisis means
6 is that the Commission has to follow its previous
7 decisions. And the case law says that doesn't apply.
8 One Commission doesn't bind a future Commission.

9 Q. So are you saying case law, that there's
10 never been a contract that the Commission has accepted
11 that exceeds the --

12 A. There has --

13 Q. -- to be considered in the next rate
14 case?

15 A. There has never been, in all my
16 knowledge, a case that says that the Commission is
17 free to approve special contracts. The Commission's
18 done it, just like the Commission back in the '70s did
19 fuel adjustment clauses. But there was never a case
20 to challenge it until '79 someone came along and said
21 let's look at this.

22 And now I'm saying just because you've
23 done it in the past doesn't mean you can do. But 355
24 says you can do it. Let's do it that way. Let's not
25 get creative.

1 Q. Thank you.

2 JUDGE WOODRUFF: All right. Thank you.

3 MR. WOODSMALL: Thank you.

4 JUDGE WOODRUFF: That's all the openings
5 then. We'll take a break before we call the first
6 witness. Let's come back at 11:45.

7 (A recess was taken.)

8 JUDGE WOODRUFF: We're back on the record
9 after our break. Mr. Van de Ven is on -- on the
10 telephone line. And we're ready to begin with the
11 first witness, which would be Mr. Van de Ven. And I
12 understand he's going to be testifying for Nucor; is
13 that correct?

14 MR. LAVANGA: Correct.

15 THE WITNESS: That's correct.

16 JUDGE WOODRUFF: So Nucor will be doing
17 the examination. And -- but before they do that,
18 I'll -- I'll give you the oath, Mr. Van de Ven.

19 (Witness sworn.)

20 JUDGE WOODRUFF: Thank you very much.
21 You may inquire.

22 KEVIN VAN DE VEN, being first duly sworn, testified as
23 follows:

24 DIRECT EXAMINATION BY MR. LAVANGA:

25 Q. Good afternoon, Mr. Van de Ven.

1 A. Good afternoon.

2 Q. Mr. Van de Ven, your -- your Direct
3 Testimony has been labeled as Exhibit 4. Can you
4 please state your name and business address for the
5 record?

6 A. My name is Kevin Van de Ven and my
7 business address is Nucor Steel Sedalia, 500 Rebar
8 Road, Sedalia, Missouri.

9 Q. Did you cause to be filed what has been
10 marked as Exhibit 4?

11 A. Yes.

12 Q. Is this the pre-filed Direct Testimony --
13 is this your pre-filed Direct Testimony in the case?

14 A. Yes.

15 Q. Do you have any corrections to make to
16 your testimony?

17 A. No.

18 Q. If I were to ask you the same questions
19 as those contained in your testimony today, would your
20 answers be the same?

21 A. Could you repeat that, please?

22 Q. I'm sorry. If I were to ask you the same
23 questions as those contained in your testimony today,
24 would your answers be the same?

25 A. Yes.

1 MR. LAVANGA: Your Honor, I'd like to
2 move Nucor -- or I'm sorry, Exhibit 4 into evidence
3 and the witness is available for cross-examination.

4 JUDGE WOODRUFF: Okay. Exhibit 4 has
5 been offered. Any objections to its receipt?

6 Hearing none, it will be received.

7 (Company Exhibit 4 was received into
8 evidence.)

9 JUDGE WOODRUFF: For cross-examination
10 then, we would begin with GMO.

11 MR. STEINER: We have some, Your Honor.

12 JUDGE WOODRUFF: All right.

13 CROSS-EXAMINATION BY MR. STEINER:

14 Q. Can you -- Mr. Van de Ven, this is Roger
15 Steiner, counsel for GMO, now Evergy. Can you hear
16 me?

17 A. Yes.

18 Q. Could you give us an update on the status
19 of construction at the Sedalia facility?

20 A. Sure. Much -- construction of much of
21 the mill is largely complete. Overall, I'd say the
22 construction is -- is 90 percent complete. We -- we
23 are still finishing up tying up some loose ends in the
24 melt shop. So currently our activities are around
25 continuing to set equipment in the melt shop and

1 commissioning the rowing mill. And we're still on
2 schedule to safely strike our first arc late in the
3 fourth quarter of this year.

4 Q. And when do you anticipate the plant to
5 begin commercial operations?

6 A. Well, there -- there's still a lot of
7 unknowns so -- so we're not exactly sure. But at this
8 point, you know, we've not really encountered any --
9 any showstoppers and we're working on -- on starting
10 commercial operations in the first quarter of 2020.
11 We think that's a -- that's achievable.

12 Q. Okay. GMO has requested an effective
13 date of January 1, 2020 for the contract, the tariff.
14 Is this effective date important to Nucor?

15 A. Absolutely. We -- we need the rate
16 approved and in place, you know, prior to starting
17 commercial operations. And as I said, we -- we -- you
18 know, we're not sure if that will be January 1. We
19 are -- we are certain that will be in the first
20 quarter. And we're hopeful that we can -- we can put
21 some tons on a mill in January.

22 Q. And you're aware that under the contract,
23 Nucor's load will be served by renewable energy,
24 specifically wind energy; is that correct?

25 A. Yes. I'm aware.

1 Q. Will the fact that it's served pri--
2 Nucor is served primarily by renewable energy provide
3 benefits to Nucor?

4 A. Yes. I think -- I think it will for
5 several reasons. As -- the wind resource is a -- is a
6 long-term resource and that's one that helps -- you
7 know, helps GMO be able to provide Nucor with a stable
8 rate over the term of the contract.

9 The pricing of the wind is favorable,
10 which -- which I think allowed, you know, GMO to
11 develop a rate that -- that -- that met our required
12 price point. And then the fact that we'll be -- we'd
13 be served by renewable energy really helps us with
14 some of our customer base that -- that -- that -- you
15 know, that want suppliers that have a sustainable
16 energy source.

17 Q. Do you support the use of wind energy to
18 supply the Sedalia facility?

19 A. Yes.

20 Q. Thank you, Mr. Van de Ven.

21 A. You're welcome.

22 JUDGE WOODRUFF: All right. Then we'll
23 move to Staff.

24 MR. THOMPSON: No questions. Thank you.

25 JUDGE WOODRUFF: Public Counsel?

1 CROSS-EXAMINATION BY MR. HALL:

2 Q. Mr. Van de Ven, I'm not sure what time
3 you're operating on, so I'll just say good day.

4 A. Yeah. Thank you. Yeah, good day. That
5 works perfect.

6 Q. Mr. Van de Ven, I have a couple
7 questions. On page 8 of your testimony, you talk
8 about -- lines 5 through 6 I'm focusing on. You say
9 but for the availability of a special rate, Nucor
10 would not have chosen the loc-- located plants -- I'm
11 paraphrasing -- near Sedalia. Are you following me?

12 A. Yes. Yeah. I don't -- I've got that
13 testimony here somewhere, but I recall that, yes, that
14 was in my testimony. We would not have located
15 without -- without assurance that we were going to be
16 able to achieve a competitive rate that -- a rate that
17 we had discussed prior to -- prior to determining the
18 site.

19 Q. Can I interpret that to mean that Nucor's
20 real objective would be the special rate, not
21 necessarily the energy that is -- the energy -- the
22 source of the energy that is supplied at that special
23 rate?

24 A. Yeah. We -- it wasn't necessary that --
25 it wasn't necessary that the energy was supplied by --

1 by wind, you know, the -- the wind resource. However,
2 we are -- we are intrigued by that and we think
3 there's some -- there's a lot of potential benefits to
4 that.

5 Q. Mr. Van de Ven, jumping subjects, are you
6 familiar with any special rate legislation at the
7 Missouri legislature passed in 2018?

8 A. I -- I've actually been listening in
9 to -- on the streaming, watching the hearing so far so
10 I've learned a lot this morning. But, you know, we --
11 we were aware of -- that Missouri had passed a new law
12 allowing for special electric rates -- rates for
13 aluminum steel mills. But, you know, that's about the
14 extent of it. You know, we weren't involved in
15 drafting the law and we're not experts on it.

16 And, you know, KCP&L at a later date
17 said, hey, they didn't feel like this was the best
18 vehicle for us to use moving forward and that was --
19 that was fine with us. So I'm -- I'm -- I've -- I'm
20 familiar with it, but, you know we weren't involved in
21 drafting the law and we're certainly not experts on
22 it.

23 Q. So Mr. Van de Ven, maybe I'll be a little
24 less -- little less subtle. The discussions that you
25 may have seen on the stream were referring to what

1 people are calling HB-1. That was passed in 2017.

2 I'm asking about any legislation in 2018.

3 Let me posit to you that a piece of
4 legislation was passed in that year, Section 393.1640.
5 Did you or do you know of anyone at Nucor who reviewed
6 that potential avenue for Nucor to get a special rate?

7 A. I -- I don't.

8 Q. Thank you. No further questions.

9 JUDGE WOODRUFF: MEEG.

10 MR. WOODSMALL: Briefly.

11 CROSS-EXAMINATION BY MR. WOODSMALL:

12 Q. Good -- good evening, sir.

13 A. Good evening.

14 Q. Can you hear me?

15 A. Yes.

16 Q. A couple brief questions. First off, do
17 you know the nature of the service that you'll be
18 receiving from GMO? Is it transmission level,
19 substation level? Do you know what voltage level
20 you'll be receiving service?

21 A. You know, I'm not -- I'm not an
22 electrical engineer. I know that -- I know that
23 our -- you know, we're in the -- our -- our -- I think
24 we're estimating our annual kilowatts to be in the
25 240,000 kilowatts annually and our usage to be 40, 45.

1 Q. Okay.

2 A. Are you ta-- is that what you're
3 referring to?

4 Q. No. But you did fine. Did -- there
5 was -- are you aware that there was the necessity for
6 a new substation to serve you?

7 A. An investment in the new substation? Was
8 I aware of that?

9 Q. Yes.

10 A. Yes.

11 Q. And did -- do you know did Nucor have to
12 pay any of that investment in that substation?

13 A. Nucor did not -- there was a -- that --
14 that substation -- I don't want to say in the
15 entirety, because I don't want to speak out -- out of
16 line, but the -- the majority of that infrastructure
17 was part of our agreement to relocate to -- to --
18 to -- not relocate, but to locate to Sedalia.

19 Q. Okay. So --

20 A. That was -- that -- the majority of that
21 was -- was paid for by KCP&L.

22 Q. You say a majority. Did you --

23 A. Maybe and pos-- and possibility all. I
24 just -- I think there may be some items that -- that
25 we had to pay for. And I -- I don't want to speak out

1 of --

2 Q. I understand.

3 A. -- I don't want to tell you something
4 that's not accurate.

5 Q. Okay.

6 A. KCP&L made a significant investment.

7 Q. Okay. Are you aware of a GMO tariff that
8 allows non-residential customers to purchase renewable
9 energy and the associated renewable energy credits?

10 A. I'm not.

11 Q. Okay. And so you don't know if that
12 would satisfy any benefits that Nucor would have by
13 being able to show that they are served by renewable
14 energy?

15 A. No. Our -- our -- our interest, you
16 know, and as I said, you know, it was not -- being
17 served by renewable was not part of our decision to
18 locate. It was about the rate. You know, we had to
19 have -- we have two -- two primary variable costs.
20 We've got scrap and we've got utilities. And we have
21 to have competitive -- we have to have a competitive
22 price for both of those.

23 The fact that we're being served now by
24 renewable I think is -- is a great story for Missouri.
25 We've got -- you know, we're the largest recycler in

1 North America. We're using scrap, we're collecting
2 scrap from Missouri scrap yards, using 100 percent
3 of -- of our raw material as scrap. We use renewable
4 energy from a -- from a power company in Missouri
5 that -- that worked with the Economic Development in
6 Pettis County, the state of Missouri, the Governor's
7 office. So I think it's -- I think it's a great
8 story.

9 You know, we can -- we can use these
10 renewables then to help rebuild Missouri. So it
11 wasn't -- it wasn't a reason that we -- that we chose
12 Missouri, but I think that -- I think there's a great
13 story there.

14 Q. Okay. But you don't know if that same
15 benefit could have been achieved with other GMO
16 tariffs; is that correct?

17 A. That's correct.

18 Q. Okay. Moving on -- and I'm almost done.
19 Can you kind of express for me how -- you said that
20 the rate was, quote, primary. But can you tell me how
21 critical was it to Nucor that they get a ten-year term
22 for the rate?

23 A. We needed a long-term rate and, you know,
24 ten years would -- would -- would cover that. I mean
25 the longer, the better. I would say ten years at --

1 you know at -- at a minimum. And, you know, the --
2 the rate's critically important to us. We've -- you
3 know, that's -- it's our -- it's our second largest
4 variable cost behind scrap.

5 Q. If -- if this rate is subject to review
6 in future rate cases, would that concern Nucor?

7 A. I -- repeat that, please.

8 Q. If the Nucor rate is subject to review
9 and possibly changing in future rate cases, would that
10 concern Nucor?

11 A. Well, I think all of our rates are
12 ultimately subject to review at some point. It's just
13 a matter of when they're subject to review, you know.
14 And -- and -- and a long-term stable power rate is
15 critical to us, you know.

16 You know, we're -- we're going to make
17 rebar and we're going to -- we're going to quote
18 people prices on rebar for construction projects that
19 many times last years. You know, we have to have a
20 stable and a predictable power rate.

21 Q. Let me try that a different way. How
22 critical -- would it concern Nucor if their rate is
23 subject to review and changing within the next ten
24 years?

25 A. Within the next -- inside of the next ten

1 years?

2 Q. Yes.

3 A. Yeah. That -- that would be concerning.
4 If we have a ten-year agreement and we're going to
5 change it inside ten years, I would say that that
6 would give us some pause for concern.

7 Q. Okay. So hypothetically if Nucor could
8 proceed in two different ways, one being that it got
9 the rate you want and the ten years was locked down,
10 set in stone, or the second is you could get the rate
11 you want but there's no certainty and it could change
12 in the future, which option would you prefer?

13 A. Let me -- I think I heard you right. You
14 said would we prefer an option where we could be
15 guaranteed the -- the rate we negotiated for the term
16 that we negotiated without it changing or we would
17 prefer to have that up for review even though we -- is
18 that your question?

19 Q. Right. Which option would you prefer?

20 A. Yeah, obviously we would prefer that --
21 that the agreement be -- be honored and not reviewed
22 and -- before the agreement expires.

23 Q. Thank you. I have no further questions.
24 Enjoy Italy.

25 A. Thank you.

1 JUDGE WOODRUFF: All right. We'll move
2 up from questions for the Bench. Commissioner Kenney?

3 COMMISSIONER KENNEY: I have no questions
4 for Mr. Van de Ven. Thank you.

5 JUDGE WOODRUFF: I have no questions
6 either, so no recross. Any redirect?

7 MR. LAVANGA: No redirect, Your Honor.

8 JUDGE WOODRUFF: All right. Then Thank
9 you, Mr. Van de Ven. I'm going to hang up the call
10 and you can go ahead and keep watching on -- on the
11 screen.

12 THE WITNESS: All right. Thank you very
13 much.

14 JUDGE WOODRUFF: Thank you.

15 COMMISSIONER KENNEY: Mr. Woodsmall?

16 MR. WOODSMALL: Yes.

17 COMMISSIONER KENNEY: I just had one
18 question. Are there any specific industrial clients
19 that you -- that are supporting your position today
20 that you represent?

21 MR. WOODSMALL: I'm not going to disclose
22 that. There -- there is United States Supreme Court
23 case law that protects membership in entities like
24 mine from having to disclose their members.

25 As you saw from some of the efforts by

1 some of the parties in this case, they would love to
2 get at the identity of those members and I'm not going
3 to subject my supporting entities to that type of
4 harassment. So I'm not going to disclose that.

5 COMMISSIONER KENNEY: Okay. Thank you.

6 MR. WOODSMALL: But there are. The
7 answer is yes, but I won't identify them.

8 MR. FISCHER: Commissioner, I would also
9 direct you to the pre-hearing conference transcript
10 where Mr. Woodsmall indicated he did not have a
11 customer at that time.

12 MR. WOODSMALL: No. I said I represent
13 MECG. I didn't say who supported MECG.

14 COMMISSIONER KENNEY: Okay. Thank you.

15 JUDGE WOODRUFF: We'll move onto the next
16 witness then, which is Mr. Stombaugh. Well, it's
17 moved to good afternoon now.

18 THE WITNESS: Yes.

19 JUDGE WOODRUFF: Please raise your right
20 hand and I'll swear you in.

21 (Witness sworn.)

22 JUDGE WOODRUFF: Thank you.

23 You may inquire.

24 MARK STOMBAUGH, being first duly sworn, testified as
25 follows:

1 DIRECT EXAMINATION BY MR. STEINER:

2 Q. Please state your name for the record.

3 A. Yes. Good afternoon. My name is Mark
4 Stombaugh.

5 Q. Mr. Stombaugh, where do you work?

6 A. I work for the Department of Economic
7 Development.

8 Q. And what do you do there?

9 A. I'm the division director for our
10 regional engagement teams.

11 Q. Did you cause to be filed pre-filed
12 Direct Testimony, which is -- which has been marked as
13 Exhibit 3 in this case?

14 A. I did.

15 Q. Do you have any changes to that
16 testimony, Mr. Stombaugh?

17 A. I do not.

18 Q. If I were to ask you the same questions
19 contained in Exhibit 3, would your answers be the
20 same?

21 A. They would, sir.

22 MR. STEINER: Judge, I would offer
23 Exhibit 3 and tender the witness for cross.

24 JUDGE WOODRUFF: All right. Exhibit 3
25 has been offered. Any objections to its receipt?

1 Hearing none, it will be received.

2 (Company Exhibit 3 was received into
3 evidence.)

4 JUDGE WOODRUFF: For cross-examination
5 then we begin with Nucor.

6 MR. LAVANGA: No questions, Your Honor.

7 JUDGE WOODRUFF: Staff.

8 MR. THOMPSON: No questions. Thank you.

9 JUDGE WOODRUFF: Public Counsel.

10 MR. HALL: No questions. Thank you.

11 JUDGE WOODRUFF: MECG.

12 MR. WOODSMALL: No questions.

13 JUDGE WOODRUFF: Any questions from the
14 Bench?

15 COMMISSIONER KENNEY: I do have a
16 question or two just to be consistent.

17 QUESTIONS BY COMMISSIONER KENNEY:

18 Q. Hello, sir.

19 A. Good afternoon.

20 Q. Did -- who asked you to testify here
21 today?

22 A. GMO did, Commissioner.

23 Q. Did you get any approval from Economic
24 Development -- anybody in Economic Development?

25 A. Yes. In conversations and providing the

1 testimony, have -- have gotten approval from our
2 general counsel as well as the department director.

3 Q. Did anybody help you prepare your
4 testimony?

5 A. No.

6 Q. No. Are you getting -- other than state
7 salary, are you getting paid for this in any way?

8 A. I am not.

9 Q. Okay. Thank you.

10 A. Yep.

11 JUDGE WOODRUFF: Any recross based on
12 those questions from the Bench?

13 MR. STEINER: No, Your Honor.

14 MR. THOMPSON: None from Staff.

15 MR. HALL: None from Public Counsel.

16 JUDGE WOODRUFF: Any redirect?

17 MR. STEINER: No.

18 JUDGE WOODRUFF: Then Mr. Stombaugh, you
19 can step down.

20 THE WITNESS: Thank you.

21 JUDGE WOODRUFF: Next witness then would
22 be Jessica Craig.

23 Good afternoon.

24 THE WITNESS: Good afternoon.

25 JUDGE WOODRUFF: Please raise your right

1 hand.

2 (Witness sworn.)

3 JUDGE WOODRUFF: Thank you.

4 THE WITNESS: Thank you.

5 JUDGE WOODRUFF: You may inquire.

6 JESSICA CRAIG, being first duly sworn, testified as
7 follows:

8 DIRECT EXAMINATION BY MR. STEINER:

9 Q. Good afternoon.

10 A. Hello. Good afternoon.

11 Q. State your name for the record, please.

12 A. Jessica Craig.

13 Q. Ms. Craig, where do you work and what's
14 your position there?

15 A. I'm the economic -- executive director
16 for Economic Development in Sedalia, Pettis County.

17 Q. And did you cause to be prepared
18 pre-filed Direct Testimony, which has been premarked
19 as Exhibit 1 in this case?

20 A. I did.

21 Q. Do you have any changes to that
22 testimony?

23 A. I do not.

24 Q. If I were to ask you the same questions
25 contained in that testimony, would your answer be the

1 same?

2 A. Yes.

3 MR. STEINER: Move for the admission of
4 Exhibit 1 and I would tender this witness for cross,
5 Your Honor.

6 JUDGE WOODRUFF: Exhibit 1 has been
7 offered. Any objections to its receipt?

8 MR. THOMPSON: No objections from Staff.

9 JUDGE WOODRUFF: It will be received.
10 (Company Exhibit 1 was received into
11 evidence.)

12 JUDGE WOODRUFF: Cross-examination then
13 beginning with Nucor.

14 MR. LAVANGA: No questions, Your Honor.

15 JUDGE WOODRUFF: Staff.

16 MR. THOMPSON: No questions. Thank you.

17 JUDGE WOODRUFF: Public Counsel.

18 MR. HALL: No questions.

19 JUDGE WOODRUFF: MECG.

20 MR. WOODSMALL: No questions.

21 COMMISSIONER KENNEY: I'm going to ask
22 the same questions.

23 JUDGE WOODRUFF: All right.

24 QUESTIONS BY COMMISSIONER KENNEY:

25 Q. Who asked you to testify here today?

1 A. GMO.

2 Q. GMO. Did anyone help you in preparing
3 your testimony?

4 A. No.

5 Q. You prepared it all yourself?

6 A. Uh-huh.

7 Q. Quite a boon for Sedalia, huh?

8 A. It is.

9 Q. I've been driving through Sedalia for
10 about 20 years now. And what -- what's the expected
11 economic impact for the area?

12 A. So it really rep-- you mentioned that
13 you've seen it. It represents the largest project
14 from a company investing new into the community since
15 probably the late '70s. So there's -- there's a
16 significant direct impact with the number of new jobs
17 created, the capital investment, the 250 million
18 dollars capital investment.

19 But the indirect benefit, the 400 to 500
20 construction employees that are onsite every day,
21 those individuals are staying in our community, having
22 lunch in our community, buying groceries in our
23 community. And we've had about 50 new families that
24 not only have moved to Pettis County, but also to our
25 surrounding counties. We're a very transient work

1 force and so we have -- all the surrounding
2 communities have also benefited from the direct
3 investment.

4 Q. Okay. Thank you.

5 A. Thank you.

6 JUDGE WOODRUFF: Any recross based on
7 those questions from the Bench?

8 MR. THOMPSON: None from Staff.

9 JUDGE WOODRUFF: I don't see any. Any
10 redirect?

11 MR. STEINER: No, Your Honor.

12 JUDGE WOODRUFF: All right. Ms. Craig,
13 you can step down.

14 THE WITNESS: Thank you.

15 JUDGE WOODRUFF: And we'll bring up
16 Mr. Ives. Good afternoon.

17 THE WITNESS: Good afternoon.

18 JUDGE WOODRUFF: Please raise your right
19 hand.

20 (Witness sworn.)

21 JUDGE WOODRUFF: Thank you. You may
22 inquire.

23 DARRIN IVES, being first duly sworn, testified as
24 follows:

25 DIRECT EXAMINATION BY MR. FISCHER:

1 Q. Please state your name and address for
2 the record.

3 A. My name is Darrin Ives, I-v-e-s. My
4 address is 1200 Main, Kansas City, Missouri.

5 Q. Are you the same Darrin Ives that caused
6 to be filed in this case what has been now marked as
7 Exhibit 2, both the confidential and a public version
8 of your Direct Testimony?

9 A. Yes, I am.

10 Q. Do you have any corrections or changes
11 that need to be made to that testimony?

12 A. Not that I'm aware of.

13 Q. And if I ask you the questions contained
14 in that document, would your answers be the same
15 today?

16 A. Yes, they would.

17 Q. And they're true and accurate to the best
18 of your knowledge and belief?

19 A. Yes, they are.

20 MR. FISCHER: Judge with that, I would
21 move for the admission of Exhibit 2-C and 2-P and
22 tender the witness for cross.

23 JUDGE WOODRUFF: All right. Exhibit 2,
24 confidential and public versions, have been offered.
25 Any objections to their receipt?

1 Hearing none, they will be received.

2 (Company Exhibits 2-P and 2-C were
3 received into evidence.)

4 JUDGE WOODRUFF: And for
5 cross-examination, again we begin with Nucor.

6 MR. LAVANGA: Just a couple of questions,
7 Your Honor.

8 CROSS-EXAMINATION BY MR. LAVANGA:

9 Q. Good afternoon, Mr. Ives.

10 A. Good afternoon.

11 Q. I want to ask you a couple of quick
12 questions about the stipulation in this case that's
13 been marked as Exhibit 5.

14 A. Okay.

15 Q. You're aware of the stipulation.
16 Correct?

17 A. I am.

18 Q. Do you believe that the stipulation
19 represents a reasonable resolution to this proceeding?

20 A. I do.

21 Q. Can you provide a general overview of the
22 stipulation?

23 A. Yeah. At a high level, the stipulation
24 provides for adoption of the special incremental load
25 tariff as proposed by -- by the Company in this

1 proceeding with a few amendments that -- that were
2 entered through negotiation.

3 The stipulation, those amendments mostly
4 surround additional customer protections based upon
5 the monitoring and -- and reporting criteria that
6 were -- were outlined in the stipulation that went
7 beyond what was in our direct filed testimony.

8 It also provides for acceptance of the
9 special incremental load tariff rate and contract that
10 was entered between GMO and Nucor.

11 Q. Okay. Can you explain in a little more
12 detail the provisions related to the cost and revenue
13 monitoring and reporting?

14 A. Yes. So a couple things. It was
15 important to us and to the parties to the stipulation
16 that we create sub-accounts and mechanisms to be able
17 to identify the costs to serve Nucor that are being
18 incurred and -- and the revenues that are coming in
19 from Nucor.

20 We've put mechanisms in place for that,
21 outlines of which, from an exemplary basis, are
22 attached to the stipulation that was filed. The
23 stipulation also talks about, as was discussed in the
24 openings, the treatment that will -- will occur at --
25 at the next general rate case, which -- which allows

1 for an evaluation of those costs and revenues that are
2 being monitored and reported upon based upon the test
3 year results in -- in that case so that we can compare
4 the revenues to -- to the cost to serve Nucor.

5 And -- and as was mentioned by some of
6 the attorneys in opening, to the extent that the
7 revenues during that period exceed the cost to serve
8 Nucor, those revenues would be available to offset
9 part of the revenue requirement for non-Nucor
10 customers.

11 And to the extent that the cost in that
12 period happened to exceed the revenues that were
13 generated from the Nucor rate, there would be an
14 additional revenue adjustment made to hold harmless
15 non-Nucor customers from that cost exceedance during
16 the test year.

17 I think it's important for the Commission
18 to know that we -- we did a lot of analysis when we
19 put together the costs to serve Nucor and -- and the
20 rate that -- that we could agree to with Nucor in
21 order to serve them on a fixed basis over ten years.

22 One thing we know is the -- the wind
23 resource being utilized to supply Nucor, while it is
24 extremely helpful in allowing us to set a fixed rate
25 for Nucor over the ten-year period, we all know wind

1 is an intermittent resource and we'll have performance
2 deviation at any given point in time over the ten
3 years.

4 So while we've built the contract to --
5 to cover the costs over the entirety of the ten-year
6 term, there is the potential, based on wind
7 performance or Nucor performance, that in any given
8 test year leading into a general rate case, there
9 could be revenues in excess of cost or cost in excess
10 of revenues based on the intermittence of the wind
11 and -- and the performance at Nucor.

12 And that's why we felt it was important
13 to put the hold harmless protection in so that
14 non-Nucor customers would -- would not be in a
15 position of subsidizing service to Nucor as a result
16 of what we would expect to be a -- a near term blip in
17 performance, but -- but not representative of the
18 ten-year nature of our contract with Nucor.

19 Q. Can you talk a little bit about how the
20 stipulation addresses Section 393.1655?

21 A. Yes. In the stipulation and -- and the
22 negotiations around that, we talked about the -- the
23 implications of Senate Bill 564 or 1955 and determined
24 that it made sense to be very clear in the stipulation
25 that because we were coming in for a special ten-year

1 rate fixed for Nucor, to -- to be crystal clear in the
2 stipulation that Nucor would not be subject to any
3 effects from PISA or the investments that were being
4 incurred during the period for that.

5 And -- and in that same vein, make sure
6 that no one would mistake the single customer special
7 contract with Nucor to be a new class of customer that
8 would impact the way the provisions of that -- that
9 legislation operate, which has a different PISA cap
10 for the large power class compared to -- to other
11 general classes.

12 So we made it clear that they should not
13 be considered in that determination either. All --
14 all in an effort to be clear that other customers are
15 not being impacted by the provision of service to
16 Nucor specific to PISA and ensuring that it was -- was
17 crystal clear in that regard.

18 Q. Mr. Ives, in your view, does this
19 stipulation protect customers -- non-Nucor customers?

20 A. It does. You know, Mr. Thompson alluded
21 to it in his opening, but, you know, we -- we felt it
22 was comfortable in -- or -- or we felt it was
23 necessary in our discussions with Nucor and in ongoing
24 discussions that we have with other interested
25 customers to come into the state of Missouri, that all

1 other customers not be put in a position to -- to
2 subsidize service to -- to large customers coming into
3 the state.

4 We think we've crafted a rate and a term
5 that meets Nucor's needs and requirements. We think
6 we've done it in a way that puts us in a position to
7 not impact non-Nucor customers.

8 And then finally, because of some of the
9 things I discussed about timing and intermittence of
10 supply, we've provided a hold harmless to ensure that
11 if there were a situation where non-Nucor customers
12 would be asked to subsidize, that we will make an
13 adjustment to make sure that does not happen.

14 Q. Okay. Mr. Ives, in your view is the
15 stipulation in the public interest?

16 A. Absolutely it is. And we didn't hear a
17 lot from -- from the other witnesses that were up a
18 little bit ago, but the written testimony certainly
19 supports significant benefits to -- to the state of
20 Missouri and to -- to Sedalia and Pettis County.

21 Not just from service to Nucor directly,
22 but from new employment, from construction employment,
23 from expected suppliers and -- and indirect increases
24 in revenues that -- that will benefit all customers in
25 the state.

1 Q. Thank you, Mr. Ives. That's all I have.

2 MR. LAVANGA: Your Honor, I'd like to
3 move that the stipulation be admitted into the record.

4 JUDGE WOODRUFF: That was Exhibit 5?

5 MR. LAVANGA: Yes.

6 JUDGE WOODRUFF: Confidential and public
7 versions of it.

8 MR. LAVANGA: Yes. 5-P and C.

9 JUDGE WOODRUFF: 5-C and P have been
10 offered. Any objections to their receipt?

11 Hearing none, they will be received.

12 (Company Exhibits 5-C and 5-P were
13 received into evidence.)

14 JUDGE WOODRUFF: And further
15 cross-examination then we move to Staff.

16 MR. THOMPSON: No, thank you, Judge.

17 JUDGE WOODRUFF: Public Counsel?

18 MR. HALL: Yes. Hopefully briefly.

19 CROSS-EXAMINATION BY MR. HALL:

20 Q. Mr. Ives, good afternoon.

21 A. Good afternoon.

22 Q. I'm trying to conceptualize the power
23 purchase agreement. Assuming there was no power
24 purchase agreement, would GMO be able to supply energy
25 to the Nucor facility at the special rate?

1 A. I think it's very unlikely that I could
2 sit here today and say we could do it over a ten-year
3 period without either a loss or the potential for the
4 rate to be subsidized by non-Nucor customers.

5 Q. Why would there be a loss under the
6 scenario I -- I gave you?

7 A. Well, in general, all of our power to --
8 to supply customers ultimately comes from SPP and --
9 and is served at the node of operation to GMO.
10 That -- that price has the potential to vary based on
11 market conditions and certainly has the potential to
12 vary over a ten-year period.

13 What we endeavor to do in order to -- to
14 fix a ten-year price to Nucor to meet their
15 requirements was to match a specific supply source, in
16 this case the -- the PPA for wind resource that --
17 that will lock in the energy supply cost that -- that
18 is being utilized to -- to serve Nucor directly versus
19 subject ourselves to other potential market impacts.

20 Q. It's my understanding that the wind
21 facility applicable to the purchase -- power purchase
22 agreement won't be operational by the time Nucor is up
23 and running at the beginning of next year. Is my
24 understanding correct?

25 A. That is correct.

1 Q. How does your mechanism work then for
2 that first year of there not being a wind facility for
3 the PPA?

4 A. Yeah, so that's a great question. You
5 know, the -- the reporting and monitoring document
6 that we've put together contemplates that there will
7 be -- that there will be SPP market impacts of serving
8 Nucor.

9 For the majority of the term of the
10 contract, it -- it's the result of the intermittency
11 of -- of the wind resource and the -- what I talked
12 about earlier, that sometimes you could just have a
13 mismatch between our wind supply and -- and the
14 production needs of Nucor. And those costs would be
15 captured at that point obviously that -- that are
16 being incurred.

17 The second piece of that is it also
18 captures a cost that -- that will be incurred to
19 supply Nucor in advance of -- of the wind facility
20 coming online. And -- and we knew that was a likely
21 scenario when we were negotiating this arrangement
22 with Nucor. I mean it's a little bit of a chicken or
23 the egg scenario. Right?

24 I mean you want to have wind supply so
25 that you can understand how to price your incremental

1 cost to -- to Nucor. You also want to have some
2 certainty that Nucor is going to execute a contract
3 and begin construction before you have a dedicated
4 wind supply.

5 So we knew what the market was, we knew
6 the market was likely going to be such that we
7 couldn't have a wind facility contracted for and
8 constructed and in place to specifically supply them
9 until the latter part of 2020 in a most likely
10 scenario. So our pricing considered the fact that --
11 that our cost to serve might be higher in that first
12 number of months until we could have the wind supply
13 on.

14 That's why I mentioned earlier that when
15 we -- when we set a price to cover incremental costs
16 for Nucor, we attempted to do it over -- over the
17 ten-year term of the agreement, not at a specific
18 point in time because of the -- the variability in --
19 in cost versus production.

20 Q. Does the mechanism involve Evergy
21 Missouri West needing to acquire capacity from --
22 pardon my ignorance of what KCPL Missouri is referring
23 to itself now with the Evergy ac-- merger. But KC--
24 whatever entity would otherwise be known as KCPL
25 Missouri?

1 A. Does not require it. What it does
2 require, like any other customer that takes service on
3 our system, we have to have the capacity in order to
4 serve the -- the customer's needs, plus provide the --
5 the adequate capacity reserve margin over the load
6 being served for SPP purposes.

7 So whether it's capacity from GMO itself,
8 capacity from an agreement between GMO -- I'm using
9 legacy terms. I would use Evergy, but it might just
10 be too early. But GMO or -- or the legacy KCPL
11 organization or capacity that GMO acquired from
12 anyplace else to meet its needs.

13 Point being we have priced into the rate
14 for Nucor an expected cost of capacity to serve them
15 because they are new incremental load to GMO's system.

16 Q. Could that capacity agreement or
17 something similar supply energy to the Nucor facility
18 instead of a power purchase agreement?

19 A. Well, there's a difference between a
20 capacity agreement and an energy supply agreement. If
21 you have a capacity only agreement, it doesn't give
22 you access to energy, which -- which is lots of times
23 what happens is you -- you might take energy off of
24 the SPP marketplace or -- or energy from another
25 source, but -- but still have a capacity requirement

1 in order to demonstrate that you can serve customers
2 and cover the capacity reserve margins that are
3 required. So -- so they are oftentimes separate and
4 distinct arrangements.

5 Q. For the clarity of the record then
6 generally, can you explain the difference between a
7 capacity agreement versus an energy agreement?

8 A. Yeah. Capacity generally is the access
9 to the -- the supply resource and -- and energy is
10 actually access to the output from the supply
11 resource.

12 So, you know, from -- from a reliability
13 standpoint, you need to have access to capacity to not
14 only meet the projected peak load demand from your
15 customers, but also a reserve margin above that in
16 order to meet the requirements of the Southwest Power
17 Pool.

18 Energy, we obviously need access to the
19 kilowatt hours to flow across the system and -- and
20 provide service to -- to all of our customers. But
21 it's a demand or a potential system need compared to
22 the actual flow of electricity.

23 Q. Mr. Ives, your testimony refers to a
24 confidential number for the incremental cost to serve
25 Nucor. I'm not going to ask you to divulge anything

1 regarding that confidential number or -- I'm not going
2 to ask you to get into confidential information, but
3 I'm curious, does the calculation that was used to
4 generate this number contemplate the additional
5 substation that the parties have been discussing, the
6 18 million dollar investment?

7 A. It -- it contemplates all incremental
8 investment that -- that we expect to have to -- to
9 serve Nucor. So it covers the expected cost of
10 capacity to serve them, the expected cost of energy to
11 serve Nucor, and the expected recovery of incremental
12 investment to serve Nucor.

13 Q. So the 18 million dollar substation is
14 included in the calculation of this figure?

15 A. Recovery of the 18 million dollars over
16 the term of the agreement, the ten years, is in there
17 kind of on a traditional rate-making determination for
18 that type of asset, yes.

19 Q. Do you have a copy of your testimony in
20 front of you?

21 A. I do.

22 Q. Could you please turn to page 14, lines
23 20 and 21? I'm focusing on the only complete sentence
24 therein where you mention that dedicated account
25 coding or special queries will be used to isolate

1 Nucor's related revenues and charges. Are you
2 following me?

3 A. I am.

4 Q. Is this account coding, is that referring
5 to Uniform System of Accounts? When we ac-- is that
6 referring to a regulatory liability or asset that
7 we're dealing with?

8 A. No. There's no -- no regulatory
9 liability or asset, but that -- that's very different
10 than your question about Uniform System of Accounts.
11 Certainly when we record revenues and costs, we record
12 them consistent with the Uniform System of Accounts.
13 What is --

14 Q. I just realized that. Sorry. Not to
15 interrupt. That -- that is a fair -- that is a fair
16 response. I'm not going to ask about consistent with
17 the Uniform System of Accounts. But could you speak
18 to whether this is involving -- this is involving a
19 regulatory liability or asset?

20 A. Yeah. I think my first part of my answer
21 was it -- it's not involving a regulatory asset or
22 liability. It -- it's involving having separate
23 identifiers -- sub-accounts and -- and separate --
24 separate identifiers within the Uniform System of
25 Accounts so that we can capture the costs and revenues

1 directly associated with the service of Nucor and
2 consider them in the reporting and monitoring document
3 that's attached to the stipulation. And also consider
4 them as we look at the revenue requirement impacts in
5 a cost-of-service filing for a general rate case.

6 Q. Am I correct to infer then that this is
7 not a tracker in the traditional Missouri Public
8 Service Commission sense?

9 A. This is not a tracker. This is -- this
10 is a methodology to identify specific costs to utilize
11 in the monitoring and reporting that we agreed to with
12 Staff in the Non-Unanimous Stipulation and Agreement.

13 Q. I believe the contract attached to your
14 testimony was confidential so without going into
15 specific terms, I've heard discussion today of Nucor
16 being exempt from the renewable energy standard rate
17 adjustment mechanism charges. For the -- for clarity
18 for the Commission, could you point to in the contract
19 where we could find that provision?

20 A. I think the best place to look for it is
21 actually in Exhibit 4 to the Non-Unanimous Stipulation
22 and Agreement, which is the amended special rate for
23 incremental load service. In that Exhibit 4 on the
24 first page, page 157 of that document, in the bottom
25 part of that is where it identifies that the service

1 under the tariff won't be combined with a number of
2 riders. And it also was excluded from calculations
3 for charges for FAC RESRAM and all those areas.

4 And -- and I think it's consistent with
5 the request in front of the Commission under the
6 Stipulation and Agreement, which is suggesting that we
7 would like approval for a fixed rate for Nucor for a
8 ten-year contract. Making them subject to the various
9 riders or other components generally available under
10 our standard tariffs would make it very difficult to
11 have a flat rate over a ten-year term.

12 Q. I don't wish to misquote people, but I
13 believe Staff counsel had said that the contract in
14 the stipulation is going to put, quote, shareholders
15 on the hook for any deficits associated with servicing
16 the Nucor facility. Assuming I'm quoting Mr. Thompson
17 accurately, would you agree with that statement?

18 A. I -- I think from the standpoint -- I
19 mean, I would go back and reiterate. We built the
20 rate based upon the expected cost to serve Nucor over
21 the ten-year term of the agreement. We built that
22 rate to cover those costs, which over the entirety of
23 that agreement, if we're right over the ten years
24 would say that there's not expected to be a shortfall.

25 That said, you know, as I mentioned

1 earlier, be-- because of potential variation in load
2 at Nucor's facility itself during a test year of a
3 general rate case and certainly the -- the potential
4 variability in the wind supply that's direct supplying
5 them during a test year in the case, that test year
6 could show costs in excess of revenues collected
7 during the test year.

8 And in that situation, I agree with
9 Mr. Thompson that if -- if that event were to occur,
10 we have agreed to make an additional revenue
11 adjustment in that case to zero out those costs in
12 excess of revenues so that there's no impact to
13 non-Nucor customers.

14 And that necessarily would mean we would
15 be collecting -- if we made that adjustment, we would
16 be collecting less revenue than we otherwise could
17 prove up in our revenue requirement calculation in
18 that general rate case.

19 Q. At the risk of asking an asked and
20 answered question, if there is a differential
21 between -- so if there's a differential such that the
22 incremental rate used to serve GMO -- pardon me. Let
23 me restart.

24 If there's a differential such that --
25 sorry not differential. If there's a deficit in terms

1 of the incremental cost to serve Nucor that was
2 calculated versus the actual cost, the Company is
3 saying now that its investments will be on the hook?

4 A. I'm not sure I understand the end of your
5 question. Could you --

6 Q. Sure.

7 A. -- could you restate that?

8 Q. Of course. If there's a deficit between
9 the incremental cost that was calculated to service
10 the Nucor facility versus the actual costs incurred to
11 service Nucor, is the Company saying now that its
12 shareholders would be on the hook for that deficiency?

13 A. At a high level, the answer is -- is yes.
14 I might clarify that when we're evaluating that --
15 that comparison is based on actual costs and actual
16 revenues from the service of Nucor at the time that
17 we're looking at the revenue requirement in a general
18 rate case. Because that's when you have the potential
19 to impact the costs to non-Nucor customers.

20 So when we look at those actual costs
21 during that period compared to the actual revenues
22 generated from -- from serving Nucor, if those costs
23 were in excess of those revenues in that period, then
24 in effect, shareholders will be covering that
25 differential because we'll make an adjustment in the

1 rate case to ensure non-Nucor customers are not
2 impacted.

3 And probably the last thing that we
4 haven't talked about but it's -- it's worth talking
5 about because it's also part of the monitoring and
6 reporting and -- and the attachments to -- to the
7 stipulation is we're also monitoring and evaluating
8 the inputs to the fuel adjustment clause so that we
9 can specifically identify any costs to serve Nucor
10 that -- that would be falling through accounts that
11 would normally be a part of the fuel adjustment clause
12 so that we can demonstrate that we're not putting
13 those costs to non-Nucor customers as well. That's
14 part of the reporting and monitoring.

15 So it's not just the base rates at a
16 general case. We're also making that determination so
17 we can -- we can ensure those costs don't impact
18 customers in the fuel adjustment clause.

19 Q. I have no further questions. Thank you.

20 JUDGE WOODRUFF: MECG?

21 CROSS-EXAMINATION BY MR. WOODSMALL:

22 Q. Thank you. Good afternoon.

23 A. Good afternoon.

24 Q. I think I'll be pretty brief. I asked
25 Mr. Van de Ven a question, but maybe you can help. Do

1 you know what voltage level Nucor will be served at?

2 A. Yeah. It -- it's going to be served at
3 the low side coming off of the substation, so
4 13,800 --

5 Q. But for purposes --

6 A. -- something.

7 Q. -- of comparison to other tariffs,
8 they're -- they're basically served at substation
9 voltage is the term; is that correct?

10 A. Yeah. We certainly put in a substation.
11 They're coming off the low side of the substation
12 voltage.

13 Q. Okay. GMO has opted into PISA; is that
14 correct?

15 A. Yes. We did at -- I think it was the
16 beginning of 2019.

17 Q. And in Kansas, the Evergy companies have
18 a five-year moratorium; is that correct?

19 A. A five-year moratorium from the
20 conclusion of the last general rate case for KCP&L
21 Kansas.

22 Q. Not -- for five years from the Westar
23 conclusion?

24 A. Westar's moratorium is also from the end
25 of the conclusion of the KCPL Kansas case.

1 Q. Okay. So both of those --

2 A. Both of them are synched to the date that
3 we have to file for new rates, but that -- their cases
4 ended at different times so that means the moratoriums
5 are a little bit different duration.

6 Q. Gotcha. Okay. Now, going to some
7 questions that Mr. Hall asked you and I -- I don't
8 know if it's real clear, maybe I'm just a little
9 obtuse today.

10 There was some discussion about the
11 source used to provide service will not be available
12 for a year. And I want to delve into that a little
13 bit. You said that due to the intermittency of wind,
14 that the load profile of the customer won't exactly
15 match up with the load profile of the generation used
16 to serve them; is that correct?

17 A. At any given point in time, that's
18 correct.

19 Q. Right. So it may be a situation where --
20 I'm just using fictitious numbers -- Nucor needs 100
21 kilowatt hours and there's no wind blowing wherever
22 the wind farm is so it's not generating. So those
23 100 kilowatt hours are coming from a different source;
24 is that correct?

25 A. That -- that's correct. There -- there

1 are a couple mitigating factors that we considered
2 when we -- when we did this. One of the them is
3 we're -- we're going to over-size the wind resource
4 from a megawatt hour perspective because capacity
5 factors are lower for wind and it's more intermittent.

6 So we've proposed to -- to utilize
7 probably about 75 megawatts of a wind farm capacity,
8 which is -- which is larger than what the expected
9 demand from Nucor's facility will be.

10 Part of that is to, over the ten-year
11 term, have a closer match of energy to expected energy
12 requirements from Nucor over the ten-year term. It
13 doesn't help -- help all the intermittency that --
14 that you were talking about though. So there
15 certainly will be periods where we'll have to serve,
16 you know, from -- from other energy supply.

17 And that's why it was important to Staff,
18 and us as well, to have the detail in the -- the
19 monitoring and -- and reporting mechanism so that we
20 can -- we can identify those costs and make sure that
21 that's part of our comparison to costs -- of costs to
22 revenues from Nucor.

23 And it was also a consideration that was
24 built into the -- the price that was quoted in the
25 contract to Nucor. We knew we would have to have some

1 of that because of the intermittency of the wind.

2 Q. Let's talk about the capacity. Are you
3 aware what SPP gives for a capacity accreditation for
4 wind currently?

5 A. Yeah. It varies a little bit by -- by
6 wind farm and capability obviously, but -- but in
7 general right now I think it's 30 to 35 percent of --
8 of the cap-- of the nameplate capacity.

9 Q. You believe it's that high?

10 A. It is that high in SPP right now. It did
11 not used to be that high.

12 Q. When did that change?

13 A. Two years ago maybe, year and a half ago.

14 Q. That's completely different than what we
15 learned in Empire. But be that as it may --

16 A. It used to -- it used to be in the
17 15 range, something like that.

18 Q. Okay. Let's go with 33 percent for round
19 numbers. Mr. Van de Ven testified earlier that Nucor
20 would use a demand of approximately 45 megawatts; is
21 that correct?

22 A. He -- he said that. I -- I probably
23 won't delve into it too far because I think -- I think
24 those factors are listed as confidential in the
25 testimony. But -- but it's --

1 Q. I won't got any further.

2 A. -- it's not an unreasonable range for --
3 for their expectation.

4 Q. So if wind is given a 33 percent capacity
5 factor, that would mean in order to serve the capacity
6 needs of Nucor, you would have to have 135 megawatt
7 wind farm; is that correct?

8 A. For capacity purposes, you would either
9 have to do all of -- that much wind to supply your
10 capacity there or you would -- would be utilizing
11 other capacity resources.

12 Q. Okay. And so they would need -- if it
13 was single source, they would need 135 megawatts, but
14 you said you're going to sign a PPA with roughly
15 75 megawatts; is that correct?

16 A. Single source for energy is what our
17 expectation is from a capacity standpoint. They
18 certainly get -- get the credit for the capacity
19 that's coming off of the single source wind. But --
20 but we also have built into the price for Nucor and
21 built into the reporting and monitor-- monitoring
22 document where we will identify the cost of the
23 remainder of the capacity to serve them and -- and
24 match that against the revenues.

25 Q. So -- so bottom line, you will need to

1 rely upon other generation not only to meet capacity
2 needs at Nucor, but also to meet energy needs due to
3 their load profile not exactly matching with the wind
4 generation; is that correct?

5 A. From -- from time to time on the energy,
6 absolutely. Either -- either energy that we've
7 supplied that's coming back through the node or energy
8 from other resources within SPP that are coming
9 through the -- the GMO node certainly will be part of
10 that -- that avenue to address the intermittency.

11 And then capacity will -- there will be a
12 need to -- to have capacity from resources other than
13 the single source energy supply wind resource.

14 Q. Moving on, are you familiar with the
15 recently approved renewable energy rider?

16 A. I am.

17 Q. Can you tell me what that does?

18 A. Yeah. In general -- and I'm not an
19 expert on it. You know, if we would have had a
20 different -- a different roll out of this case, we
21 probably would have had a more technical witness in
22 later on in this case.

23 But -- but in general, it affords an
24 opportunity for us to -- to have customers sign up for
25 renewable resource supply. And when we meet a certain

1 threshold of sign up, we can -- we can construct or
2 acquire a wind resource to -- to serve those -- those
3 customers that -- that have signed up.

4 Q. And ---

5 A. It's got some -- it's got some parameters
6 around it about how much of it we have to have
7 subscribed and how we deal with under-subscribed
8 amounts compared to what we build or procure, right.

9 Q. In laymen's jargon, tell me if you agree
10 with this statement: The renewable energy rider is a
11 mechanism designed to allow non-residential customers
12 to receive REC so they can say they're accessing
13 sustainable energy?

14 A. Yeah. It's a little bit more broad
15 than -- than just a -- what I call a traditional REC
16 green tariff. I mean it -- it requires a specific
17 incremental supply of wind; whereas a traditional REC
18 green tariff, you could just go out and buy RECs on
19 the market and use those to serve customers if they
20 pay the incremental cost for those RECs. This
21 actually brings the -- the resource into the market as
22 well. But that's certainly a piece of it.

23 Part of the reason why we did not use
24 that mechanism for a customer like Nucor is because it
25 has a lot of interplay with the fuel adjustment clause

1 and -- and some of the other mechanisms that are in
2 play in the state. And -- and it is much easier from
3 our perspective to isolate the wind resource specific
4 to Nucor and make sure that we're not having costs
5 impact non-Nucor customers then trying to use the
6 existing tariff that's so tightly woven with the FAC
7 and other general rate-making mechanisms in the state.

8 Q. You were asked some questions by Mr. Hall
9 about the investment in the substation, and I want to
10 make sure the record is clear. I believe you said
11 that the return on that investment is built into the
12 rate for Nucor; is that correct?

13 A. We -- we have built in return on and of
14 rate.

15 Q. And I think that might have clarified.
16 So both return on and of the depreciation are both
17 built into that?

18 A. At -- at kind of the standard rate-making
19 expected life for the resource, right, for the
20 substation.

21 Q. Okay.

22 A. But --

23 Q. Okay. The -- do you have a copy of the
24 stipulation in front of you?

25 A. I do.

1 Q. Turning to page 2, provision 7, it's
2 entitled costs and revenue tracking. Let me know when
3 you get there.

4 A. I'm there.

5 Q. And I think Mr. Hall might have touched
6 on this as well. The fact that it used tracking
7 doesn't mean that it's a tracker. Would you agree
8 with that?

9 A. I agree with that. It is not what --
10 what traditionally would be referred to as a -- as a
11 tracker that might come out of an AAO or -- or an
12 accounting mechanism that would result in a regulatory
13 asset or a regulatory liability.

14 Q. Okay. So if the Company experiences an
15 increase in profits or a decrease in profits between
16 rate cases, that is not being tracked for recovery in
17 a future case?

18 A. It -- it is not. It is like -- I would
19 say it's like any new customer that comes on to the
20 system between cases. If there are new revenues
21 coming on to the system and new costs to serve coming
22 on to the system, they plus or minus are, you know
23 flowing to the benefit or detriment of the Company
24 until a rate case kind of resets that -- that customer
25 activity.

1 Q. So this is more in line with reporting
2 requirements; is that accurate?

3 A. To -- reporting and monitoring and it's
4 doing two things. Right? It's -- it's trying to make
5 sure the parties understand that we are adequately
6 doing that -- that identif-- identification of the
7 types of costs that are -- that are being incurred to
8 serve Nucor and matching them against the revenues
9 from -- from the Nucor rate.

10 And it's also the foundation that will
11 set that adjustment at the general rate case when
12 we -- when we go into the revenue requirement model
13 and compare costs and -- and revenues in -- to see
14 whether we need to make a revenue adjustment at the
15 time of the general rate case or not.

16 Q. And my last area of questioning --

17 MR. WOODSMALL: May I approach the
18 witness, Your Honor? I have an exhibit.

19 JUDGE WOODRUFF: You may.

20 MR. WOODSMALL: Your Honor, can I mark
21 this as Exhibit 6?

22 JUDGE WOODRUFF: Yes, you may.

23 (MEGC Exhibit 6 was marked for
24 identification.)

25 BY MR. WOODSMALL:

1 Q. Do you have Exhibit 6 in front of you,
2 sir?

3 A. I've got it here, yes.

4 Q. And can you identify that for me?

5 A. It looks like it is our currently in
6 effect large power electric service tariff set of
7 schedules for KCPL GMO.

8 Q. And just generally, absent the special
9 contract, would you agree that Nucor could use this
10 for getting electric service from KC -- from GMO?

11 A. Other than if this were their option,
12 they wouldn't have come to Missouri.

13 Q. Sure. But it provides them the same
14 services?

15 A. They -- they can get that level of
16 service. They can't get the rate and the term that
17 was important to them.

18 MR. WOODSMALL: Okay. And I'm not going
19 to go into it because I don't want to have to go into
20 in-camera, but I wanted to make this an exhibit so
21 that the Commission would be able to compare the rates
22 that would have been available to them absent the
23 special contract. So I'm not going to delve into
24 those rates, but that was the purpose of it.

25 Your Honor, could I move for the

1 admission of Exhibit 6?

2 JUDGE WOODRUFF: Six has been offered.

3 Any objections to its receipt?

4 Hearing none, it will be received.

5 (MEGC Exhibit 6 was received into
6 evidence.)

7 MR. WOODSMALL: And that was all the
8 questions I had. Thank you.

9 JUDGE WOODRUFF: All right. We'll come
10 up for questions from the Bench. Commissioner Kenney?

11 COMMISSIONER KENNEY: I have no
12 questions. Thank you, Mr. Ives.

13 THE WITNESS: Thank you.

14 JUDGE WOODRUFF: No need for recross.
15 Any redirect?

16 MR. FISCHER: Just briefly, Judge.

17 REDIRECT EXAMINATION BY MR. FISCHER:

18 Q. You were asked some questions, Mr. Ives,
19 about the reporting and monitoring features that are
20 in the stipulation and that -- I believe you indicated
21 that is not what you would consider to be a tracker;
22 is that right? Do you recall that?

23 A. I do recall, and that's correct.

24 Q. How does that differ from the provisions
25 that are included in Section 355 of the statute that's

1 been discussed earlier today?

2 A. Yeah. You know, those were discussed in
3 openings a little bit. And, you know, when I look --
4 and I'm not an attorney and I'm sure everybody will
5 brief the application of 355. Right?

6 But when I look at the provisions in 355,
7 it -- it seems to indicate to me that you would have a
8 tracker that would compare the costs and the revenues
9 to -- to serve Nucor kind of from inception until at
10 least the first general rate case where -- where they
11 come in effect.

12 And -- and candidly, we looked long and
13 hard at the provisions of 355 for precisely the
14 reasons Mr. Woodsmall indicated. Right? It was
15 legislation that we felt was very good legislation in
16 terms of pursuing economic development in the state of
17 Missouri and certainly was -- was something that with
18 we would like to be able to utilize to attract
19 customers to the state.

20 That said, for whatever reason, my
21 opinion, non-at-- non-- nonlegal opinion, when you
22 look at the language in that statute and the
23 development of the words around that tracker, it does
24 not seem to -- to capture the fact that new
25 incremental investment put in the ground to serve a

1 new greenfield customer in the state of Missouri will
2 not provide a return to the utility during the time
3 that that tracker is in effect.

4 In openings it was asserted that because
5 you get to look at the depreciation and the carrying
6 costs on the -- the investment, that the Company is --
7 is made whole, that the flip side of that tracker is
8 that it's going to pick up the revenues that are
9 coming in from Nucor that -- that also has priced into
10 it the expected effect of the depreciation and the
11 carrying costs.

12 So the net effect on the tracker of -- of
13 that is zero, which means there's no ability for the
14 Company to participate in the return on that
15 investment during that period. And that's where I
16 disagree with Mr. Woodsmall's characterization that
17 that tracker keeps the Company whole related to return
18 and depreciation.

19 Q. Does that answer go to the question that
20 Commissioner Hall asked your counsel about what is
21 this net income and what you wouldn't recover?

22 A. That -- that is the primary piece that
23 led us to the conclusion that the language was not
24 sufficient in 355 for us to be able to make the type
25 of investment to put a greenfield customer like Nucor

1 in and have the opportunity to earn a return on that
2 asset, which is the same opportunity that we would
3 normally get if a new customer came in and we had to
4 put infrastructure in place to -- to put them in a new
5 greenfield space.

6 Q. What other concerns did the Company have
7 regarding that tracker in 355 perhaps related to
8 customer impact?

9 A. Yeah. The -- the flip side of that, I
10 think it was alluded to in some somebody's response to
11 questions, is when we spoke with Nucor about the rate
12 that -- that it would -- would take for them to be
13 interested in moving to Missouri, our emphasis from
14 the beginning of those discussions was a rate to
15 supply Nucor that would support the incremental cost
16 to serve Nucor over the ten-year term.

17 We believe the tracker in 355 has -- has
18 the ability -- in the event of what we talked about,
19 if the intermittence of the wind results in costs in
20 excess of revenues, it has the ability to socialize
21 those costs across non-Nucor customers. We don't
22 think that's good regulatory policy, we don't think it
23 matches cost causation and recovery of costs that --
24 that -- that a customer is causing to be incurred and
25 we never intended our rate to be built that way.

1 Q. What do you mean when you say socialize
2 across other customers?

3 A. Would be -- would put it in a position
4 where we had a reg liability in that tracker or -- I'm
5 sorry, a reg asset in that tracker that would need to
6 be recovered from non-Nucor customers in order to zero
7 out that tracker.

8 Q. Was the Company considering the impact on
9 other customers when they chose the monitoring and
10 reporting mechanism that is included in the
11 stipulation?

12 A. We certainly were. And -- and that
13 ultimately is the feeder for the adjustment that will
14 be looked at and evaluated at the time of a general
15 rate case, which is, if you've handled the FAC
16 correctly, is the time you could impact non-Nucor
17 customers.

18 So that reporting and monitoring will
19 ultimately lead to the evaluation of revenues versus
20 costs at the time of a rate case. And we -- we felt
21 so strongly that we wanted to build a rate for Nucor
22 that would cover their costs over the ten-year term,
23 that we said in a given case if it doesn't, we'll make
24 an adjustment to assure that it doesn't have a
25 negative impact on non-Nucor customers.

1 Q. I believe in reference to one of the
2 customers that was asked by Mr. Hall, you made a
3 reference to other perspective perhaps special
4 contract customers or something along that line. Are
5 there other customers that are out there currently
6 today interested in special contracts?

7 A. There absolutely are. And to be fair --

8 MR. WOODSMALL: Your Honor, I'm going to
9 object. I attempted to do some discovery on this and
10 it was objected to and you ruled that any discovery
11 related to these other customers that may be out there
12 is irrelevant.

13 Now after I was shut down on discovery,
14 the Company's trying to raise that exact question and
15 I'm left hanging and never got to do the discovery.
16 So I don't think it's appropriate for the Company to
17 go into this when they themselves admitted that this
18 is entirely irrelevant.

19 MR. FISCHER: I'll withdraw the question,
20 Judge. I don't want to get into a big fight about
21 this.

22 BY MR. FISCHER:

23 Q. Are there other special contracts that
24 the Company has today that you're aware of or have had
25 in the past?

1 A. We -- we certainly have had special
2 contracts in the past. Certainly some that were
3 related to the -- the start of our comprehensive
4 energy plan at Kansas City Power & Light and certainly
5 some that were related to customers, you know, well
6 before my time in -- in regulatory. We do not --
7 other than in the Legacy Westar territory, we -- we do
8 not have additional special contracts in place for
9 customers today.

10 Q. A question was asked from the Bench about
11 whether those had been approved outside the context of
12 rate cases. Are you familiar with that?

13 A. It's my understanding that they -- that
14 they were put in place outside of a general rate case
15 for new customers coming in on those special
16 contracts. And we have an existing special contract
17 tariff out there in place today that this SIL tariff
18 is modeled closely after. We just don't have any
19 customers being served on it at this point in time.

20 Q. Do you know if special contracts in the
21 past have had fixed rate terms?

22 A. My understanding is, is they had terms.
23 The discussion earlier that Mr. Woodsmall held in
24 front of the Commission was around a ten-year term
25 specific to Noranda. And I honestly don't know what

1 the length of the term was for special contracts that
2 we've had, but they've obviously not been recurrent
3 one-year contracts from inception.

4 Q. Did you sufficiently get a chance to
5 define net income for purposes of the question from
6 the Bench?

7 A. Yeah. I was just going to say I think
8 when I was responding to that question, and maybe we
9 talked about it a little bit later, that -- that
10 the -- the utilization of the 355 tracker and the need
11 to not have an increase or decrease to net margin or
12 net income necessarily means that we're not going to
13 be able to receive a return for investors for new
14 investment that's made to put a customer like Nucor in
15 a greenfield space because that tracker under 355
16 picks up both the revenue side, which has priced those
17 amounts in, and the cost side, which causes a zero
18 effect in the tracker.

19 So -- so we wouldn't -- we wouldn't have
20 that opportunity to pick it up at a later date.
21 That's just lost return.

22 Q. Are you specifically talking about that
23 18 to 20 million dollars I referenced in the opening?

24 A. I am. I am. For the -- for the
25 incremental infrastructure investment on a greenfield

1 customer.

2 MR. FISCHER: I think that's all I have,
3 Judge. Thank you.

4 JUDGE WOODRUFF: Thank you.

5 And then you can step down.

6 THE WITNESS: Thank you.

7 JUDGE WOODRUFF: That's all the
8 witnesses.

9 MR. WOODSMALL: Your Honor, before we go
10 any further, I'd like to offer an exhibit. Section
11 536.070 gives the Commission authority to take as
12 evidence records and documents. And I'd like to mark
13 as an exhibit and have offered into evidence the
14 portion of the Commission's order in the Noranda case
15 in which they address this.

16 JUDGE WOODRUFF: Okay. Unfortunately, it
17 looks familiar.

18 MR. WOODSMALL: I guess this would be
19 Exhibit 6, Your Honor.

20 JUDGE WOODRUFF: Yes.

21 MR. WOODSMALL: Exhibit 7, I'm sorry.

22 JUDGE WOODRUFF: Exhibit 7. It's been
23 offered. Any objections to its receipt?

24 MR. FISCHER: Judge, I don't think it's
25 evidence. He can certainly cite to it. It might be

1 more convenient to have a copy with you, but I don't
2 consider it evidence.

3 MR. WOODSMALL: Your Honor, it --
4 536.070(5) states evidence, records and documents of
5 the agency. And I would agree that I could cite to
6 it. The problem is when I get on appeal, I've heard
7 of situations in which the Commission says oh, no, you
8 can't use that because it wasn't in the record on
9 appeal. So I'm kind of belt and suspenders here, but
10 that's the reason I'm offering it.

11 JUDGE WOODRUFF: I'll receive it.
12 (MEGC Exhibit 7 was received into
13 evidence.)

14 JUDGE WOODRUFF: The alternative would be
15 to take administrative notice of it and it is helpful
16 to actually have it in the record.

17 MR. WOODSMALL: And that's all I had,
18 Your Honor.

19 JUDGE WOODRUFF: Anything else?

20 All right. The schedule calls for briefs
21 to be filed on November 1st with reply briefs on
22 November 8. Since that is coming up very quickly,
23 we'll need to expedite the transcript. I'm thinking
24 making the transcript due on next Wednesday, the 23rd.
25 Would that be okay for everybody? It's not like it

1 will be a real long transcript.

2 All right. We'll make the transcript due
3 on the 23rd.

4 Anything else we need to take up while
5 we're still on the record? All right. Then we are
6 adjourned.

7 (MEGC Exhibit 7 was marked for
8 identification.)

9 (Whereupon, the hearing was adjourned.)

10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

INDEX

Opening Statement by Mr. Fischer	24
Opening Statement by Mr. Lavanga	39
Opening Statement by Mr. Thompson	45
Opening Statement by Mr. Hall	53
Opening Statement by Mr. Woodsmall	56

NUCOR EVIDENCE

KEVIN VAN DE VEN, VIA TELEPHONE

Direct Examination by Mr. Lavanga	90
Cross-Examination by Mr. Steiner	92
Cross-Examination by Mr. Hall	95
Cross-Examination by Mr. Woodsmall	97

COMPANY EVIDENCE

MARK STOMBAUGH

Direct Examination by Mr. Steiner	105
Questions by Commissioner Kenney	106

JESSICA CRAIG

Direct Examination by Mr. Steiner	108
Questions by Commissioner Kenney	109

DARRIN IVES

Direct Examination by Mr. Fischer	111
Cross-Examination by Mr. Lavanga	113
Cross-Examination by Mr. Hall	119
Cross-Examination by Mr. Woodsmall	131
Redirect Examination by Mr. Fischer	143

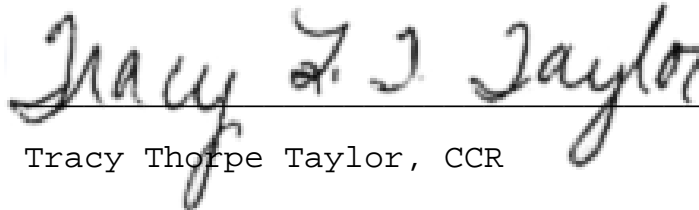
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

EXHIBIT INDEX		MARKED	REC'D
Exhibit 1			
Direct Testimony of Jessica Craig		24	109
Exhibit 2P			
Direct Testimony of Darrin Ives, Public		24	113
Exhibit 2C			
Direct Testimony of Darrin Ives, Confidential		24	113
Exhibit 3			
Direct Testimony of Mark Stombaugh		24	106
Exhibit 4			
Direct Testimony of Kevin Van de Ven		24	92
Exhibit 5P			
Non-Unanimous Stipulation and Agreement, Public		24	119
Exhibit 5C			
Non-Unanimous Stipulation and Agreement, Confidential		24	119
Exhibit 6			
Large power electric service tariff141143			
Exhibit 7			
Report and Order		153	152

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CERTIFICATE OF REPORTER

I, Tracy Thorpe Taylor, CCR No. 939, within the State of Missouri, do hereby certify that the testimony appearing in the foregoing matter was duly sworn by me; that the testimony of said witnesses was taken by me to the best of my ability and thereafter reduced to typewriting under my direction; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this matter was taken, and further, that I am not a relative or employee of any attorney or counsel employed by the parties thereto, nor financially or otherwise interested in the outcome of the action.


Tracy Thorpe Taylor, CCR

<p>(</p> <hr/> <p>(11) 66:25</p> <hr/> <p>1</p> <hr/> <p>1 24:12 29:2 32:22 36:18 44:13 56:20 61:13,14,21,25 62:5, 10 73:11 93:13,18 108:19 109:4,6,10</p> <p>10 27:2 28:15</p> <p>100 100:2 133:20,23</p> <p>11 32:22 50:13</p> <p>11:45 90:6</p> <p>1200 112:4</p> <p>13,800 132:4</p> <p>135 136:6,13</p> <p>14 125:22</p> <p>15 135:17</p> <p>157 127:24</p> <p>163 64:25</p> <p>18 32:7 36:5,15 38:3 70:10 75:7 82:21 125:6,13,15 150:23</p> <p>1913 81:11</p> <p>1955 116:23</p> <p>1957 67:20</p> <p>1979 66:1 74:6</p> <p>19th 27:23 43:7</p> <p>1st 152:21</p> <hr/> <p>2</p> <hr/> <p>2 31:13 47:3,4 51:10, 14 52:5 74:5 81:23 112:7,23 140:1</p> <p>2-C 112:21 113:2</p> <p>2-P 112:21 113:2</p>	<p>20 32:7 36:5,15,23 38:3 75:7 82:21 110:10 125:23 150:23</p> <p>2014 59:16 77:7</p> <p>2017 42:21 58:24 61:5 97:1</p> <p>2018 26:7 96:7 97:2</p> <p>2019 132:16</p> <p>2020 26:9 41:5 93:10, 13 122:9</p> <p>21 32:10 40:15 125:23</p> <p>23rd 152:24 153:3</p> <p>240,000 97:25</p> <p>250 25:21 26:2 27:10 40:23 110:17</p> <p>261,000 27:20</p> <p>2C 24:12</p> <p>2P 24:12</p> <hr/> <p>3</p> <hr/> <p>3 24:12 36:18 82:19 105:13,19,23,24 106:2</p> <p>30 135:7</p> <p>33 135:18 136:4</p> <p>34 65:1</p> <p>35 135:7</p> <p>355 32:10 33:5 44:19 45:1,5,6 86:10,14,19 89:23 143:25 144:5,6, 13 145:24 146:7,17 150:10,15</p> <p>36 60:8</p> <p>360 23:6</p> <p>386 78:4</p> <p>39-- 58:5</p> <p>393 78:4</p> <p>393.1075.7 68:17</p> <p>393.130 32:23 49:3</p>	<p>66:24</p> <p>393.140 32:22 33:15 66:25</p> <p>393.150 32:22 33:15 48:10</p> <p>393.150.1 67:2</p> <p>393.1640 97:4</p> <p>393.1655 116:20</p> <p>393.270.4 67:20</p> <p>393.355 31:11,13,20 32:24 33:8 35:21 46:22 47:14,21 48:5, 21 51:10 56:21 58:5, 18,20 59:2 60:5 61:14 62:13,25 63:23 64:2,4, 7,11 65:9,12 68:1,8 69:17,23 70:7 72:3 73:1 82:20 87:8,20,24</p> <p>393.355.3 74:23</p> <hr/> <p>4</p> <hr/> <p>4 24:12 91:3,10 92:2,4, 7 127:21,23</p> <p>40 97:25</p> <p>400 110:19</p> <p>45 97:25 135:20</p> <hr/> <p>5</p> <hr/> <p>5 50:13 95:8 113:13 119:4</p> <p>5-C 119:9,12</p> <p>5-P 119:8,12</p> <p>50 57:1 61:20 62:8 70:5 110:23</p> <p>500 91:7 110:19</p> <p>536.070 151:11</p> <p>536.070(5) 152:4</p> <p>564 38:9 57:8,15,17 63:10 116:23</p>	<p>5C 24:13</p> <p>5P 24:12</p> <hr/> <p>6</p> <hr/> <p>6 95:8 141:21,23 142:1 143:1,5 151:19</p> <p>600 59:6</p> <p>65,000 26:4</p> <p>65109 23:6</p> <hr/> <p>7</p> <hr/> <p>7 28:20 140:1 151:21, 22 152:12 153:7</p> <p>70s 89:18 110:15</p> <p>75 134:7 136:15</p> <p>79 89:20</p> <p>7th 24:22</p> <hr/> <p>8</p> <hr/> <p>8 28:20 95:7 152:22</p> <hr/> <p>9</p> <hr/> <p>90 92:22</p> <hr/> <p>A</p> <hr/> <p>AAO 140:11</p> <p>ability 25:11 59:21 145:13 146:18,20</p> <p>abrogate 86:6</p> <p>absent 52:22 74:16 142:8,22</p> <p>absolute 66:20</p> <p>absolutely 93:15 118:16 137:6 148:7</p> <p>abundantly 73:13</p>
--	---	--	--

ac-- 122:23 126:5	address 43:15 59:12 68:21 73:22 83:2 91:4, 7 112:1,4 137:10 151:15	111:16,17 113:9,10 119:20,21 131:22,23	America 40:19 100:1
accept 46:17 71:19	addressed 23:17 28:13 81:7,12	agency 152:5	amount 29:18 30:1 36:8 37:20 59:5 75:11 76:19,21 83:10
acceptance 114:8	addresses 116:20	aggressive 25:13	amounts 42:3 73:15, 20,21 75:13 138:8 150:17
accepted 89:10	addressing 82:5	agree 52:3 58:24 63:25 64:1 65:6,10 67:15 73:10 82:17,19 115:20 128:17 129:8 138:9 140:7,9 142:9 152:5	analysis 49:15 115:18
accepting 88:10	adequate 123:5	agreed 45:23 60:7 127:11 129:10	ancillary 54:20
access 123:22 124:8, 10,13,18	adequately 141:5	agreeing 39:18	announced 42:22
accessing 138:12	adjourned 153:6,9	agreement 27:25 34:18 42:23,25 43:1 45:4,22 50:14 60:15 98:17 102:4,21,22 119:23,24 120:22 122:17 123:8,16,18, 20,21 124:7 125:16 127:12,22 128:6,21,23	annual 97:24
accommodate 41:11	adjustment 30:8 47:12 52:14 66:1,11 89:19 115:14 118:13 127:17 129:11,15 130:25 131:8,11,18 138:25 141:11,14 147:13,24	agreements 48:13	annually 27:20 52:13 97:25
account 125:24 126:4	adjustments 29:21 49:12	ahead 24:7,8,14 85:1 103:10	answering 40:7
accountant 82:24	administrative 152:15	air 72:2	answers 91:20,24 105:19 112:14
accounting 63:10 68:6 83:2 140:12	admission 109:3 112:21 143:1	allocate 52:7	anticipate 93:4
accounts 126:5,10, 12,17,25 131:10	admitted 119:3 148:17	allocated 51:15,25	anticipated 29:1 46:5
accreditation 135:3	adopted 24:23	allocates 47:5	anyplace 123:12
accurate 99:4 112:17 141:2	adoption 113:24	allowed 36:19 94:10	appeal 35:17 152:6,9
accurately 128:17	advance 121:19	allowing 96:12 115:24	appearance 22:9,11 39:19 40:6
achievable 93:11	adversely 28:18	alluded 117:20 146:10	appearing 23:9,13 56:4
achieve 95:16	advising 55:7	alternative 152:14	appears 68:12
achieved 100:15	affairs 34:1	aluminum 31:21,22 59:3,5 61:18 96:13	applicability 32:4
acquire 122:21 138:2	affect 33:12 78:9	amended 127:22	applicable 50:24 120:21
acquired 123:11	affected 28:18	amendments 114:1, 3	application 22:2 43:20 144:5
activities 44:3 92:24	affiliate 41:19	Ameren 59:14,16 77:9,18,22	applies 70:3
activity 140:25	affirms 43:10		apply 49:2 89:5,7
actual 25:3 62:19 82:10 124:22 130:2, 10,15,20,21	affords 137:23		appreciation 39:17
add 22:13 84:1	afternoon 90:25 91:1 104:17 105:3 106:19 107:23,24 108:9,10		appreciative 42:8
addition 27:10,11 40:17 70:15			approach 25:14 82:12 141:17
additional 27:18 29:15 30:8 32:25 34:17 44:2 50:5 52:7 73:17 76:23 77:13 78:2 83:10 114:4 115:14 125:4 129:10 149:8			approval 22:4 26:23 28:1 47:4 63:14 64:7

106:23 107:1 128:7	assure 62:2 147:24	86:13 89:18 90:6,8 128:19 137:7	Bill 36:18 44:13 56:20 61:13,14,21,25 62:5, 10 73:11 116:23
approve 33:3,7,15,22 34:15 43:20 48:4 49:9 50:12,19 51:2 54:5 68:25 71:22 72:1 77:13 79:2 80:14 89:17	attached 114:22 127:3,13	baffled 64:12	billion 74:1
approved 32:19 33:19 35:4,6,9 41:6 43:9 64:11 69:2 84:15 93:16 137:15 149:11	attachments 131:6	balancing 49:10	bills 61:9
approving 48:11	attempted 122:16 148:9	bar 25:22	bind 60:16 64:17 67:6,11 88:8 89:8
approximately 25:21 135:20	attorney 53:10 55:6 144:4	base 47:12 94:14 131:15	binding 60:15 67:8
April 26:7	attorneys 89:1 115:6	based 26:20 31:16,17 35:24 61:16 76:13 87:4 107:11 111:6 114:4 115:2 116:6,10 120:10 128:20 130:15	binds 72:4 87:8
arc 40:16 41:13,23 93:2	attract 62:7 69:14 144:18	basically 132:8	bit 81:18 116:19 118:18 121:22 133:5, 13 135:5 138:14 144:3 150:9
area 27:12 44:1 110:11 141:16	attracting 25:9	basis 65:17 114:21 115:21	blip 116:16
areas 128:3	attractive 26:17 31:22	be-- 129:1	blowing 133:21
argue 58:18 69:5,15 71:25 79:6	attributable 29:7	began 42:23	blush 84:9
argument 35:23 64:5	authority 25:6 32:20, 21,25 33:3,7,15,22 44:16 48:11,21 49:9 50:19,20 51:2 54:5,15, 25 55:1,13 56:10 57:16,17,20,22 59:25 60:1,4,10 64:20,22 65:3,8,20,23 66:4,7,9, 13,16,21,22,24 67:1,3, 13,15,24 68:5,15,16, 20 71:13,24 76:14 77:13,15,16,25 78:1,3, 4,9,10 80:11,20 81:9 86:6 88:12,13 151:11	begin 26:8 80:3 90:10 92:10 93:5 106:5 113:5 122:3	body 49:13 53:18
ARMCO 33:18 35:9	authorize 61:16	beginning 22:9 24:15 109:13 120:23 132:16 146:14	bogged 61:9
arrangement 86:14, 15 121:21	authorized 60:8	behalf 22:12 23:9,14 30:24 56:4	books 45:1
arrangements 124:4	authorizes 48:5	belief 57:15 112:18	boon 110:7
aspect 49:4	availability 42:5 95:9	believed 55:10,12	borne 27:21 46:7,10
Assembly 61:6,11 70:6	avenue 97:6 137:10	Bell 22:25 23:1 39:11	bottom 127:24 136:25
asserted 145:4	average 26:3,5	belt 152:9	bound 49:13
asserts 70:9	aware 93:22,25 96:11 98:5,8 99:7 112:12 113:15 135:3 148:24	Bench 103:2 106:14 107:12 111:7 143:10 149:10 150:6	Box 23:6
asset 125:18 126:6,9, 19,21 140:13 146:2 147:5		benefit 30:13 38:20 44:4 100:15 110:19 118:24 140:23	break 90:5,9
assigned 29:25		benefited 111:2	Brew 39:8
Associates 39:11		benefits 27:7,8 38:18 45:25 46:5,19 94:3 96:3 99:12 118:19	briefly 44:9 50:16 53:23 97:10 119:18 143:16
assuming 27:17 119:23 128:16		big 37:2 148:20	briefs 152:20,21
assurance 95:15			bring 42:9 111:15
	back 25:2 65:1 70:16 72:22 77:2,5 81:4,10		bringing 38:10
			brings 138:21
			broad 138:14
			broader 32:4
			broke 26:6

brought 43:25 57:4 88:5,6	capital 110:17,18	causing 146:24	city 23:6 41:18 42:11 59:7 65:1 112:4 149:4
build 25:22 138:8 147:21	capture 126:25 144:24	cease 59:15	claim 64:19 84:22
built 70:21,22 79:13 116:4 128:19,21 134:24 136:20,21 139:11,13,17 146:25	captured 121:15	cents 76:25 77:1	claiming 64:21,23
business 24:23 26:12,18 27:16 63:7 91:4,7	captures 121:18	certainty 59:21 61:4 87:9,18,20 102:11 122:2	claims 84:17
businesses 25:19,20 27:12	carefully 30:21	Chairman 34:21 44:8,9,10,17 50:16,17 53:23,24 56:22	clarified 139:15
buy 65:3 138:18	Carolina 40:12	challenge 89:20	clarify 130:14
buying 110:22	carry 51:25	challenged 71:8	clarity 124:5 127:17
<hr/> C <hr/>	carrying 56:22 70:18 71:1 74:15,19 75:8,13, 19,23 76:10 82:22 86:11 145:5,11	chance 150:4	class 49:7,21 52:15 117:7,10
calculate 52:11	case 22:14 25:5 26:18 29:22 31:12,17 33:8, 13,17,23 35:6,9,10,12 37:6,7,15 38:2 39:10 41:11 43:1 48:24 50:24 53:1,11 54:10, 16 55:4 58:1,9,13,16, 23 59:1,16 60:22 62:9 63:11,16,20 65:25 67:19,20,21,22,23 68:10 71:12,15,16,17 75:15 76:15,23 77:8 79:1,2,3,7 80:10,16,18 81:7,15 85:4,5,6 86:4 88:7,18,19,20,21,24 89:3,7,9,14,16,19 91:13 103:23 104:1 105:13 108:19 112:6 113:12 114:25 115:3 116:8 120:16 127:5 129:3,5,11,18 130:18 131:1,16 132:20,25 137:20,22 140:17,24 141:11,15 144:10 147:15,20,23 149:14 151:14	change 22:19 81:21 87:4 102:5,11 135:12	classes 38:25 47:13 117:11
calculated 75:2 130:2,9	cases 35:18 50:22,25 58:13 59:11 60:19 63:17,21 65:15 72:21 74:22 75:1 76:7 80:25 87:15 101:6,9 133:3 140:16,20 149:12	changed 22:20 25:4 80:9 87:5	clause 66:2,11 131:8, 11,18 138:25
calculation 125:3,14 129:17	causation 146:23	changing 68:8 101:9, 23 102:16	clauses 89:19
calculations 128:2	caused 112:5	characterization 145:16	clear 38:1 47:19 57:24 65:24 73:13 77:2 82:23 83:3 116:24 117:1,12,14,17 133:8 139:10
Caleb 23:8		characterize 82:18	clients 103:18
call 53:19 64:25 68:24 79:21 90:5 103:9 138:15		charge 39:22 48:14 68:14,19 69:3	close 85:3
called 61:11 89:4		charged 51:13,20 52:10	closely 149:18
calling 97:1		charges 48:12 126:1 127:17 128:3	closer 86:14 134:11
calls 58:15 152:20		charging 77:1	co-counsel 39:10
candidly 144:12		Charlotte 40:12	coding 125:25 126:4
cap 117:9		chicken 121:22	Cold 41:17
cap-- 135:8		choose 47:20	collected 75:14 129:6
capability 135:6		choosing 54:21	collecting 100:1 129:15,16
capacity 122:21 123:3,5,7,8,11,14,16, 20,21,25 124:2,7,8,13 125:10 134:4,7 135:2, 3,8 136:4,5,8,10,11, 17,18,23 137:1,11,12		chose 100:11 147:9	combination 49:14
		chosen 95:10	combined 128:1
		circumstances 33:1 80:9 87:5	comfortable 117:22
		cite 66:20 151:25 152:5	comments 73:4
		cited 32:21 33:17	commercial 26:8 41:4,7 93:5,10,17
			commercially 25:25
			Commission 23:5

24:18 27:24 28:24 32:20,25 33:2,7,14,21 34:15 35:3 39:7,17 40:4,5,8 41:10 43:5,20 45:19 47:5 48:3 49:8 50:12,19 51:2 53:7,16 54:5,14,25 55:13 56:9 57:16 58:6 59:11,18 60:6,7,9,16,19,22 61:16,22 62:1 64:14, 16,20,22 65:2,8,14,19, 25 67:6,8,11,14,15,18 68:25 69:2 71:7,12,19, 21 72:1 74:7,23 75:22, 23 77:12 78:9 80:6,10 81:4,8 85:6,17 87:2,3, 8,10,16 88:7 89:5,6,8, 10,16,18 115:17 127:8,18 128:5 142:21 149:24 151:11 152:7	community 110:14, 21,22,23 companies 57:11 63:11,15 132:17 company 22:3,12,15 24:12,19,25 25:2 26:17,19 27:3,24 29:4, 5,14 30:7,18,20 31:5, 11 32:6,11,12 33:24 34:1,19 35:4 36:18,22 38:2,20 41:19 45:21 46:24 48:17 63:7 64:3 74:19 75:6 76:1,5 82:4,12,20 83:6,14 84:6 86:12 92:7 100:4 106:2 109:10 110:14 113:2,25 119:12 130:2,11 140:14,23 145:6,14,17 146:6 147:8 148:16,24 company's 25:5 26:21 27:8 28:11 29:23 31:16,17 34:14 35:20 36:5,9,15 37:4 44:14 54:4,21 148:14 compare 52:10 115:3 141:13 142:21 144:8 compared 47:8 51:20 117:10 124:21 130:21 138:8 comparison 130:15 132:7 134:21 compete 59:21 competition 25:12 competitive 26:12, 16,19 42:5 95:16 99:21 competitors 59:14 complete 92:21,22 125:23 completed 25:23,25 40:22 41:14 completely 135:14 completion 40:21	comply 62:10 64:1 component 26:11 components 47:12 128:9 comprehensive 33:20 35:13 149:3 comprises 26:10 conceptualize 119:22 concern 36:25 39:2 44:21 73:19 87:1 101:6,10,22 102:6 concerned 59:10 79:19 85:7 concerns 146:6 concessions 63:13 concluded 64:17 conclusion 34:14 43:23 132:20,23,25 145:23 concur 54:3,11 conditions 43:21 50:12 120:11 conference 104:9 confident 50:18 confidential 27:3 28:13 112:7,24 119:6 124:24 125:1,2 127:14 135:24 conflict 87:12 confusion 22:14 conservatively 27:14 consideration 48:24 55:14 60:20 67:22 134:23 considered 59:17,18 89:13 117:13 122:10 134:1 considers 46:3	consistent 43:21 106:16 126:12,16 128:4 construct 138:1 constructed 122:8 construction 34:11 39:21 92:19,20,22 101:18 110:20 118:22 122:3 consumer 49:11 Consumers 23:14 28:5 30:25 56:5 contact 23:10 contained 27:1 28:20 50:13 57:11 68:16 78:1 91:19,23 105:19 108:25 112:13 contemplate 125:4 contemplates 121:6 125:7 context 35:18 46:11 80:25 149:11 continue 48:20 continuing 92:25 contract 26:20,24 28:1,9,13,18 29:12 30:13 31:3,5,15 33:18, 22 34:15 35:10,14 38:19,23 43:9,11,15 45:5,25 46:21 47:24 48:4,10 49:22 50:3 51:3 62:10,11,22 64:8, 10 67:8 68:23 71:16, 23 72:1,3,25 76:2,6 77:8,9,14,17,24 78:1,8 79:4 80:7,14,19 81:4 82:10 84:5,7,10,12,13, 17,22 85:15 86:3,7,16, 21 87:3 88:10 89:10 93:13,22 94:8 114:9 116:4,18 117:7 121:10 122:2 127:13,18 128:8,13 134:25 142:9,23 148:4 149:16 contracted 122:7
Commission's 33:10 44:15 54:18 65:7 66:1, 24 67:1,24 68:4 86:6 88:12,13 89:17 151:14 Commissioner 34:22,24,25 45:8,9,11, 12 51:5,6,7 55:22,23, 24,25 72:6 73:5,6,7 78:5 80:23 81:2,18 82:15 83:4,13,18,24 88:3,5 103:2,3,15,17 104:5,8,14 106:15,17, 22 109:21,24 143:10, 11 145:20 Commissioners 79:24 commissioning 93:1 Commissions 60:17 64:17 67:6,9,12 72:4 88:8 commitment 42:20 commitments 29:1 43:10 committed 42:16 communication 30:17 43:10 communities 111:2			

contracts 32:19 33:3, 11,16,19 35:4,6,11 48:12,16,19 71:6,7,13, 17,22 78:3 80:4 81:9 86:4 89:17 148:6,23 149:2,8,16,20 150:1,3	125:9,10 128:20 130:1,2,9 136:22 138:20 146:15,23 150:17	70:23 76:20 100:24 116:5 122:15 124:2 128:22 147:22	133:14 138:24 140:19, 24 145:1,25 146:3,8, 24 150:14 151:1
contrary 60:18 69:12	cost-based 59:20 61:22 62:12 67:25 68:3	covered 51:13	customer's 123:4
contrast 58:17	cost-of-service 31:16 35:25 50:4,6 51:18,21 127:5	covering 30:8 32:15 76:19 130:24	customers 27:6,8,9, 22 28:12,17 29:18 30:5,10,13,16 31:7 32:17 47:11 49:7 57:2 58:10 62:8 68:15,18 69:6,8,14,18 70:8,16 72:14,22 73:12 77:3 82:3,7,13 83:14 85:8, 10,20,21 86:5 87:23 99:8 115:10,15 116:14 117:14,19,25 118:1,2, 7,11,24 120:4,8 124:1, 15,20 129:13 130:19 131:1,13,18 137:24 138:3,11,19 139:5 144:19 146:21 147:2, 6,9,17,25 148:2,4,5,11 149:5,9,15,19
contribute 28:10	costs 27:5,21 28:8,11 29:5,6,16,18,19 30:7 36:9 41:24,25 43:14 51:14,17,24,25 52:8 70:18 71:1 72:15,18 74:15,20 75:8,14,24 76:10,19,20 79:7 82:22 86:11 99:19 114:17 115:1,19 116:5 121:14 122:15 126:11, 25 127:10 128:22 129:6,11 130:10,15, 19,20,22 131:9,13,17 134:20,21 139:4 140:2,21 141:7,13 144:8 145:6,11 146:19,21,23 147:20, 22	covers 125:9	customers' 83:12
contribution 27:5 32:16 51:24	counties 110:25	crafted 118:4	cut 66:7
control 86:5	country 40:14	Craig 34:4 107:22 108:6,12,13 111:12	Cygne 70:22 74:5
convenient 152:1	county 26:5 34:5 42:11,13 44:5 46:1 100:6 108:16 110:24 118:20	create 25:19 26:1 114:16	
conversations 106:25	court 23:2,11 35:17 54:19 55:7 65:18,24, 25 66:6,10 71:12,16, 17 103:22	created 27:11 45:1 56:20 60:24 110:17	
conversely 55:1	cover 51:16,17 62:22	creative 87:25 88:1 89:25	
copy 125:19 139:23 152:1		creature 65:19	
corporation 40:10,11 47:6 75:1		credit 136:18	
corporation's 35:25 47:11 62:3 75:3		credits 99:9	
correct 38:11 54:2 55:20 65:7 75:9 90:13, 14,15 93:24 100:16,17 113:16 120:24,25 127:6 132:9,14,18 133:16,18,24,25 135:21 136:7,15 137:4 139:12 143:23		criteria 114:5	
corrections 91:15 112:10		critical 40:2 42:6 100:21 101:15,22	
correctly 82:18 147:16		critically 101:2	
cost 26:11,25 27:4 29:24 30:2 31:18 32:15,16 42:4 59:8,9, 10,12,13,14 60:8,24 61:3,17 62:22 67:15, 16 68:16 72:8,15,16 75:19,21 76:24 82:6 83:11 101:4 114:12 115:4,7,11,15 116:9 120:17 121:18 122:1, 11,19 123:14 124:24		crocontract 80:4	
		cross 105:23 109:4 112:22	
		cross-examination 92:3,9,13 95:1 97:11 106:4 109:12 113:5,8 119:15,19 131:21	
		crux 54:10	
		crystal 117:1,17	
		curious 125:3	
		current 69:18 72:14	
		customer 28:16,23 34:17 36:17 47:13 49:6,20,21,25 57:3 69:19,20 73:16,17,25 74:14 84:5,12,16,19 85:15 94:14 104:11 114:4 117:6,7 123:2	
			D
			damages 84:17
			Darrin 27:1 28:14 33:25 82:25 111:23 112:3,5
			date 80:6 93:13,14 96:16 133:2 150:20
			David 23:13 41:19 56:3
			day 22:8 95:3,4 110:20
			de 34:7 39:18,19,23 40:2,6 42:18 90:9,11, 18,22,25 91:2,6 92:14 94:20 95:2,6 96:5,23 103:4,9 131:25 135:19
			deal 138:7
			dealing 33:10 126:7

death 85:18 87:6	76:10 82:21 86:11 139:16 145:5,10,18	differs 58:3	document 112:14 121:5 127:2,24 136:22
debt 75:21		difficult 128:10	documents 151:12 152:4
decision 24:4 26:15 42:7 60:13 65:24 71:24 99:17	description 45:21	direct 27:1 28:14 90:24 91:2,12,13 104:9 105:1,12 108:8, 18 110:16 111:2,25 112:8 114:7 129:4	dollar 32:7 36:5,15 38:3 70:10 73:25 75:7 82:22 125:6,13
decisions 89:7	design 43:3	directly 40:4 44:3 50:23 81:7 118:21 120:18 127:1	dollars 25:21 26:4 27:20 36:23 42:4 60:8 74:1,13 110:18 125:15 150:23
decisis 89:4,5	designated 29:11	director 34:2,4 105:9 107:2 108:15	dozen 79:17
decrease 38:22 71:4 77:4 140:15 150:11	designed 31:14,24 69:18,19,20 73:11,14 138:11	disagree 145:16	drafting 96:15,21
decreased 58:8 62:4 63:2 74:2 75:4,10	detail 45:20 114:12 134:18	disclose 103:21,24 104:4	draw 78:16 85:20
dedicated 122:3 125:24	detailed 28:25	discounted 82:1	Drawn 41:17
deferential 129:20,21	details 26:25 30:20	discounts 57:10,12, 15	drive 74:17
deferred 75:14	determination 117:13 125:17 131:16	discovery 148:9,10, 13,15	driver 59:9
deferring 71:1	determine 75:23	discriminatory 49:6, 9,23	driving 110:9
deficiency 30:14 48:2 50:9 130:12	determined 80:7 83:1 116:23	discuss 58:22	due 44:12 60:20 64:21 133:13 137:2 152:24 153:2
deficient 32:5 86:18	determines 49:17	discussed 52:7 95:17 114:23 118:9 144:1,2	duly 90:22 104:24 108:6 111:23
deficit 129:25 130:8	determining 49:12 95:17	discussing 125:5	duration 133:5
deficits 128:15	detriment 140:23	discussion 43:4 127:15 133:10 149:23	<hr/> E <hr/>
define 83:21 150:5	detriments 46:6	discussions 96:24 117:23,24 146:14	earlier 121:12 122:14 129:1 135:19 144:1 149:23
definitive 54:13	develop 94:11	dispute 71:20	early 123:10
definitively 54:24 55:12	development 25:15 34:3,5 42:12,14 44:3 46:11 48:8,15,17 54:16 56:16 57:6,7,10, 16 69:13 85:18 87:6,9, 19 100:5 105:7 106:24 108:16 144:16,23	distinct 124:4	earn 32:8 83:17,20 146:1
deliberations 55:17 60:22	deviation 116:2	distinction 73:24 84:10	earnest 42:24
deliver 46:1	differ 143:24	distinguish 73:24	earning 36:22
delve 133:12 135:23 142:23	differen-- 76:8	divide 52:14	easier 139:2
demand 124:14,21 134:9 135:20	difference 49:24,25 52:12 75:17 76:4,9,17 81:24 82:9 85:12 86:17,22 123:19 124:6	division 34:2 105:9	easy 46:17
demonstrate 124:1 131:12	differences 85:5	divulge 124:25	eat 50:10
department 34:3 105:6 107:2	differential 51:19 129:24,25 130:25	doctrine 89:4	economic 25:10,14 34:3,5 42:12,13 44:3 45:24 46:11 48:8,15,
Departments 42:11			
depreciation 70:18 71:1 74:16,19 75:7,13			

17 54:16 56:16 57:6,7, 10,16 69:12 85:18 87:6,9,19 100:5 105:6 106:23,24 108:15,16 110:11 144:16	encompassing 40:25	environment 45:2	examination 90:17, 24 105:1 108:8 111:25 143:17
effect 25:16 57:18 130:24 142:6 144:11 145:3,10,12 150:18	encountered 93:8	environmental 39:14	examined 50:25
effective 24:21 59:22 61:23 93:12,14	end 22:22 41:3 58:8 60:20 62:2,4,16 63:2 65:20 79:3 130:4 132:24	envisioned 70:6	exceed 30:2,6 72:8, 17 115:7,12
effects 30:11,22 117:3	endeavor 120:13	EO-2006-0193 35:14	exceedance 115:15
effort 31:20 117:14	ended 133:4	EO-2019-0244 22:7	exceeds 89:11
efforts 42:8 103:25	ends 92:23	EO-78-227 35:15	exception 42:3
egg 121:23	energy 23:14 28:5 29:8,13 30:25 33:20 35:13 41:24 56:4 59:5 93:23,24 94:2,13,16, 17 95:21,22,25 99:9, 14 100:4 119:24 120:17 123:17,20,22, 23,24 124:7,9,18 125:10 127:16 134:11, 16 136:16 137:2,5,6,7, 13,15 138:10,13 149:4	equal 70:4	excess 50:3 61:19 70:4 86:12 116:9 129:6,12 130:23 146:20
elaborate 35:8	engaged 40:13	equipment 34:11 39:24 92:25	excited 43:24
elected 54:20	engagement 34:2 105:10	ER-2014-0258 88:6	excluded 128:2
election 68:11	engineer 97:22	essentially 52:17 75:19,25 76:2	exclusive 33:6 48:7
electric 30:22 31:16 35:25 40:16 41:13,23, 24 42:6 48:16 61:6 62:3 96:12 142:6,10	Enjoy 102:24	establish 62:2 67:14, 16 74:24	execute 77:17 122:2
electrical 47:6,10 74:25 75:3 97:22	ensure 28:17 30:10 58:7 63:1 74:24 118:10 131:1,17	established 75:22	executive 34:4 108:15
electricity 26:10,13, 17 42:4 59:7,8,11,13 124:22	ensuring 117:16	estimate 27:15	exemplary 114:21
eliminated 57:1	enter 23:24 31:4	estimating 97:24	exemplifies 25:13
Ellinger 39:11	entered 24:1 26:20 27:24 43:6 114:2,10	Europe 34:10	exempt 68:13,15 127:16
else's 52:19	entire 37:23 54:22 58:9 59:7 71:24 87:7	evaluated 147:14	exercise 33:21
embedded 81:24 82:9	entirety 57:9 72:15 98:15 116:5 128:22	evaluating 130:14 131:7	exercised 33:14
emphasis 146:13	entities 103:23 104:3	evaluation 115:1 147:19	exercising 33:2
Empire 135:15	entitled 140:2	evening 97:12,13	exhibit 29:2 91:3,10 92:2,4,7 105:13,19,23, 24 106:2 108:19 109:4,6,10 112:7,21, 23 113:13 119:4 127:21,23 141:18,21, 23 142:1,20 143:1,5 151:10,13,19,21,22 152:12 153:7
employ 40:16	entity 30:24 122:24	event 30:14 38:6 48:1 50:8 86:18 129:9 146:18	exhibits 23:20 24:9, 10,12 113:2 119:12
employed 37:9	entries 22:8	events 29:16,17	exist 48:21 59:15
employees 110:20		Every 22:9,15,20 24:16,22,23 63:10,15, 18 92:15 122:20,23 123:9 132:17	existed 32:1 48:20 54:17 60:2
employing 83:7		evidence 71:19 92:2, 8 106:3 109:11 113:3 119:13 143:6 151:12, 13,25 152:2,4,13	
employment 118:22		evidentiary 22:2 24:3	
		ex-- 54:17	
		exact 86:25 148:14	

existence 59:2 67:10		features 46:23 143:19	128:7 149:21
existing 73:11,17 139:6 149:16	<hr/> F <hr/>	feeder 147:13	fixing 49:9
exists 71:11 80:21	fabrication 22:5	feel 96:17	flat 128:11
expansion 25:18	FAC 29:20 128:3 139:6 147:15	fell 82:5	fleet 40:20
expect 28:9 30:12 46:16 72:9 116:16 125:8	facilitate 40:5	felt 116:12 117:21,22 144:15 147:20	flip 145:7 146:9
expectation 136:3,17	facilities 32:7,13 40:13,15 41:16,18,20, 21 45:3	fictitious 133:20	flow 70:16 124:19,22
expected 25:16 26:1, 7 28:12 29:8 46:12 50:4 110:10 118:23 123:14 125:9,10,11 128:20,24 134:8,11 139:19 145:10	facility 22:4 25:7 26:1,7 29:11 31:17,18 41:15 42:2 47:7,9 70:3 75:2 92:19 94:18 119:25 120:21 121:2, 19 122:7 123:17 128:16 129:2 130:10 134:9	fight 148:20	flowing 140:23
expects 41:2,4	fact 24:6 32:24 34:9 47:25 48:16 56:18,22 59:6 67:9 71:22 73:23 77:24 85:7,9 86:17 94:1,12 99:23 122:10 140:6 144:24	fighting 72:24	focused 56:25
expedite 152:23	factor 26:15 42:6 136:5	figure 125:14	focusing 95:8 125:23
expedited 41:8	factors 48:25 67:22 134:1,5 135:24	file 22:6 31:12 63:11, 15,17 133:3	follow 25:20 89:6
expend 73:15	factual 85:5,12	filed 30:23,25 42:25 43:6 56:13 61:10 91:9 105:11 112:6 114:7,22 152:21	force 111:1
experienced 74:25	fail 84:10	filing 43:5 127:5	format 29:2
experiences 140:14	fails 72:13	final 49:15 84:23	forms 48:12
expert 137:19	failure 46:20 50:8	finally 25:18 57:13 61:10 62:5 64:8 68:21 69:16 72:5 118:8	formula 49:14
experts 96:15,21	fair 126:15 148:7	financial 84:20	formulas 49:14
expires 102:22	falling 131:10	find 53:9 63:18 65:20 127:19	forward 40:7 46:14 72:16 96:18
explain 76:4,8 86:10 114:11 124:6	familiar 96:6,20 137:14 149:12 151:17	fine 96:19 98:4	found 58:19 60:23 77:6 81:9
explained 46:25	families 110:23	finishing 92:23	foundation 141:10
explains 31:19 46:24	farm 133:22 134:7 135:6 136:7	firm 39:7	fourth 93:3
express 39:16 68:14 100:19	favor 29:13 57:6	Fischer 22:10,12,17 24:17,18 34:21 46:25 47:17 48:20 78:7 79:25 80:3,24 81:6,17 82:16,23 83:9,15,21 86:25 87:2 104:8 111:25 112:20 143:16, 17 148:19,22 151:2,24	free 53:19 89:17
extend 70:7,8 78:9	feature 46:4 47:2,20	five-year 132:18,19	front 86:15 125:20 128:5 139:24 142:1 149:24
extended 63:17		fix 62:5 120:14	fuel 66:1,11 89:19 131:8,11,18 138:25
extends 69:24,25		fixed 27:5,21 28:11 32:16 51:24,25 72:15 76:20 115:21,24 117:1	full 41:4 51:25 52:1
extensive 28:7			full-time 26:3 40:23
extent 96:14 115:6,11			fundamental 36:24 59:9
extraordinary 58:24 61:12,13 64:24			furnace 41:13,23
extremely 41:24 115:24			furnaces 40:16
			future 31:8 60:17,18 64:17 67:6,9,12 72:4 80:6,12,13,19 81:3 87:3,4,10 89:8 101:6,9 102:12 140:17

G	<p>10 97:18 99:7 100:15 106:22 110:1,2 114:10 119:24 120:9 123:7,8, 10,11 129:22 132:13 137:9 142:7,10</p> <p>GMO's 31:3 46:7,18 49:19 50:10 57:3 58:7 62:14 63:1 68:6,13 123:15</p> <p>good 22:23 23:8 28:22 35:1,2 45:18 51:8,9 53:8 56:3 73:8, 9 81:22 82:8 86:7 87:11 90:25 91:1 95:3, 4 97:12,13 104:17 105:3 106:19 107:23, 24 108:9,10 111:16,17 113:9,10 119:20,21 131:22,23 144:15 146:22</p> <p>gosh 47:17</p> <p>Gotcha 133:6</p> <p>Governor 61:11 64:25</p> <p>Governor's 42:10 100:6</p> <p>grab 74:21</p> <p>great 99:24 100:7,12 121:4</p> <p>Greater 22:3 24:24</p> <p>green 138:16,18</p> <p>greenfield 145:1,25 146:5 150:15,25</p> <p>groceries 110:22</p> <p>ground 26:6 144:25</p> <p>Group 23:14 28:5 30:25 56:5</p> <p>growth 27:19</p> <p>GS 33:17</p> <p>GST 35:10,15 71:15</p> <p>guarantee 65:13 70:14</p>	<p>guaranteed 102:15</p> <p>guess 83:18 85:25 151:18</p> <p>guidance 86:7</p>	<p>heard 45:20 46:3,22 47:17 48:19 57:2 63:24 87:5 102:13 127:15 152:6</p> <p>hearing 22:2 39:15 40:3 56:8 92:6 96:9 106:1 113:1 119:11 143:4 153:9</p> <p>held 30:10 48:1 50:7 149:23</p> <p>helpful 115:24 152:15</p> <p>helping 82:13</p> <p>helps 32:16 94:6,7,13</p> <p>herring 31:11</p> <p>hey 96:17</p> <p>hide 69:10</p> <p>high 113:23 130:13 135:9,10,11</p> <p>higher 122:11</p> <p>highest 41:25</p> <p>highlighted 51:12</p> <p>hinge 45:5</p> <p>history 77:6</p> <p>hit 86:25</p> <p>hold 115:14 116:13 118:10</p> <p>holding 71:23</p> <p>holds 52:18</p> <p>honestly 54:11 55:6 149:25</p> <p>Honor 22:25 92:1,11 103:7 106:6 107:13 109:5,14 111:11 113:7 119:2 141:18,20 142:25 148:8 151:9,19 152:3,18</p> <p>honored 102:21</p> <p>hook 47:15,18,20 86:19,22 128:15 130:3,12</p>
	H		
	<p>half 27:15 79:17 135:13</p> <p>Hall 23:8 34:24,25 45:11,12 51:6,7 53:7 55:24,25 72:6 73:6,7 78:5 80:23 81:2,18 82:15 83:4,13,18,24 84:2,9 88:5 95:1 106:10 107:15 109:18 119:18,19 133:7 139:8 140:5 145:20 148:2</p> <p>hand 104:20 108:1 111:19</p> <p>handled 83:23 147:15</p> <p>hang 103:9</p> <p>hanging 148:15</p> <p>happen 29:17 118:13</p> <p>happened 61:2 115:12</p> <p>happy 34:13 77:17,22</p> <p>harassment 104:4</p> <p>hard 144:13</p> <p>harm 35:19 36:2 38:16 83:13,14</p> <p>harmless 30:10 48:1 50:7 52:18 115:14 116:13 118:10</p> <p>harmonized 33:12</p> <p>Harris 41:17</p> <p>HB-1 54:19 97:1</p> <p>headquartered 40:12</p> <p>hear 40:4 78:6 86:9 92:15 97:14 118:16</p>		

hope 37:13 56:7	impacts 120:19 121:7 127:4	increased 29:19 58:8 62:4 63:2 70:23 74:2 75:4,10	inquire 90:21 104:23 108:5 111:22
hopeful 93:20	implement 74:3,11	increases 118:23	inside 101:25 102:5
hoping 63:20	implemented 74:7	incredible 59:5	insist 65:11
hour 40:21 60:9 76:25 77:1 134:4	implication 70:1 84:4	incremental 25:6 26:22,25 27:4 28:2 29:24 30:2,7 31:4 32:15 34:16 36:8 50:4 51:14,17 59:19 60:8, 24 61:3,17,18,22 62:11,22 64:9 67:14, 16,24 68:3 69:3,21 70:3 72:8,16,18 76:19, 24 82:6 83:11 113:24 114:9 121:25 122:15 123:15 124:24 125:7, 11 127:23 129:22 130:1,9 138:17,20 144:25 146:15 150:25	integrated 29:9
hours 124:19 133:21, 23	implications 116:23	incurred 114:18 117:4 121:16,18 130:10 141:7 146:24	intended 32:4 146:25
House 36:17 44:13,19 56:20 61:13,14,21,25 62:5,10 73:10	importance 40:3	independent 58:20	intensive 41:24
hundred 74:12	important 26:13 36:13 61:24 88:11 93:14 101:2 114:15 115:17 116:12 134:17 142:17	indicating 38:22	interest 81:10 99:15 118:15
hundreds 41:22	impose 58:7	indirect 110:19 118:23	interested 117:24 146:13 148:6
hypothetically 102:7	impression 55:5 56:14	indirectly 44:4	interesting 77:7
I	in-- 27:2	individuals 110:21	interests 49:11
I-V-E-S 112:3	in-camera 142:20	industrial 84:5,16 85:15,21 87:23 103:18	interim 37:14 83:16
latan 70:21 74:5	in-service 63:10	industries 31:23	intermittence 116:10 118:9 146:19
idea 89:2	inability 37:5	industry 22:5	intermittency 121:10 133:13 134:13 135:1 137:10
identif-- 141:6	inapplicable 35:24	infer 127:6	intermittent 116:1 134:5
identification 24:13 141:6,24 153:8	inception 144:9 150:3	information 23:2,10 27:2 125:2	interplay 138:25
identified 29:19 78:12	include 27:8 29:3,8 41:16 62:14	informed 28:25	interpret 38:21 95:19
identifiers 126:23,24	included 29:2 34:17 43:11 75:11 125:14 143:25 147:10	infrastructure 98:16 146:4 150:25	interpreted 37:11,12, 18 38:7
identifies 127:25	includes 62:11	initial 56:6	interrupt 126:15
identify 29:4,6,15 104:7 114:17 127:10 131:9 134:20 136:22 142:4	including 42:10	initially 44:11	intrigued 96:2
identifying 76:21	income 32:11 36:20 37:12,23 38:22 58:8, 21 62:3,15 63:2,3,22 70:11,14,15,17,23,24, 25 74:2,8,11,17 75:3,9 77:4 81:20 83:1,22 145:21 150:5,12	inputs 131:8	introduce 39:12
identity 104:2	incorporated 30:24		introduced 48:24
ignorance 122:22	increase 27:9 29:18 32:11 37:12 38:22 52:19 63:22 70:4 71:3 77:4 140:15 150:11		invest 25:21 74:13
imagine 37:25 84:16			investigatory 53:18
impact 49:16 110:11, 16 117:8 118:7 129:12 130:19 131:17 139:5 146:8 147:8,16,25			investing 110:14
impacted 117:15 131:2			investment 31:25 32:7,13 36:6,16,19 37:5 38:3 44:3 45:3 69:21 70:10,19 71:2,4 74:22 75:8,18 82:22 98:7,12 99:6 110:17, 18 111:3 125:6,8,12 139:9,11 144:25

145:6,15,25 150:14,25	job 27:19 28:22	32:18 122:22,24 123:10 132:25 142:7	largest 40:11,18,19 49:19 57:3 99:25 101:3 110:13
investments 32:9 117:3 130:3	jobs 25:20 26:2 27:10, 11,15,16 40:23 41:22 44:1,2 110:16	KCPL's 33:19	late 26:7 42:21 93:2 110:15
investor 49:11	John 39:14	Kenney 34:22 45:8,9 51:5 55:22,23 73:5 88:3 103:2,3,15,17 104:5,14 106:15,17 109:21,24 143:10,11	Lavanga 23:1 39:6,7 45:16 84:25 85:2 90:14,24 92:1 103:7 106:6 109:14 113:6,8 119:2,5,8
investors 150:13	joined 54:8	Kevin 23:4 34:7 39:18 90:22 91:6	law 33:13 39:7 49:8 55:4 78:12 80:10,16, 18 81:8 86:4 88:7,18, 19,20,21,24 89:3,7,9 96:11,15,21 103:23
invite 53:16	joint 43:17	key 54:10 85:12	lawful 49:18
involve 84:11 122:20	Joseph 41:19	kicker 59:24	laying 28:22
involved 42:9 58:23 96:14,20	Judge 22:1,10,13,23 23:3,7,12,15,20,21 24:2,6,14,17 34:20,24 39:4 44:7 45:8,11,14, 17 50:15 51:5 53:5 55:22,24 56:2 60:12 73:5 78:13,17,20 79:20 80:2 81:11,13 82:14 83:25 84:8,23, 25 85:1,23,25 86:23 90:2,4,8,16,20 92:4,9, 12 94:22,25 97:9 103:1,5,8,14 104:15, 19,22 105:22,24 106:4,7,9,11,13 107:11,16,18,21,25 108:3,5 109:6,9,12,15, 17,19,23 111:6,9,12, 15,18,21 112:20,23 113:4 119:4,6,9,14,16, 17 131:20 141:19,22 143:2,9,14,16 148:20 151:3,4,7,16,20,22,24 152:11,14,19	kids 89:1	laymen's 138:9
involves 25:5 49:10	July 43:1	kilowatt 76:25 77:1 124:19 133:21,23	lead 56:14 147:19
involving 126:18,21, 22	jumping 96:5	kilowatts 97:24,25	leading 116:8
irrelevant 148:12,18	<hr/> K <hr/>	kind 83:2 85:13 100:19 125:17 139:18 140:24 144:9 152:9	learn 83:20
isolate 29:4,6 125:25 139:3	Kansas 40:25 41:18 63:14,15,16 112:4 132:17,21,25 149:4	Kinter 39:14	learned 96:10 135:15
issue 38:13 40:2 49:1 54:9 55:5 61:8,12 71:25 75:18 80:13 81:17	KC 142:10	Kip 56:7	led 58:23 145:23
issues 54:9 59:17 88:21	KC-- 122:23	knew 121:20 122:5 134:25	left 148:15
Italy 39:23 102:24	KCP&L 42:14 96:16 98:21 99:6 132:20	knowledge 89:16 112:18	legacy 123:9,10 149:7
items 98:24	KCPL 22:3 24:24	<hr/> L <hr/>	legal 54:9 65:17
ives 27:2 28:14 31:19 33:25 46:24 82:25 83:23 111:16,23 112:3,5 113:9 117:18 118:14 119:1,20 124:23 143:12,18		La 70:22 74:5	legislation 56:23,24 57:9,14,22,23 58:15 61:4 96:6 97:2,4 117:9 144:15
<hr/> J <hr/>		labeled 91:3	legislative 61:5
James 22:12		lacked 55:13 60:10	legislature 96:7
January 93:13,18,21		lacking 53:19	length 66:18 150:1
jargon 138:9		language 44:12 47:18 79:19 144:22 145:23	level 97:18,19 113:23 130:13 132:1 142:15
Jeff 65:1		large 62:7 68:15 81:25 85:21 117:10 118:2 142:6	liability 126:6,9,19,22 140:13 147:4
Jefferson 23:6		largely 64:6 92:21	life 37:23 139:19
Jessica 34:4 107:22 108:6,12		larger 86:9 134:8	Light 149:4
Jim 24:18			

limited 88:12	lots 89:3 123:22	41:23 49:12 69:5 74:12 128:8 131:16 152:24	meaningful 27:5
limiting 57:1	Louis 41:17,18		meaningless 54:23
lines 95:8 125:22	love 104:1	manager 34:8 39:13, 14,20	means 33:6 48:7 75:6 89:5 133:4 145:13 150:12
list 54:8	low 59:13 132:3,11	mandated 58:5 62:14	meant 41:7
listed 135:24	lower 30:3,4 32:17 36:10 38:6 59:14 82:1 83:11 134:5	mandates 63:1	meantime 68:11
listen 53:15 60:21	lunch 110:22	manner 75:2	MECG 23:12 31:1 43:17 56:2,12,15,19 57:6,9,12,13 58:3,25 97:9 104:13 106:11 109:19 131:20
listening 96:8		manufacture 40:13	mechanism 36:7 44:22 62:2,7 121:1 122:20 127:17 134:19 138:11,24 140:12 147:10
litigants 60:18		manufacturer 26:14	mechanisms 43:12 114:16,20 139:1,7
LLC 25:8 34:8	M	manufacturer's 26:11	MEEIA 68:16
LMP 41:16	M-- 43:17	manufacturing 34:11	meet 120:14 123:12 124:14,16 137:1,2,25
load 25:6 26:22 28:2 31:4 34:16 57:1 61:19 64:10 70:4 93:23 113:24 114:9 123:5,15 124:14 127:23 129:1 133:14,15 137:3	made 29:21 35:21 45:22 46:17 65:24 69:4,15 71:2 77:3 81:22 99:6 112:11 115:14 116:24 117:12 129:15 145:7 148:2 150:14	margin 74:25 123:5 124:15 150:11	meets 43:2 118:5
loc-- 95:10	Madrid 59:4	margins 124:2	megawatt 60:9 62:8 134:4 136:6
local 25:19,20 27:16	magnitude 69:7	mark 24:8 34:1 104:24 105:3 141:20 151:12	megawatts 57:1,5 59:6 61:20 70:5 134:7 135:20 136:13,15
locate 26:15 98:18 99:18	Main 112:4	marked 24:13 91:10 105:12 112:6 113:13 141:23 153:7	MEGC 67:17 141:23 143:5 152:12 153:7
located 40:14 41:20 59:4 95:10,14	maintenance 30:19	market 40:24 120:11, 19 121:7 122:5,6 138:19,21	MEGC's 58:17
locating 25:17	major 37:3 38:18	marketplace 29:9 123:24	melt 39:13 40:16 92:24,25
lock 87:20 120:17	majority 98:16,20,22 121:9	Maryville 41:16	members 103:24 104:2
locked 102:9	make 26:18 27:4 30:8 31:6,22 50:9 52:14 57:14 60:4 61:22 63:8 66:19 68:23 69:13 70:16,24 72:12 73:1, 12 74:7,11 85:2 87:18 91:15 101:16 117:5 118:12,13 128:10 129:10 130:25 134:20 139:4,10 141:4,14 142:20 145:24 147:23 153:2	massive 42:3	membership 103:23
logic 68:24	maker 40:11,18	match 120:15 133:15 134:11 136:24	mention 22:17 125:24
long 144:12 153:1	makes 47:19,20 52:17 54:22 77:2 85:15	matches 146:23	mentioned 35:11 36:4 53:25 62:25 66:19 88:6,7 110:12 115:5 122:14 128:25
long-term 42:6 94:6 100:23 101:14	making 32:6,15 36:5	matching 137:3 141:8	
longer 81:5 100:25		material 100:3	
looked 80:18 144:12 147:14		matter 22:2 49:8 56:6 86:8 101:13	
loose 92:23		matters 23:16 61:7	
loss 38:6,23 46:9,16 70:25 72:9 83:6 120:3, 5		Mattheis 39:8,9	
lost 150:21			
lot 93:6 96:3,10 115:18 118:17 138:25			

merger 63:14 122:23	modeled 149:18	nearing 40:21	nonlegal 144:21
met 94:11	moment 24:8 36:1 51:12	necessarily 95:21 129:14 150:12	Noranda 31:21,24 56:10 58:23 59:3,6,10, 12,19,22 60:10,23 61:2,8,12 62:6 64:14, 23 69:3 77:6,8,17,23 85:4,8 149:25 151:14
methodology 49:16 127:10	money 63:8,19 73:15, 20,21 74:13	necessity 98:5	Noranda's 60:7
micro 25:22	monitor 29:14 30:21 43:13 62:20	needed 39:24 42:17 44:22 59:14 64:25 78:2 80:20 100:23	Norandas 70:7
Midwest 23:14 25:17 28:5 30:25 56:4	monitor-- 136:21	needing 122:21	Norenda 59:21
Mike 23:1 39:7	monitored 115:2	negative 147:25	normal 33:2
mill 25:22 40:1,20 41:14 43:25 57:3 59:9 70:2 92:21 93:1,21	monitoring 28:7 114:5,13 121:5 127:2, 11 131:5,7,14 134:19 136:21 141:3 143:19 147:9,18	negotiated 102:15,16	North 40:12,19 100:1
million 25:21 32:7 36:5,15,23 38:3 70:10 75:7 82:21 110:17 125:6,13,15 150:23	months 122:12	negotiating 42:23 121:21	note 22:19 24:21 25:3
millions 42:4	moratorium 68:7 132:18,19,24	negotiation 114:2	noted 35:3 41:12
mills 40:15 42:1 61:18 62:7 69:24,25 70:1 96:13	moratoriums 133:4	negotiations 42:15, 24 116:22	notice 152:15
mind 33:9 53:17 77:12	morning 23:8 35:1,2 45:18 51:8,9 53:8 56:3 73:8,9 96:10	net 29:24 32:11 36:20 37:23 38:22 58:8,20 62:3,14 63:1,3,22 70:10,14,15,17,23,24, 25 74:2,8,11,17,25 75:3,9 77:4 81:20 82:25 145:12,21 150:5,11,12	Noticeably 66:20
mine 103:24	move 39:5 45:17 53:6 56:2 69:9 92:2 94:23 103:1 104:15 109:3 112:21 119:3,15 142:25	newest 40:20	November 152:21,22
minimum 101:1	moved 104:17 110:24	node 120:9 137:7,9	Nucor 22:24 23:1 25:8,9,18,21 26:1,6, 14,19,23 27:10,13,15, 24 28:1,18 29:5,7,12, 25 30:1,7,11,15,18 31:2,18 32:6,14 33:22 34:6,8,15,19 39:5,9, 13,14,20 40:10,12,19, 23 41:2,12,15,16,18, 19,21,25 42:2,3,8,17, 18,21,22 43:6,9,11,14, 18,19,23 44:11,18 45:21,23,25 48:9 49:19,20,22,24 51:13, 16,19,22,23 52:10 53:14 56:14 57:25 58:20 62:10,11,23 63:8 64:5,8,10 65:6, 10,11 68:13,18 69:24 73:3 79:20 82:14 84:13 85:20 86:16,21 87:1,5,13 90:12,16 91:7 92:2 93:14 94:2, 3,7 95:9 97:5,6 98:11, 13 99:12 100:21 101:6,8,10,22 102:7 106:5 109:13 113:5 114:10,17,19 115:4,8, 13,19,20,23,25 116:7,
minus 140:22	moving 86:14 96:18 100:18 137:14 146:13	non-- 144:21	
mismatch 121:13	multiple 25:12	non-answer 55:15	
misquote 128:12		non-at-- 144:21	
Missouri 22:3,6,9,16, 20 23:5,6 24:22,23,24 25:7,9,11,15,24 26:18 31:21,22 34:3 40:25 41:14,21 42:11,16 44:5 46:2 62:8 63:10, 11 67:20 69:7,8,11,24 84:14 91:8 96:7,11 99:24 100:2,4,6,10,12 112:4 117:25 118:20 122:21,22,25 127:7 142:12 144:17 145:1 146:13	N	non-attorney 88:25	
mistake 117:6	nameplate 135:8	non-discriminatory 49:18	
mitigating 134:1	nail 85:18 87:6	non-nucor 27:22 29:18 30:10 115:9,15 116:14 117:19 118:7, 11 120:4 129:13 130:19 131:1,13 139:5 146:21 147:6,16,25	
model 141:12	narrow 86:2	non-residential 99:8 138:11	
	narrowly 56:25	Non-unanimous 27:25 34:18 50:14 56:13 127:12,21	
	nation's 40:11		
	Natural 42:12		
	nature 97:17 116:18		

11,15,18 117:1,2,7,16, 23 118:21 119:25 120:14,18,22 121:8, 14,19,22 122:1,2,16 123:14,17 124:25 125:9,11,12 127:1,15 128:7,16,20 130:1,10, 11,16,22 131:9 132:1 133:20 134:12,22,25 135:19 136:6,20 137:2 138:24 139:4,12 141:8,9 142:9 144:9 145:9,25 146:11,15,16 147:21 150:14	obtuse 133:9 occasionally 25:2 occur 35:19 114:24 129:9 occurs 46:11 October 24:22 odd 53:9 offer 105:22 151:10 offered 26:17 92:5 105:25 109:7 112:24 119:10 143:2 151:13, 23 offering 48:22 152:10 office 23:6,9 28:2 42:10 43:7 53:11,13, 25 55:12,17 100:7 offset 27:21 115:8 oftentimes 124:3 one-year 80:15 150:3 ongoing 117:23 online 73:16 74:5,6 121:20 onsite 110:20 OPC 43:13 62:21 85:14 opening 22:18 23:17 24:15 43:24 46:25 63:24 115:6 117:21 150:23 openings 90:4 114:24 144:3 145:4 operate 117:9 operating 95:3 operation 28:19 120:9 operational 25:25 29:16,17 30:19 43:10 120:22 operations 22:3 24:24 26:8 29:15	30:15 41:3,5,7 93:5, 10,17 opinion 71:18 144:21 opportunity 25:19 31:6,7 137:24 146:1,2 150:20 oppose 67:17 opposed 55:11,16 56:16 opposing 31:2,3 56:12 opt 68:18 opted 68:6 132:13 opting 63:9 option 102:12,14,19 142:11 order 26:16 46:13 49:17 59:20 60:2,14 64:16 65:7 74:3 115:21 120:13 123:3 124:1,16 136:5 147:6 151:14 order-- 24:1 organization 123:11 outages 30:19 outlined 114:6 outlines 114:21 output 124:10 outset 39:16 over-size 134:3 overseeing 39:21 overview 40:9 113:21 owned 25:7	paragraphs 50:13 parameters 138:5 paraphrasing 95:11 pardon 122:22 129:22 part 33:19 42:15 47:4 61:24 70:17 98:17 99:17 115:9 122:9 126:20 127:25 131:5, 11,14 134:10,21 137:9 138:23 partially 60:6 participate 145:14 participating 34:9 parties 28:24 39:18 40:8 41:9 42:9 43:8 56:19 66:2,10,14,19 72:7 87:16 104:1 114:15 125:5 141:5 partner 39:8 partnership 25:14 parts 66:15 party 28:6 pass 61:4 passed 44:20 96:7,11 97:1,4 past 33:16 35:5 89:23 148:25 149:2,21 path 88:2 pause 102:6 pay 52:1,11 98:12,25 138:20 paying 68:13,15 peak 124:14 people 27:16 97:1 101:18 128:12 percent 92:22 100:2 135:7,18 136:4 percentage 47:12 52:14
O			
oath 90:18 object 28:3 43:8 148:9 objected 56:15 148:10 objecting 28:6 objection 30:25 43:16 objections 92:5 105:25 109:7,8 112:25 119:10 143:3 151:23 objective 95:20 observing 34:10 39:24 obtain 48:8 obtained 29:9			
		P	
		paid 27:6 28:12 38:24 47:9 85:10 98:21 107:7 paragraph 28:20	

perfect 95:5	plant-in-service 68:6	124:21 129:1,3 130:18	price 26:10 43:2
performance 116:1, 7,11,17	plants 95:10	power 40:1 42:23,24 43:1 45:23 81:25 100:4 101:14,20 117:10 119:22,23 120:7,21 123:18 124:16 142:6 149:4	94:12 99:22 120:10,14 121:25 122:15 134:24 136:20
period 52:13 57:18 61:23 63:17 115:7,12, 25 117:4 120:3,12 130:21,23 145:15	play 139:2	powerless 60:23	priced 123:13 145:9 150:16
periods 134:15	pleased 43:23	powers 54:19	prices 101:18
permanent 26:2 44:2 57:15,23	plenty 86:4 88:19	PPA 29:25 120:16 121:3 136:14	pricing 42:17 94:9 122:10
person 39:25 83:2	plural 79:8	practices 48:13	primarily 94:2
personally 55:9	point 23:17 31:9 41:2 55:4,9 72:19 75:15 81:23 82:8 85:13 86:18,25 87:7 88:12 93:8 94:12 101:12 116:2 121:15 122:18 123:13 127:18 133:17 149:19	pragmatic 49:12	primary 22:5 26:14 61:15 99:19 100:20 145:22
perspective 35:20 52:16 75:5 134:4 139:3 148:3	pointed 54:7 59:12 60:9 81:1	pre-filed 91:12,13 105:11 108:18	prior 41:6 93:16 95:17
Pete 39:9	points 68:22 85:3	pre-hearing 104:9	pro-- 88:9
Pettis 26:5 42:10 44:5 46:1 100:6 108:16 110:24 118:20	policy 29:13 146:22	pre-mark 23:19	problem 36:24 37:21 62:9 63:22 67:18 68:2, 5,12 70:9,12 71:11 152:6
phone 34:10 40:6	Pool 124:17	precisely 144:13	procedural 41:8
pick 145:8 150:20	portion 25:23 27:20 29:23 151:14	preclude 33:1 60:17	proceed 65:12 69:17 102:8
picking 72:14	pos-- 98:23	predictable 101:20	proceeding 24:20 26:23 47:6 113:19 114:1
picks 150:16	posit 97:3	prefer 102:12,14,17, 19,20	proceedings 79:9
piece 57:23 97:3 121:17 138:22 145:22	position 28:21 30:20 36:14,15 43:17 52:5 53:12 54:4 55:19 57:24 58:17 63:24 75:25 78:8 81:3 103:19 108:14 116:15 118:1,6 147:3	preferential 49:5,23	procure 138:8
pinned 78:4	positions 60:18,19	preliminary 23:16	produce 40:24
PISA 38:10 57:18 68:11 117:3,9,16 132:13	possibility 85:7 98:23	premarked 108:18	production 22:5 25:7 31:23 121:14 122:19
place 41:6 67:25 93:16 114:20 122:8 127:20 146:4 149:8, 14,17	possibly 84:19 101:9	prepare 107:3	products 40:14,17
plan 33:20 35:13 149:4	Post 23:5	prepared 108:17 110:5	profile 133:14,15 137:3
planned 30:18	post-hb-1 54:19	preparing 110:2	profit 28:10 31:6,7 38:4 58:11 63:7 83:17
plant 29:4 30:21 31:21 34:12 36:6 37:24 39:21,22,25 40:22 41:3 42:7,9 44:2,4 63:9 93:4	post-rate 52:25	presenting 60:18	profitable 30:13 38:19
	potential 38:15 69:6, 8,11 83:14 96:3 97:6 116:6 120:3,10,11,19	president 33:25 34:7 39:20	profits 28:12 58:12, 16 63:21 70:16,24 71:3 72:10,11,19,20, 22 76:6,9,11,12,15,17, 21,23 77:2 79:14,16
		pretty 37:2 131:24	
		prevents 88:9	
		previous 89:6	
		previously 23:10 50:23	
		pri-- 94:1	

<p>86:12 87:14 140:15</p> <p>prohibition 49:1</p> <p>prohibits 88:10</p> <p>project 25:12,24 41:11 43:25 110:13</p> <p>projected 124:14</p> <p>projects 25:16 101:18</p> <p>promotes 29:12</p> <p>proposal 46:4,18 47:21,22 57:21 59:18</p> <p>propose 31:10 57:14</p> <p>proposed 45:24 46:22 47:23 48:4,9,23 49:21 51:16 64:9 86:20 113:25 134:6</p> <p>proposes 46:9</p> <p>proposition 50:2</p> <p>protect 117:19</p> <p>protection 116:13</p> <p>protections 28:17, 19,23 34:17 114:4</p> <p>protects 103:23</p> <p>prove 67:8 129:17</p> <p>provide 26:16 29:5 31:6 36:16 40:23 41:22 42:16 45:23 46:12 47:25 50:5 51:23 58:19 59:20 60:10 63:23 64:14,18 65:9 66:10,21 73:17 94:2,7 113:21 123:4 124:20 133:11 145:2</p> <p>provided 31:10 51:19 62:12 118:10</p> <p>providing 27:12 62:23 63:8 76:24 106:25</p> <p>provision 46:15,17, 23 52:17 60:13 62:16 68:18 78:11 83:8 85:16 117:15 127:19</p>	<p>140:1</p> <p>provisions 26:21 31:12 64:4 114:12 117:8 143:24 144:6,13</p> <p>public 23:5,7,9 28:2 32:2 33:10 43:7 53:6, 11,15 54:1 69:1,4,5,15 81:10 83:25 94:25 106:9 107:15 109:17 112:7,24 118:15 119:6,17 127:7</p> <p>public/private 25:14</p> <p>publicity 44:13</p> <p>publicly 42:21</p> <p>publish 68:25</p> <p>purchase 99:8 119:23,24 120:21 123:18</p> <p>purpose 142:24</p> <p>purposes 43:16 123:6 132:5 136:8 150:5</p> <p>pursuant 64:11</p> <p>pursuing 144:16</p> <p>push 57:21</p> <p>put 37:20 73:16 79:7 84:19 93:20 114:20 115:19 116:13 118:1 121:6 128:14 132:10 144:25 145:25 146:4 147:3 149:14 150:14</p> <p>puts 118:6</p> <p>putting 36:1,2 131:12</p> <p>puzzling 65:5</p> <hr/> <p style="text-align: center;">Q</p> <hr/> <p>qualify 38:10</p> <p>quarter 26:9 41:5 93:3,10,20</p> <p>quarterly 62:24</p>	<p>queries 125:25</p> <p>questio-- 73:3</p> <p>question 54:7,13 78:15,22 80:22 81:13 82:16 83:3 84:3 86:3 88:4 102:18 103:18 106:16 121:4 126:10 129:20 130:5 131:25 145:19 148:14,19 149:10 150:5,8</p> <p>questioning 141:16</p> <p>questions 34:14,20 40:8 44:8 45:9,12 50:15 53:16,17,20,21 55:25 72:5 79:23 91:18,23 94:24 95:7 97:8,16 102:23 103:2, 3,5 105:18 106:6,8,10, 12,13,17 107:12 108:24 109:14,16,18, 20,22,24 111:7 112:13 113:6,12 131:19 133:7 139:8 143:8,10,12,18 146:11</p> <p>quibble 54:12</p> <p>quick 40:9 68:22 113:11</p> <p>quickly 152:22</p> <p>quote 31:15 58:7,9 60:1,14,20 62:1,2,3,4, 16,20 63:1,2 64:3,5,9 65:19,20 70:3 72:7 100:20 101:17 128:14</p> <p>quoted 64:16 134:24</p> <p>quoting 128:16</p> <hr/> <p style="text-align: center;">R</p> <hr/> <p>raise 31:9 104:19 107:25 111:18 148:14</p> <p>raised 81:18</p> <p>raising 82:8</p> <p>ran 61:10</p> <p>range 135:17 136:2</p>	<p>rate 22:4 25:6 26:13, 17,18,20,22 27:1 29:20,22 30:1 31:2 32:14 33:8 34:16 35:6, 18 36:9,18 37:6,7,15 38:2 41:6 42:6,16,25 43:2,9 44:12,22 45:22 47:5,7,9,10,16 48:5,8, 14,24 49:16 50:3 51:13,16,19,20 52:2, 10,11,15,22,23 53:13 54:1,6,15 55:11 58:1, 4,13,16,19 59:16,20, 22 60:3,5,8,19,25 61:3,8,16,22 62:12,22 63:11,16,17,21 65:13, 15 67:17,19,21,23,25 68:3,10 69:2,3,4,5,6, 10,13,15 72:17,21 73:1 74:22 75:1,15 76:6,15,22 79:1,2,3,7, 9 80:8,25 81:15,24,25 82:1,10 84:14,15,21 85:9,10 87:20 89:13 93:15 94:8,11 95:9,16, 20,23 96:6 97:6 99:18 100:20,22,23 101:5,6, 8,9,14,20,22 102:9,10, 15 114:9,25 115:13, 20,24 116:8 117:1 118:4 119:25 120:4 123:13 127:5,16,22 128:7,11,20,22 129:3, 18,22 130:18 131:1 132:20 139:12,14 140:16,24 141:9,11,15 142:16 144:10 146:11, 14,25 147:15,20,21 149:12,14,21</p> <p>rate's 51:22 101:2</p> <p>rate-base 32:1 67:14, 16</p> <p>rate-making 32:20, 25 33:2,21 43:16 44:16 49:1 50:20 51:21 54:4 55:1 61:9 64:22 65:3 66:3,21,24 67:1,3 68:5 76:14 86:6,8 125:17 139:7, 18</p>
--	--	---	--

ratepayers 38:8,21, 24 46:6,12,18 47:15, 18,19,24 50:6,7,11 52:8 86:13,19	150:13 152:11	reduce 27:6 28:11 50:5	relies 84:12
ratepayers' 36:10 38:5	received 52:22 62:21 92:6,7 106:1,2 109:9, 10 113:1,3 119:11,13 143:4,5 152:12	reduced 47:7 51:15	relocate 98:17,18
rates 27:6 28:11 30:3, 4,15 32:17 36:10 38:5 47:13 48:12,15 49:3,5, 9,10,13,17 52:1,19 68:7,8,25 69:1 72:7 76:18 79:8,14 83:12 96:12 101:11 131:15 133:3 142:21,24	receiving 97:18,20	refer 24:25 47:3 66:23	rely 137:1
raved 72:7	recent 33:18 58:22	reference 148:1,3	remain 59:22
raw 100:3	recently 81:12 137:15	referenced 50:22 150:23	remainder 136:23
re-look 85:17	recess 90:7	referred 71:6 140:10	remarkable 46:8,10 48:3 50:1
reach 57:4	recognize 41:10	referring 25:2 71:15 96:25 98:3 122:22 126:4,6	Remember 60:1
read 54:19,21 71:18 81:23	recognized 54:14	refers 25:1 124:23	renewable 29:10,13 93:23 94:2,13 99:8,9, 13,17,24 100:3 127:16 137:15,25 138:10
ready 26:8 90:10	recognizes 40:2	reflect 22:11	renewables 100:10
real 95:20 133:8 153:1	recommend 43:9	reflected 29:19 30:3, 15 79:14	renovation 74:6
realize 72:14	recommends 28:1	reflects 22:21	reopen 31:20 85:17
realized 126:14	record 22:11 24:7,11 25:1 53:18 90:8 91:5 105:2 108:11 112:2 119:3 124:5 126:11 139:10 152:8,16 153:5	reg 147:4,5	rep-- 110:12
reason 42:5 80:8 84:16 100:11 138:23 144:20 152:10	records 151:12 152:4	regard 117:17	repeat 91:21 101:7
reasonable 49:4,10, 18 81:5 113:19	recover 27:4 36:19 82:21 83:5 145:21	regional 34:2 40:24 105:10	rephrasing 84:2
reasons 38:15 50:2 94:5 144:14	recovered 86:11 147:6	regrets 39:25	reply 152:21
rebar 40:24 91:7 101:17,18	recovering 32:13	regular 28:25	report 43:14 62:20 64:16
rebuild 100:10	recovery 27:5 28:10 75:16 125:11,15 140:16 146:23	regulations 48:13	reported 115:2
REC 138:12,15,17	recross 103:6 107:11 111:6 143:14	regulatory 34:1 49:13 126:6,8,19,21 140:12,13 146:22 149:6	reporter 23:2,11
recall 56:23 59:3 60:12 63:9 95:13 143:22,23	RECS 138:18,20	reiterate 128:19	reporting 28:8 29:1 62:17,23 114:5,13 121:5 127:2,11 131:6, 14 134:19 136:21 141:1,3 143:19 147:10,18
receipt 92:5 105:25 109:7 112:25 119:10 143:3 151:23	recurrent 150:2	related 30:18 35:12 44:4 61:7 114:12 126:1 145:17 146:7 148:11 149:3,5	represent 87:23 103:20 104:12
receive 31:2 138:12	recycle 40:16	relates 49:24	representative 116:17
	recycler 40:19 99:25	relating 48:14	Representatives 64:25
	red 31:11	relevance 77:10 86:3	represented 26:14
	redirect 103:6,7 107:16 111:10 143:15, 17	relevant 48:25 67:22 77:7	representing 24:19 39:9
	redoing 81:14	reliability 124:12	represents 110:13 113:19
		relied 84:13	

request 25:5 31:4 35:21 60:7 128:5	146:10	riders 128:2,9	secret 68:23 69:13
requested 93:12	responses 84:24	ripple 25:16	section 31:10,12,20 32:21,24 33:5,8,15 36:18 46:22 47:14,22 48:5 49:3 51:14 52:5 56:20 58:5,6 59:2 60:14 61:14 62:13,25 64:2,4,6,11 65:9,12 66:24 67:2,19 68:1,17 69:17 72:3 73:1 81:23 82:19 87:8 97:4 116:20 143:25 151:10
requesting 33:20 34:15	RESRAM 68:14,19 128:3	risk 46:9,20 65:14 129:19	Sedalia 22:6 25:7,8, 11,18,22 26:6,15 27:12 34:8,12 39:10, 13,15,20 40:10,22,23 41:13 42:2,3,7,10,11, 18,19,22 43:25 44:1,5 45:4 46:1 91:7,8 92:19 94:18 95:11 98:18 108:16 110:7,9 118:20
requests 43:19	restart 129:23	road 40:22 91:8	Sedalia-pettis 34:5 42:13
require 52:6 123:1,2	restate 130:7	Roger 22:11 24:18 92:14	seek 66:19 68:13
required 33:12 47:16, 25 48:23,25 50:9 58:21 64:4 66:12 94:11 124:3	result 27:10 29:12 36:21 38:1,5 63:9,13 74:8 75:1,10 76:13 84:22 116:15 121:10 140:12	roll 137:20	seeking 26:23 62:6 64:7 76:5
requirement 29:23 30:4,9 52:18 62:18 64:6 78:24 79:1 115:9 123:25 127:4 129:17 130:17 141:12	resulted 42:24	roughly 136:14	seeks 58:2
requirements 118:5 120:15 124:16 134:12 141:2	resulting 29:16	round 135:18	selected 42:19
requires 49:3 52:24 69:20 138:16	results 115:3 146:19	rowing 93:1	Senate 116:23
research 55:9	return 32:8 36:7,23 37:5,14 38:3 75:18,19 139:11,13,16 145:2, 14,17 146:1 150:13,21	rub 60:4 73:18	Senators 65:1
reserve 123:5 124:2, 15	revenue 29:23 30:3,8, 9,14 38:11 42:12 48:1 50:5,8 52:18 114:12 115:9,14 127:4 129:10,16,17 130:17 140:2 141:12,14 150:16	rule 75:23	sense 51:18 86:9 116:24 127:8
resets 140:24	revenues 27:18 28:8 29:25 30:2,6 43:14 47:7,8 51:15 62:21 86:19 114:18 115:1,4, 7,8,12 116:9,10 118:24 126:1,11,25 129:6,12 130:16,21,23 134:22 136:24 140:20 141:8,13 144:8 145:8 146:20 147:19	rules 48:13	sentence 125:23
residential 27:9,18	review 55:4 69:1 87:4,10,16 101:5,8,12, 13,23 102:17	running 39:23 120:23	separate 124:3 126:22,23,24
resolution 113:19	reviewed 97:5 102:21	<hr/> S <hr/>	September 27:23 43:7
resource 94:5,6 96:1 115:23 116:1 120:16 121:11 124:9,11 134:3 137:13,25 138:2,21 139:3,19	reviewing 87:17	safely 93:2	seriousness 56:8
resources 42:12 136:11 137:8,12	revise 80:19 87:4	salary 107:7	serve 29:25 30:7 32:14 73:25 74:13 98:6 114:17 115:4,7, 19,21 120:18 122:11 123:4,14 124:1,24 125:9,10,11,12 128:20 129:22 130:1 131:9
respect 49:6 86:2,8	rider 54:16 137:15 138:10	salient 46:4	
respectfully 43:19		satisfy 99:12	
respects 43:19		Saunders 39:13	
respond 78:7		SB 57:8,15,17 63:10	
responding 150:8		scenario 52:8 83:12 120:6 121:21,23 122:10	
response 78:16 79:22,23 126:16		schedule 41:8,11 42:25 64:6,7 93:2 152:20	
		schedules 142:7	
		scrambling 63:18	
		scrap 40:17 41:19 99:20 100:1,2,3 101:4	
		screen 103:11	
		Se-- 25:8	
		secrecy 68:24 69:4	

133:16 134:15 136:5, 23 138:2,19 140:21 141:8 144:9,25 146:16	shut 148:13	skip 86:1	116:25 117:6 119:25 125:25 127:22 142:8, 23 148:3,6,23 149:1,8, 15,16,20 150:1
served 84:21 93:23 94:1,2,13 99:13,17,23 120:9 123:6 132:1,2,8 149:19	Sibley 70:21 74:6	skipping 85:24	specific 65:23 66:7, 12,22 67:2 78:11 80:22 103:18 117:16 120:15 122:17 127:10, 15 138:16 139:3 149:25
service 23:5 24:24 29:5 33:10 36:16 38:25 48:14,22 49:25 62:23 63:8 73:17 74:15 97:17,20 116:15 117:15 118:2,21 123:2 124:20 127:1,8,23,25 130:9,11,16 133:11 142:6,10,16	side 132:3,11 145:7 146:9 150:16,17	slide 71:14 77:6 88:5	specifically 31:14,23 78:12 93:24 122:8 131:9 150:22
services 27:13 142:14	sig-- 64:1	slip 22:18 25:1	specifics 28:19
servicing 128:15	sign 28:3 136:14 137:24 138:1	smelter 31:21 48:7 59:4,6,8	spoke 146:11
serving 30:11 31:18 32:2 47:6 75:2 121:7 130:22	signatories 56:9 58:3,18 60:16 63:25 64:19,21,23 65:12 68:13,22 71:14	smelters 48:6 59:5 61:18	sponsor 34:7
session 54:22 58:24 61:5,12,13 64:24	signatory 56:19	Smith 56:7	sponsoring 33:24
set 61:3 67:24 83:7 92:25 102:10 115:24 122:15 141:11 142:6	signed 34:18 138:3	socialize 38:7 146:20 147:1	SPP 29:9 120:8 121:7 123:6,24 135:3,10 137:8
sets 43:12 68:7	significance 41:10	socialized 38:24 82:2	SPP-RELATED 29:15
setting 68:2	significant 25:10 28:16 45:24 73:15,20 99:6 110:16 118:19	socializing 82:6	Springfield 59:7
settlement 64:12 66:13,15	SIL 42:25 45:24,25 48:9,23 49:20,21 64:6, 7 86:15,20 149:17	somebody's 146:10	St 41:17,18
settling 43:8	Silvey 44:9,10,17 50:16,17 53:23,24 56:22	sort 48:18	stable 94:7 101:14,20
share 31:7 46:19,20 51:25 52:1	similar 30:19 64:5 123:17	sought 44:12,15 59:19 60:11 68:22	Staff 23:3,5 27:24 28:24 34:19 43:5,13, 18 45:17 46:3,15,17 47:3,20 48:3 50:11,18 54:3 56:13 62:21 64:8 72:8,12,13 79:20 85:24 86:1 94:23 106:7 107:14 109:8,15 111:8 119:15 127:12 128:13 134:17
shared 46:5	simply 46:17 54:22 62:17 77:3,13	source 29:11 94:16 95:22 120:15 123:25 133:11,23 136:13,16, 19 137:13	Staff's 52:5
shareholders 46:7, 10 50:10 86:21 128:14 130:12,24	single 49:1,14,19 117:6 136:13,16,19 137:13	sources 63:19	standard 127:16 128:10 139:18
shop 39:13 92:24,25	sink 87:25	southeast 31:21	standpoint 124:13 128:18 136:17
shortfall 30:9 128:24	sir 36:12 44:11 50:21 51:9,11 52:24 97:12 105:21 106:18 142:2	Southwest 124:16	stare 89:4,5
show 69:5,7 99:13 129:6	sit 78:19 120:2	space 146:5 150:15	start 22:8 40:9 41:2,4, 6 79:22 149:3
showstoppers 93:9	site 42:7,19 95:18	speak 98:15,25 126:17	
	situation 31:24 32:5 52:6 73:14 84:6,11,20 85:14 118:11 129:8 133:19	special 22:4 25:6 26:20,22 28:2 29:12 31:4,15 32:14,19 33:3, 8,11,16,18,19 34:16 35:4,5,11 36:18 44:12 45:25 46:21 47:4,7,10, 16,23 48:4,5,10,15,19 49:22 50:3 51:3 52:2, 23 53:13 54:1,15,22 55:11 58:1,4,19 61:16 62:22 64:9,10 71:6,7, 13,16,17,22,23 72:1,3, 25 80:4 82:2 84:14,15, 21 86:16,21 87:2 89:17 95:9,20,22 96:6, 12 97:6 113:24 114:9	

started 24:15	Steiner 22:11 23:19, 24 24:5,19 92:11,13, 15 105:1,22 107:13,17 108:8 109:3 111:11	subjects 96:5	supplies 27:13
starting 93:9,16	step 107:19 111:13 151:5	submitted 62:24	supply 29:6,10 40:1 42:23,25 43:1 94:18 115:23 118:10 119:24 120:8,15,17 121:13, 19,24 122:4,8,12 123:17,20 124:9,10 129:4 134:16 136:9 137:13,25 138:17 146:15
state 25:10,11,17 41:15,20,22 44:5 46:2 48:17 61:19 85:19 91:4 100:6 105:2 107:6 108:11 112:1 117:25 118:3,19,25 139:2,7 144:16,19 145:1	Stephanie 23:1 39:11	subscribed 138:7	supplying 129:4
State's 29:13	stimulate 57:6	subsection 31:13 32:10,22 47:3	support 53:13 54:1 56:19,20 57:9,12 94:17 146:15
stated 64:15 65:19 67:11	stipulation 23:25 27:25 28:4,7,21 29:2 30:23 31:1 34:18 43:6, 8,12,17,22 50:14 56:13,15 60:15 62:13, 15,20 63:3 64:1 65:6, 18 113:12,15,18,22,23 114:3,6,15,22,23 116:20,21,24 117:2,19 118:15 119:3 127:3, 12,21 128:6,14 131:7 139:24 143:20 147:11	subsequent 29:20	supported 56:24 57:10 104:13
statement 28:22 47:1 128:17 138:10	Stombaugh 34:2 104:16,24 105:4,5,16 107:18	subsidiary 41:17	supporting 103:19 104:3
statements 23:18 24:15 63:24,25	stream 96:25	subsidiized 120:4	supports 118:19
states 25:13 33:6 40:18 41:1 61:15,25 64:3 103:22 152:4	streaming 96:9	subsiding 116:15	Supreme 65:18,24 66:6 103:22
status 92:18	strike 93:2	subsidy 46:13 47:25 52:24 72:6,10,13,18	surround 114:4
statute 31:13,14 32:3, 23 44:20 47:19 52:6,9 54:20 64:8 65:20 67:4 69:18,23 70:13 72:21 73:12,24 74:1,10,18, 21 77:2 78:11,25 79:8 81:19 82:8 88:9,13,15, 20 143:25 144:22	strongly 147:21	substance 58:9	surrounding 40:25 110:25 111:1
statute's 37:8	struck 66:10	substantial 25:22 26:11 37:21	suspend 67:3
statutes 33:11 67:5,7, 10 68:24 78:1	struggle 54:18,21	substation 97:19 98:6,7,12,14 125:5,13 132:3,8,10,11 139:9, 20	suspenders 152:9
statutory 65:20,23 66:7,13,16 67:13 68:14,17	struggled 64:14	subtle 96:24	sustainable 94:15 138:13
staying 110:21	sub-accounts 114:16 126:23	success 25:15 46:19	swear 104:20
steel 22:6 25:7,8,22 26:11,13 31:23 33:18 35:9,14 39:9 40:1,11, 13,14,15,17,18,20,24 41:14,16,17,19,23 42:1 43:24 48:6,7 57:2 59:9 61:18 62:7 69:24, 25 70:1 91:7 96:13	subject 35:16 50:12 55:16 65:13 87:15 101:5,8,12,13,23 104:3 117:2 120:19 128:8	successful 84:22	sworn 90:19,22 104:21,24 108:2,6 111:20,23
		suffer 70:25 71:4	synched 133:2
		sufficient 54:5 145:24	system 30:22 123:3, 15 124:19,21 126:5, 10,12,17,24 140:20, 21,22
		sufficiently 150:4	
		suggest 68:9 80:17 82:24 83:10	<hr/> T <hr/>
		suggesting 128:6	ta-- 98:2
		suggests 64:9 69:16 80:10 81:8	tailored 57:17
		supersede 81:9	
		supplied 95:22,25 137:7	
		suppliers 94:15 118:23	

takes 123:2	116:5,18,25 120:2,12, 14 122:17 128:8,11,21 134:10,12 146:16 147:22 149:24	things 30:18 35:22 36:4,24 61:15 62:1 65:21 71:5 114:14 118:9 141:4	toss 55:8
taking 22:8			touched 140:5
talk 59:1 95:7 116:19 135:2	tender 105:23 109:4 112:22	thinking 152:23	town 27:17
talked 66:18 116:22 121:11 131:4 146:18 150:9	term 42:17 43:2 58:2, 4 60:11 61:1,5 62:12 64:13,15,18 65:9 66:17,19,22 71:10,23 72:4 73:3 77:13 80:15 82:2 94:8 100:21 102:15 116:6,16 118:4 121:9 122:17 125:16 128:11,21 132:9 134:11,12 142:16 146:16 147:22 149:24 150:1	Thompson 23:4 45:18 72:6 78:7 81:22 82:7 85:24 86:2 94:24 106:8 107:14 109:8,16 111:8 117:20 119:16 128:16 129:9	track 70:13
talking 22:22 65:22, 23 131:4 134:14 150:22	terms 28:6 43:21 44:19 68:23 71:9 73:1 80:5 123:9 127:15 129:25 144:16 149:21, 22	Thompson's 28:21	tracked 140:16
talks 114:23	territory 24:24 149:7	thought 28:21 38:12 44:23	tracker 31:10 58:4,7, 10,14,21 62:14,17,24 63:1,4 70:13,15,17,23, 24 74:3,11,16 75:12, 14 76:1 78:24 79:1,3, 10,11,13,15 81:16 83:7 127:7,9 140:7,11 143:21 144:8,23 145:3,7,12,17 146:7, 17 147:4,5,7 150:10, 15,18
tariff 26:21,22,24 28:2 31:4 33:22 34:16 45:24 46:1,21 47:23 48:4,9,18,23 49:20,22 51:3 64:10 77:14 81:25 86:16,20 93:13 99:7 113:25 114:9 128:1 138:16,18 139:6 142:6 149:17	test 115:2,16 116:8 129:2,5,7	three-year 68:7	trackers 74:7,24 81:14
tariffs 54:16 67:4 68:25 100:16 128:10 132:7	testified 56:19 84:13 90:22 104:24 108:6 111:23 135:19	threshold 138:1	tracking 62:2,16 70:25 140:2,6
team 42:16	testifies 42:18	tightly 139:6	tracks 64:6
teams 105:10	testify 106:20 109:25	till 79:6	traditional 33:21 51:18,21 52:1 125:17 127:7 138:15,17
technical 137:21	testifying 90:12	time 29:22 52:13 53:9, 20,22 54:17 57:17 61:10 63:18 70:20 74:4 95:2 104:11 116:2 120:22 122:18 130:16 133:17 137:5 141:15 145:2 147:14, 16,20 149:6,19	traditionally 140:10
technically 32:5	testimony 22:21 25:1 27:1 28:14 31:19 46:24 56:24 91:3,12, 13,16,19,23 95:7,13, 14 105:12,16 107:1,4 108:18,22,25 110:3 112:8,11 114:7 118:18 124:23 125:19 127:14 135:25	times 101:19 123:22 133:4	transactions 29:10
Technologies 35:16	theory 49:16	timing 118:9	transcript 104:9 152:23,24 153:1,2
Technology 35:10	thing 46:8 48:3 85:13 115:22 131:3	today 22:22 24:19 33:25 34:6 39:15,19 43:24 47:24 55:18 57:25 72:20,24 82:25 91:19,23 103:19 106:21 109:25 112:15 120:2 127:15 133:9 144:1 148:6,24 149:9, 17	transient 110:25
Technology's 33:17		token 46:16 72:9	transmission 97:18
telephone 39:19 90:10		told 60:2 72:17	Transportation 42:13
ten 59:22,25 60:5,16 61:23 65:13,16 67:9 85:15 87:11,13,17 100:24,25 101:23,25 102:5,9 115:21 116:2 125:16 128:23		tons 93:21	treated 43:15
ten-year 28:9,13 58:2 60:3,11 61:1,5 62:12 64:13,15,18 65:9 66:17,19,22 71:10 77:13 80:15 88:10 100:21 102:4 115:25		tool 33:9	treatment 49:24 114:24
		toolbox 33:10	Trevor 39:12
			true 112:17
			truth 56:17
			turn 63:7 125:22
			Turning 140:1

two-part 59:18	unorthodox 78:6	103:4,9 131:25 135:19	25 116:6,10 120:16,20 121:2,11,13,19,24 122:4,7,12 129:4 133:13,21,22 134:3,5, 7 135:1,4,6 136:4,7,9, 19 137:3,13 138:2,17 139:3 146:19
tying 92:23	unreasonable 136:2	Ven's 39:18 40:6	withdraw 148:19
type 77:25 85:21 104:3 125:18 145:24	unusual 48:16	venture 46:9,13	witnesses 33:25 34:13 53:17,19 118:17 151:8
types 45:3 141:7	update 92:18	version 28:14 112:7	WOODRUFF 22:1, 13,23 23:3,7,12,15,21 24:2,6,14 34:20,24 39:4 44:7 45:8,11,14, 17 50:15 51:5 53:5 55:22,24 56:2 73:5 78:13,17,20 79:20 80:2 81:13 82:14 83:25 84:8,23 85:1,23, 25 86:23 90:2,4,8,16, 20 92:4,9,12 94:22,25 97:9 103:1,5,8,14 104:15,19,22 105:24 106:4,7,9,11,13 107:11,16,18,21,25 108:3,5 109:6,9,12,15, 17,19,23 111:6,9,12, 15,18,21 112:23 113:4 119:4,6,9,14,17 131:20 141:19,22 143:2,9,14 151:4,7,16, 20,22 152:11,14,19
typically 41:25	upside 58:11	versions 112:24 119:7	Woodsmall 23:13 30:24 56:3,4 81:14 82:19 84:23 86:10,23, 24 90:3 97:10,11 103:15,16,21 104:6, 10,12 106:12 109:20 131:21 141:17,20,25 142:18 143:7 144:14 148:8 149:23 151:9, 18,21 152:3,17
U	urges 48:3 50:11	versus 77:14 84:6 120:18 122:19 124:7 130:2,10 147:19	Woodsmall's 145:16
UCCM 65:24	usage 97:25	vice 33:25 34:7 39:20	word 62:15 73:19
Uh-huh 110:6	utilities 86:5 99:20	view 117:18 118:14	wording 62:19
ultimately 31:6 52:21 60:6 64:15 66:9 101:12 120:8 147:13, 19	utility 32:2 46:8 52:17,18,21 61:6,9 72:23 73:14 77:3 84:6, 18 145:2	voltage 97:19 132:1, 9,12	words 30:12 47:14 73:12 144:23
unable 63:17	utility's 61:17 68:16, 19 74:8	W	
unattractive 46:23 47:3	utilization 150:10	wages 26:3	
unaware 68:17	utilize 64:4 127:10 134:6 144:18	wait 23:22 78:21	
uncertainty 85:22 88:1	utilized 115:23 120:18	wanted 56:10 57:5 60:22 80:6 142:20 147:21	
unclear 81:19	utilizing 57:12 136:10	watching 56:7 96:9 103:10	
under-subscribed 138:7	V	Water 67:20	
understand 35:23 36:20 45:1 52:3,4,9 83:19 88:20 90:12 99:2 121:25 130:4 141:5	Van 34:7 39:18,19,23 40:2,6 42:18 90:9,11, 18,22,25 91:2,6 92:14 94:20 95:2,6 96:5,23 103:4,9 131:25 135:19	ways 63:18 102:8	
understanding 31:1 44:14,18 86:10 120:20,24 149:13,22	variability 122:18 129:4	Wednesday 152:24	
understands 46:15	variable 41:25 99:19 101:4	weeks 43:4	
understood 44:19	variation 129:1	welcoming 45:2	
unduly 49:5,6,22,23	varies 135:5	well-paying 26:2	
unexpected 29:16,17	vary 120:10,12	West 22:9,16,20 24:22,23 122:21	
uniform 47:11 126:5, 10,12,17,24	vehicle 96:18	Westar 63:15 132:22 149:7	
United 40:18 103:22	vein 117:5	Westar's 132:24	
unknowns 93:7	Ven 34:7 39:19,23 40:2,7 42:18 90:9,11, 18,22,25 91:2,6 92:14 94:20 95:2,6 96:5,23	willingness 41:9	
		win 25:10,11	
		win-win 46:18 50:10	
		wind 29:11,24 93:24 94:5,9,17 96:1 115:22,	

work 44:23 105:5,6
108:13 110:25 121:1

worked 100:5

working 93:9

works 95:5

world 70:8

worth 131:4

worthwhile 46:13

woven 139:6

wow 70:9

wrap 86:24

written 79:5 118:18

wrong 65:14 69:22

wrote 60:13

X

Xenopoulos 39:8

Y

yards 100:2

year 24:22 26:4 27:23
41:4 42:4 57:14 77:19,
21 93:3 97:4 115:3,16
116:8 120:23 121:2
129:2,5,7 133:12
135:13

years 32:19 33:4 44:6
59:23,25 60:5,16
61:23 63:12,16 64:13
65:7,13,16 66:5,8
67:9,10 80:5,25 81:3
85:16 87:11,13,17
100:24,25 101:19,24
102:1,5,9 110:10
115:21 116:3 125:16
128:23 132:22 135:13

yield 28:9