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Process
Witness: Jeffery Westfall
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Sponsoring Party: The Empire District
Electric Company d/b/a Liberty
Case No.: ER-2024-0261
Date Testimony Prepared: August 2025

**Before the Public Service Commission
of the State of Missouri**

Rebuttal Testimony

of

Jeffery Westfall

on behalf of

The Empire District Electric Company d/b/a Liberty

August 18, 2025



Liberty™

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THE EMPIRE DISTRICT ELECTRIC COMPANY D/B/A LIBERTY
BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION
CASE NO. ER-2024-0261

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1 **I. INTRODUCTION**

2 **Q. Please state your name and business address.**

3 A. My name is Jeffery Westfall. My business address is 602 S. Joplin Ave, Joplin,
4 Missouri 64801.

5 **Q. Are you the same Jeffery Westfall who provided direct testimony in this matter**
6 **on behalf of The Empire District Electric Company d/b/a Liberty (“Liberty” or**
7 **the “Company”)?**

8 A. Yes.

9 **Q. What is the purpose of your rebuttal testimony in this proceeding before the**
10 **Missouri Public Service Commission (“Commission”)?**

11 A. The purpose of my rebuttal testimony is to respond to several points raised by other
12 parties in this case. Specifically, I address the direct testimony of Staff witness Claire
13 Eubanks regarding capital budgeting, Office of the Public Counsel (“OPC”) witness
14 Dr. Geoff Marke concerning the usefulness of the Advanced Metering Infrastructure
15 (“AMI”) and the use of contract meter readers; and OPC witness Jordan Seaver’s
16 comments on the Grid Resiliency Infrastructure Program (“GRIP”) and reliability
17 inspections. Additionally, I respond to observations made by Staff witness Matthew
18 Young related to the GRIP awards. Finally, I address Staff witness Charles Tyrone
19 Thomason’s testimony pertaining to Liberty’s meter set process. My testimony is
20 intended to clarify the Company’s position, correct inaccuracies, and provide context
21 to support a more detailed decision by the Commission.

1 **II. RESPONSE TO STAFF WITNESS EUBANKS – CAPITAL BUDGETING**

2 **Q. Did Ms. Eubanks reach a conclusion on the capital budget?**

3 A. Yes, Ms. Eubanks’ testimony identified several areas where the preliminary business
4 case and overall project costs did not align with expectations outlined in the capital
5 budget. However, Ms. Eubanks also acknowledged that updating the “Gating Process”
6 was a positive step forward. While concerns remain, her testimony reflects recognition
7 that the Company is making progress in refining its capital planning approach.

8 **Q. Does the Company agree with Ms. Eubanks’ conclusion?**

9 A. The Company acknowledges that discrepancies in the capital budget and overall project
10 total amounts have occurred due to several contributing factors. Since the test year, the
11 Company has implemented a comprehensive transformation of its project Gating
12 framework, as part of a broader strategic initiative aimed at enhancing capital planning,
13 project execution, and financial governance. This transformation reflects both internal
14 evaluations and alignment with stakeholder expectations and industry best practices.
15 The revised Gating Process now includes more stringent financial validation
16 checkpoints throughout each phase of project development – from initial concept
17 through execution and closeout. These checkpoints are overseen by a cross-functional
18 governance team comprising representatives from engineering, operations, finance and
19 regulatory affairs. This team is responsible for thoroughly assessing project scope, risk,
20 cost estimates, and resource availability, and determining whether the project at hand
21 is aligned with the Company’s long-term strategic objectives to serve customers.

1 **III. RESPONSE TO OPC WITNESS DR. MARKE – CONTRACT METER**

2 **READING**

3 **Q. Did Dr. Marke reach a conclusion on the use of contract meter readers?**

4 A. Dr. Marke’s testimony concluded that pending discovery response and true-up he
5 recommended disallowance for contract meter readers.

6 **Q. Does the Company agree with Dr. Marke’s assessment regarding contract meter
7 readers?**

8 A. No. During the test year, the Company did not use contract meter readers. Accordingly,
9 no costs associated with contract meter reading services are included in the Company’s
10 request. Instead, the Company reallocated the majority of the existing meter readers to
11 fill other internal vacancies, effectively eliminating the need for contract employees in
12 this role.

13 **IV. RESPONSE TO OPC WITNESS DR. MARKE – AMI DISALLOWANCE**

14 **Q. What does Dr. Marke recommend regarding Liberty’s recovery of its investment
15 in AMI meters?**

16 A. He recommends a 100% disallowance on the “return on” calculation associated with
17 Accounts 370 and 370.1.

18 **Q. Do you agree with this recommendation?**

19 A. No. While the Company acknowledges that customers experienced billing issues, it is
20 important to clarify that those issues are not caused by the physical meter assets or their
21 installations. The meters themselves – accounted for under 370 and 370.1 – have
22 continued to perform their core functions reliably: measuring energy usage, supporting
23 outage detection, and enabling time-of-use rate structures. These are critical
24 components of our grid modernization efforts and customer service delivery. The

1 billing challenges stemmed from system integration complexities, particularly with the
2 rollout of new enterprise software – not from the meters or how they were installed.
3 From an operational standpoint, the meters were installed correctly, are functioning as
4 intended, and continue to provide value to customers every day. As such, Dr. Marke’s
5 recommendation should be rejected. For further discussion on the appropriateness of
6 OPC’s and Staff’s proposed disallowances, please refer to the rebuttal testimony of
7 Liberty witness John Reed.

8 **V. RESPONSE TO OPC WITNESS SEAYER AND STAFF WITNESS YOUNG –**
9 **GRIP**

10 **Q. Does OPC support the GRIP initiative?**

11 A. Yes. OPC expressed its support for the GRIP initiative in a letter submitted during the
12 Company’s initial application, acknowledging the importance and necessity of the
13 grant and we thank them for their support of this project in support of our customers.
14 Additionally, Mr. Seaver reaffirmed OPC’s position, stating, “OPC is still in support
15 of this grant and the project that this grant supports.”¹

16 **Q. Is cost recovery for the GRIP project at issue in this rate case?**

17 A. No. OPC witness Mr. Seaver clearly acknowledges that “the Company is not
18 positioning any costs associated with the grant in this rate case.”² As such, the issue of
19 cost recovery is not ripe for consideration. Ratemaking decisions must be based on the
20 evidentiary record of a pending case and should not be made in anticipation of
21 speculative or unrequested future costs. Since no GRIP-related costs are included in

¹ Direct Testimony of Jordan Seaver, Case No. ER-2024-0261, p. 9, lines 23-24.

² Id., p. 10, lines 1-2.

1 the proposed recovery in this proceeding, Mr. Seaver's comments on cost recovery are
2 premature and should be disregarded.

3 **Q. Is there any linkage between the GRIP project and projects in the test year, update**
4 **and true-up periods for this rate case?**

5 A. No. While Mr. Seaver attempted to draw a connection between the GRIP project³ and
6 the Customer First billing system and the Company's grid maintenance and upgrade
7 projects, such a link does not exist. The implementation of the Company's new billing
8 system did not delay infrastructure inspections as Mr. Seaver suggests. For additional
9 detail, please refer to the discussion below regarding Liberty's infrastructure inspection
10 program.

11 **Q. What is the appropriate path forward with respect to testimony about the GRIP**
12 **project?**

13 A. OPC's recommendations on the GRIP project cost recovery should be rejected. Project
14 DA, supported by the GRIP grant, is expected to deliver substantial customer benefits
15 – most notably, an estimated reduction in outage duration valued at over \$400 million,
16 based on ICE (Interruption Cost Estimate) calculations. These significant benefits are
17 being achieved at a notably reduced cost to customers, thanks to the funding provided
18 through the DOE grant. We appreciate that the Commission encouraged utilities to
19 pursue these grants, and we are grateful for all of the support from our communities in
20 support of them.

21 **Q. Did Staff witness Young provide a recommendation for how the Commission**
22 **should account for the GRIP funding?**

³ Id., p. 10, lines 9-10.

1 A. Yes. Mr. Young indicated on page 19 of his direct testimony that when the funds are
2 disbursed to the Company, the cost of the asset in the Construction Work in Progress
3 (“CWIP”) should be reduced by the amount received which is consistent with the
4 standard accounting for Contributions In Aid of Construction (“CIAC”). In the event
5 that the awards are received subsequent to the plant being placed into service, Staff
6 recommends that the Company reduce the gross cost of the plant by the amount of
7 CIAC, and also make appropriate adjustments to its current Plant in Service Accounting
8 (“PISA”) deferral to correct the deferred balances.

9 **Q. Does the Company agree with this accounting methodology?**

10 A. As I stated in response to Staff data request 0255 in this docket, the accounting
11 treatment of the GRIP grant is still being determined. While I am not an accountant, I
12 have been advised that the treatment is complex and requires further analysis.
13 However, the Company agrees with the principle that grant proceeds should be used to
14 offset the total cost of the project for ratemaking purposes. Accordingly, the PISA
15 deferral calculations should reflect the net cost of the project after accounting for the
16 grant funds received.

17 **VI. RESPONSE TO OPC WITNESS SEAYER – LIBERTY’S INFRASTRUCTURE**
18 **INSPECTION PROGRAM**

19 **Q. In response to Mr. Seaver’s direct testimony, please describe the Company’s**
20 **current reliability inspection compliance status.**

21 A. The Company is on track to complete the 2024 and 2025 inspection schedules by
22 December 31, 2025. We have made significant structural improvements to strengthen
23 oversight, enhance scheduling and execution, and provide for long-term consistency in
24 inspection performance. This includes a more streamlined process to export data to our

1 vendors leading to better reporting and progress accuracy which allows for more
2 efficient resource scheduling and better budget planning. This initiative reflects the
3 Company's commitment to system reliability, operational excellence, and regulatory
4 alignment. Compliance is viewed not as a procedural requirement, but as a core
5 responsibility in delivering safe, reliable service and maintaining the integrity of the
6 grid. The Company remains focused on continuous improvement and sustained
7 performance in this critical area.

8 **Q. Did Mr. Seaver indicate why he believes the 2024 infrastructure inspections were**
9 **incomplete?**

10 A. Yes, Mr. Seaver cited the Charles River Associates report on Liberty's Customer First
11 Program for its California electric affiliate, CalPeco, noting that the Company
12 implemented a new risk management software in 2024. He further stated that OPC
13 believes the timing of this implementation – coinciding with the rollout of SAP at
14 Empire – contributed to the Company not completing its inspections.

15 **Q. Did the Enterprise Asset Management ("EAM") component of the Customer First**
16 **platform have any impact on the 2024 inspections being non-compliant?**

17 A. No.

18 **Q. Please explain.**

19 A. As stated in the Company's responses to OPC DRs 2509 through 2515 in this rate case,
20 the implementation of the Customer First program did not cause delays in performing
21 infrastructure inspections. Additionally, the referenced risk management software is
22 not part of the Customer First platform. The delays in completing the 2024 inspections
23 were driven by the following strategic changes aimed at improving long-term
24 efficiency and effectiveness:

- 1 • **Program Enhancements:** In 2024, Liberty introduced two major changes to
2 its inspection and remediation processes to reduce program costs and improve
3 service quality. While these changes are expected to yield long-term benefits,
4 their implementation proved more complex than anticipated, resulting in short-
5 term delays.
- 6 • **Vendor Strategy Shift:** For intrusive inspections, Liberty transitioned to a
7 “find it, fix it” model by engaging a single vendor capable of both inspection
8 and remediation. The contracting process took longer than expected, and
9 additional time was needed to develop data deliverables.
- 10 • **Integration with ENGIN Tool:** Liberty aligned patrol and detailed inspections
11 with the rollout of its new risk-based Cost Benefit Analysis Tool (“CBAT”),
12 ENGIN. This dual-purpose data collection effort required new inspection
13 criteria and formats, which extended setup timelines.
- 14 • **Expanded Vendor Pool:** To improve cost efficiency and quality, Liberty
15 initiated a competitive RFP process in mid-2024, resulting in the selection of
16 two vendors instead of one. While this increased capacity, onboarding and tool
17 setup took longer than projected.

18 Despite these challenges, Liberty is currently on track to complete both the 2024 and
19 2025 inspection schedules by year-end.

20 **VII. RESPONSE TO STAFF WITNESS THOMASON – NEW METER SETS**

21 **Q. How do you respond to Mr. Thomason’s testimony related to the post-Customer**
22 **First meter set process?**

23 **A. Mr. Thomason is correct that right after the transition to Customer First, the meter set**
24 **process was fragmented and inefficient, which directly impacted our customers. The**

1 meter set process required coordination across multiple departments – from
2 engineering and construction to customer service and field operations. Each
3 component of the meter set process had its own timeline and dependencies, and without
4 a unified process and a clear owner, delays were common. It became clear that we
5 needed a more integrated approach to meet customer expectations.

6 **Q. How did you respond to these challenges?**

7 A. Recognizing that we were not meeting customer expectations and our own ideals
8 around meter sets, I brought together stakeholders from each department, mapped out
9 the full lifecycle of a meter set, and we built a streamlined workflow that emphasized
10 accountability, communication, and speed. This approach helped shift us from a
11 reactive posture to a proactive, customer-focused process.

12 **Q. What specific improvements were made to the meter set process?**

13 A. Several key changes were implemented:

- 14 • **Process ownership**: A single point of accountability was established to
15 oversee end-to-end meter set delivery.
- 16 • **Cross-functional coordination**: Regular touchpoints between departments
17 ensured alignment and quick resolution.
- 18 • **Scheduling optimization**: We improved how we sequence work orders to
19 reduce idle time and improve crew efficiency.
- 20 • **Customer communication**: Updates and expectations are now clearly
21 communicated throughout the process, reducing confusion and improving
22 satisfaction.

23 **Q. What impact have these improvements had on performance?**

1 A. The results of these changes were measurable. Turnaround times for meter sets
2 improved significantly, and we've seen a reduction in missed appointments and rework.
3 As mentioned above, meter set times were reduced from three months to just one week
4 which directly demonstrate that customers are now getting a smoother experience –
5 fewer delays, clearer communication, and faster service.

6 **Q. What lessons were learned from this experience?**

7 A. When we transitioned to Customer First, we knew it would take time to align our
8 operations with the system change. Meter sets revealed how complex and
9 interdependent our processes had become. Early on, we faced real challenges – delays,
10 miscommunication, and a lack of a clear ownership. But we didn't accept that as the
11 status quo. I worked closely with teams across departments to understand the full scope
12 of the problem and build a process that works – one that's accountable, efficient, and
13 focused on the customer. This experience wasn't just about fixing a problem – it was
14 about building a culture of ownership and continuous improvement. And that's the
15 mindset we're carrying forward as we continue to serve our customers with excellence.

16 **VIII. CONCLUSION**

17 **Q. Does this conclude your rebuttal testimony at this time?**

18 A. Yes.

VERIFICATION

I, Jeffery Westfall, under penalty of perjury, on this 18th day of August, 2025, declare that the foregoing is true and correct to the best of my knowledge and belief.

/s/ Jeffery Westfall