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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

Nathaniel W. Hackney

on behalf of

The Empire District Electric Company d/b/a Liberty

August 18, 2025



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THE EMPIRE DISTRICT ELECTRIC COMPANY D/B/A LIBERTY
BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION
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1 **I. INTRODUCTION**

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

3 A. My name is Nathaniel W. Hackney. My business address is 602 S. Joplin Avenue,
4 Joplin, Missouri 64801.

5 **Q. Are you the same Nathaniel W. Hackney who provided direct testimony in this**
6 **matter on behalf of The Empire District Electric Company d/b/a Liberty**
7 **(“Liberty” or 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. I address the direct testimony of the Office of Public Counsel (“OPC”) witness Dr.
12 Geoff Marke. I also address the direct testimony of Jim Thomas filed on behalf of the
13 Consumers Council of Missouri (“CCM”).

14 **II. RESPONSE TO OPC TESTIMONY**

15 **Q. What does Dr. Marke propose in his direct testimony regarding low income**
16 **programs?**

17 A. In his testimony, Dr. Marke first addresses Liberty’s Energy Burden Study—as ordered
18 in Commission Case No. ER-2021-0312¹—filed as a schedule to my direct testimony

¹ *Order Approving Stipulations and Agreements*, issued March 9, 2022, Commission Case No. ER-2021-0312.

1 herein.² Citing the results of the study, Dr. Marke makes a counter-proposal to the Fresh
2 Start Program, as proposed in my direct testimony herein.³

3 **Q. Do you agree with Dr. Marke’s interpretation of the Energy Burden Study?**

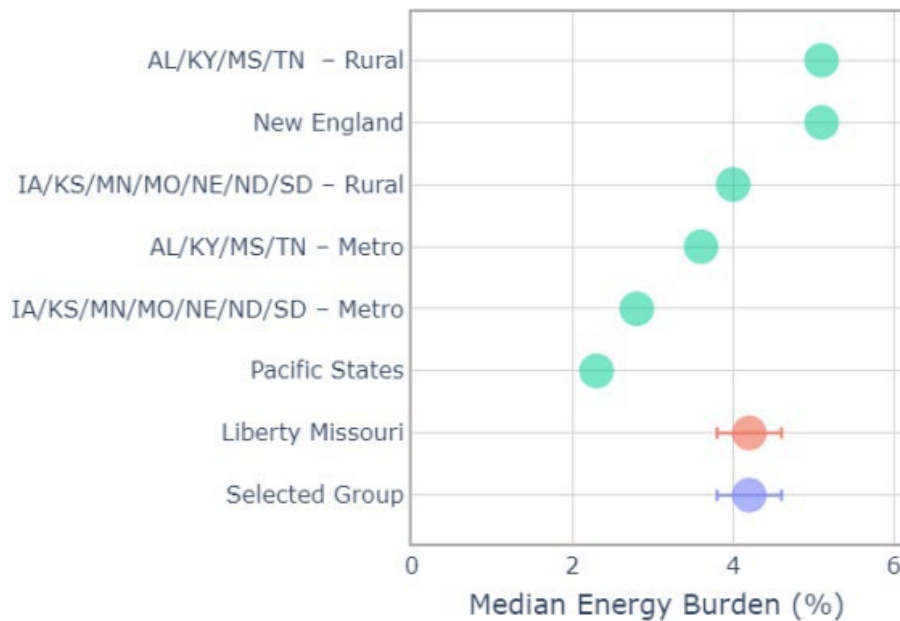
4 A. I agree with his general sentiment that some of Liberty’s customers are economically-
5 challenged, but I think a bit of context should be lent to the assessment that Liberty’s
6 portion of customers with a high energy burden is “8.5% greater than the DOE 24%
7 average for the state of Missouri.”⁴ Even taking the secondary data at face value,
8 because Liberty’s service territory skews rural, Liberty’s service territory will never
9 fare as favorably as its peer utilities in statewide metrics. In other words, absent
10 metropolitan hubs like St. Louis or Kansas City, which feature pockets of extremely
11 high incomes and greater population density in general, Liberty’s average incomes—
12 one part of the energy burden equation—will naturally be lower. I believe that Liberty’s
13 Missouri service territory, on a whole, profiles more in line with—and is more
14 appropriately benchmarked against—rural Midwestern utilities. As evidenced by
15 Figure NWH-1 below, also cited in Dr. Marke’s testimony, Liberty’s median energy
16 burden of 3.5% models similarly to rural Midwestern utilities.

² Direct Schedule NWH-1.

³ Pages 15-17.

⁴ Direct Testimony of Geoff Marke, filed July 21 in Commission Case No. ER-2024-0261, p. 4, lines 13-15.

Figure NWH-1



Q. Do you agree with Dr. Marke's notation that the energy usage profiled in the Energy Burden Study may have included inflated residential usage data due to the COVID-19 pandemic?

A. Yes, I agree this is possible.

Q. Could this have possibly inflated the snapshot of the energy burden?

A. Possibly.

Q. Does Liberty still agree with Dr. Marke's general sentiment that some of Liberty's customers are challenged and the Company should offer programs to help them?

A. Unequivocally, yes.

Q. Please describe the program Dr. Marke proposes in his direct testimony?

A. Dr. Marke proposes a program that offers a credit equivalent to the customer charge for every single customer eligible for the federal Low-Income Home Energy Assistance Program ("LIHEAP"). He proposes an annual budget of \$4 million, borne equally by Liberty customers and shareholders.

1 **Q. Does the Fresh Start program also propose synchronizing eligibility requirements**
2 **with LIHEAP?**

3 A. Yes.

4 **Q. What was the Fresh Start Program’s proposed budget, as included in your direct**
5 **testimony?**

6 A. Liberty proposes an annual budget of \$300,000 for the Fresh Start program, with costs
7 borne equally by Liberty customers and shareholders.

8 **Q. Dr. Marke’s proposed budget is thirteen times higher, to what does he attribute**
9 **the need for such a difference?**

10 A. In his direct testimony, Dr. Marke states, “the need is greater today than it was when
11 we evaluated the [Low-Income Pilot Program] program in the last case.”⁵

12 **Q. Does Liberty agree with this sentiment?**

13 A. No, although Dr. Marke cites inflation and other economic factors in multiple rounds
14 of testimony that build a fair case that the entire country is in trying economic times.

15 **Q. Does Liberty agree that a thirteen-fold increase in the budget for this program is**
16 **prudent?**

17 A. No.

18 **Q. Is Liberty open to discussing expanding its offerings to its low-income customers**
19 **by a more reasonable factor?**

20 A. Liberty is sensitive to the needs of its low-income customers and remains committed
21 to exploring ways to support affordability and access. While the Company is open to
22 discussions on potential enhancements, further evaluation is needed to understand the
23 impacts, feasibility, and alignment with broader regulatory and policy objectives.

⁵ Direct Testimony of Geoff Marke, filed July 21, Commission Case No. ER-2024-0261, p. 11, lines 8-9.

1 **Q. Is Liberty certain Dr. Marke’s proposed program would be the best use of**
2 **expanded resources, as compared to other low-income programs?**

3 A. This is a different discussion. While it could utilize an expanded budget for a program
4 with a deeper per-customer impact—e.g., Low-Income Weatherization Assistance
5 Program (“LIWAP”)—these programs do not necessarily touch *as many* customers. A
6 program like the one proposed by Dr. Marke would reach a larger number of customers,
7 but not help them as deeply on a per-customer basis.

8 **Q. Are there benefits and drawbacks to each approach?**

9 A. Yes.

10 **Q. Please explain.**

11 A. While making sure customer contributions are managed prudently, the Company, of
12 course, wants to help as many customers in as meaningful a way as possible. This
13 presents a sliding scale of depth versus breadth of assistance.

14 **Q. Is Liberty open to continued discussions with stakeholders regarding program**
15 **design?**

16 A. Absolutely.

17 **Q. Please summarize Dr. Marke’s recommendations for a quarterly stakeholder**
18 **meeting.**

19 A. Dr. Marke recommends that the Company meet quarterly with relevant stakeholders to
20 “discuss program metrics, outreach, and discuss potential changes to [the proposed
21 program] and the rest of Liberty’s programs in the face of economic uncertainty.”

22 **Q. Does the Company believe such meetings could be beneficial to all involved?**

23 A. Yes.

24 **Q. Are there any other concerns cited by Dr. Marke?**

1 A. Yes. At the end of his testimony, Dr. Marke highlights a growing concern over the
2 uncertainty of federally-administered funds for LIHEAP, which are in flux as soon as
3 October 1. Dr. Marke says he is currently in touch with Missouri utilities to brainstorm
4 contingency plans, were the winter LIHEAP funds not to come to fruition.

5 **Q. Have there been any recent developments in these discussions?**

6 A. Yes. Liberty is proud to report that—thanks to the collaborative effort of OPC, Liberty,
7 and other stakeholders—Liberty has executed a Memorandum of Understanding,
8 agreeing in principle to an advanced issuance of the following Company-funded
9 budgets, for immediate use by the Missouri Community Action Network (“MoCAN”):

- 10 • \$300,000 of advance Company-funded LIWAP budget for 2026;
- 11 • \$150,000 of advance Company-funded Community Action Agency
12 (“CAA”) contributions for 2026, as agreed to in Commission Case No. EM-
13 2016-0023.⁶

14 **III. RESPONSE TO CCM TESTIMONY**

15 **Q. Please summarize the items in Mr. Thomas’ testimony to which you would like to**
16 **respond.**

17 A. Mr. Thomas makes several recommendations regarding Liberty’s low-income
18 programs. Mr. Thomas also addresses Action to Support the Elderly (“EASE”) and
19 Project Help. Finally, he makes recommendations regarding community outreach.

20 **Q. Please summarize your understanding of Mr. Thomas’ position on the Low-**
21 **Income Programs Collaborative.**

⁶ *Order Approving Stipulations and Agreements and Authorizing Merger Transaction*, issued September 7, 2016, Commission Case No. EM-2016-0213.

1 A. Mr. Thomas suggests that Liberty’s annual meeting it hosts with stakeholders is “good
2 but insufficient”⁷ and that the collaborative should meet quarterly and have “leadership
3 selected from among the stakeholders by the stakeholders to work in partnership with
4 company representatives.”⁸

5 **Q. Is Liberty open to having more frequent meetings with the parties present at the**
6 **annual meeting it hosts in Joplin?**

7 A. Yes, if the other parties believe it would be useful.

8 **Q. Does Liberty, and do you, communicate with the stakeholders present at these**
9 **meetings more frequently than the annual meeting?**

10 A. Yes, I interface on behalf of the Company with regulatory stakeholders and/or CAAs
11 in matters related to low-income programs openly, and almost daily.

12 **Q. Does the Company see value in Mr. Thomas’ proposition that the collaborative**
13 **have selected leadership?**

14 A. While it is not entirely clear what the power of this proposed leadership board would
15 be—i.e., would its powers extend beyond that of an advisory group—Liberty is open
16 to the agenda, discussions, and timing of these meetings being collaborative. Liberty
17 has offered floor-time and solicited discussion topics ahead of time at each of the first
18 eight annual low-income stakeholder meetings and will certainly do the same for
19 number nine later this year. Further, the timing of these is always in accordance with
20 consensus responses to an availability poll offered to all parties.

21 **Q. Will an invitation to this meeting be extended to CCM this year?**

22 A. Absolutely.

⁷ Ibid. p. 18, line 6.

⁸ Ibid. p. 18, lines 12-14.

1 **Q. What are Mr. Thomas’ recommendations regarding the Fresh Start program.**

2 A. Mr. Thomas is in favor of the Fresh Start program, as I’ve proposed, but would like to
3 see the budget increased from \$300,000—split evenly between customers and
4 shareholders—to \$900,000, split the same way. He also recommends a program cap of
5 2,000 customers, citing that the program target was too low. He recommends the
6 Company track the retention rates of customers with and without Budget Billing. He
7 also suggests that the budget for the evaluation study is too low.

8 **Q. What is Liberty’s position on increasing the budget three-fold.**

9 A. As previously alluded to in my response for Dr. Marke’s request for a thirteen-fold
10 budget increase, Liberty is sensitive to the needs of its low-income customers and
11 remains committed to exploring ways to support affordability and access. While the
12 Company is open to discussions on potential enhancements, further evaluation is
13 needed.

14 **Q. Please summarize Mr. Thomas’ position on the Critical Medical Needs Program**
15 **(“CMNP”).**

16 A. Mr. Thomas believes the CMNP is underutilized for Liberty, as well as other utilities
17 around the state of Missouri.

18 **Q. Is Liberty proud of the level of participation for CMNP since its launch in 2023?**

19 A. Yes.

20 **Q. Does Liberty believe there is room for improvement?**

21 A. Yes.

22 **Q. Does Liberty believe that the solution to enrollment in this program boils down to**
23 **customer awareness?**

1 A. No, Liberty does not believe it is that simple. Because this program requires physician
2 attestation of a qualifying medical condition, most of its referrals come from caregivers
3 themselves. This is by design, and to the best of my knowledge, is how the other utilities
4 in Missouri handle enrollment as well. One benefit of this system is that there is no
5 additional burden of screening placed on Liberty personnel (particularly Customer
6 Service Representatives (“CSRs”), who are already expected to have a depth and
7 breadth of knowledge) and United Way personnel. Liberty CSRs are already trained to
8 *refer* customers to United Way and/or recommend their healthcare provider to contact
9 Liberty. Liberty and the United Way focus most of their collective training energy on
10 healthcare providers and other Community Benefit Organizations (“CBOs”).

11 **Q. Is Liberty still open to stakeholder input and/or input from the previously-**
12 **described collaborative regarding ways to drive higher participation?**

13 A. Yes.

14 **Q. What else is Liberty doing to continuously improve this program?**

15 A. Liberty is currently participating in a statewide study of the CMNP. Liberty also
16 communicates frequently with the other utilities offering CMNP, sharing successes and
17 failures.

18 **Q. Is it a certainty that successful CMNP strategies shared in these discussions with**
19 **the other investor-owned utilities in Missouri will work for Liberty?**

20 A. No, it is not. Liberty has a smaller service territory than these utilities, a much smaller
21 CMNP budget, likely more resource-constrained CBOs, and different demographic
22 customer profiles.

23 **Q. Please summarize Mr. Thomas’ position on EASE.**

1 A. Mr. Thomas believes that EASE enrollment should establish a set of reporting protocols
2 and be included in the scope of the proposed collaborative, as described previously.

3 **Q. Could Liberty include EASE performance in the scope of this collaborative**
4 **meeting, should one develop?**

5 A. Yes.

6 **Q. Please describe Mr. Thomas' position on Project Help.**

7 A. Mr. Thomas—after qualifying that the operations of this program is not under the
8 governance of the Commission, and is thus, not relevant to this case—shares that he
9 believes the program is under-utilized and the scope of it is too narrow. He believes the
10 program is “neglected.”

11 **Q. Does Liberty agree that Project Help is an independent 501(c)(3) and its**
12 **operations are not relevant to this case?**

13 A. Yes.

14 **Q. Would Liberty welcome feedback in an informal setting, such as an advisory**
15 **collaborative as to how the program could be improved?**

16 A. Yes.

17 **Q. Does Liberty believe it makes sense to commit to reporting requirements to the**
18 **Commission or any party to this case for Project Help?**

19 A. No.

20 **Q. Does Liberty attribute the decline in contributions to Project Help primarily to**
21 **the challenging economic times detailed in both Dr. Marke's and Mr. Thomas'**
22 **testimony?**

23 A. Yes. I would imagine most programs funded by donations have seen a decline as the
24 economy worsens.

1 **Q. Does Liberty agree with Mr. Thomas that “Liberty should recommit to and**
2 **increase promotion of its Project Help program, in light of reduced funding for**
3 **governmental assistance programs helping those in crisis?”⁹**

4 A. First, Liberty would like to reiterate that this program is outside the scope of the
5 Commission, in general, and this case, in particular. However, in the spirit of Liberty’s
6 commitment to welcoming informal feedback as described above, I will answer. It is
7 unclear in his recommendation whether Mr. Thomas is suggesting that this promotion
8 would be to prospective *donors* or to prospective *recipients*. First, I’d like to establish
9 that the Company *does* promote and *has always* promoted the program with both in
10 mind. If Mr. Thomas would like the Company to increase promotion to the *former*, the
11 Company disagrees that asking for donations during a) the challenging economic times
12 outlined by Mr. Thomas and b) a general rate case proceeding, would be prudent. If
13 Mr. Thomas would like the Company to increase promotion to the *latter*, this would
14 also be a risky practice during challenging economic times. The Company and the
15 Project Help board have a commitment to stewardship of the funds, and the gradual
16 decline in donations means that the program can ill afford to outspend its means. Still,
17 the spirit of Mr. Thomas’ feedback is heard, understood, and taken.

18 **Q. Does the Company agree with Mr. Thomas’ recommendation regarding**
19 **“target[ing] specific resources and programs to educate customers about the**
20 **availability of their services of their low-income customer assistance programs,”**
21 **or that, “this marketing should focus on high energy burden communities.”**

22 A. Liberty agrees with the spirit of continually improving the marketing of these programs.
23 However, the Company does not see enough concrete recommendations present in this

⁹ Ibid., p. 24, lines 10-12.

1 request to agree or comment on this item. Liberty would need more information about
2 the scope of this request to more fully analyze the costs, benefits, and risks (particularly
3 to its customers' privacy) that would be involved in such an undertaking.

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

5 A. Yes.

VERIFICATION

I, Nathaniel W. Hackney, 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/ Nathaniel W. Hackney