

# Exhibit No. 41

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Issue: Customer Experience  
Witness: Jon Harrison  
Type of Exhibit: Surrebuttal Testimony  
Sponsoring Party: The Empire District  
Electric Company  
Case No.: ER-2021-0312  
Date Testimony Prepared: January 2022

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

**Surrebuttal Testimony**

**of**

**Jon Harrison**

**on behalf of**

**The Empire District Electric Company**

**January 2022**



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THE EMPIRE DISTRICT ELECTRIC COMPANY  
BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION  
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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 Jon Harrison, and my business address is 602 S. Joplin Ave., Joplin,  
4 Missouri, 64802.

5 **Q. Are you the same Jon Harrison who provided Direct and Rebuttal Testimony in**  
6 **this matter on behalf of The Empire District Electric Company (“Empire” or the**  
7 **“Company”)?**

8 A. Yes.

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

11 A. The purpose of my surrebuttal testimony is to respond to the rebuttal testimonies of  
12 Commission Staff (“Staff”) witnesses Contessa King, Kory Boustead, and Scott  
13 Glasgow. More specifically, I respond to (1) Ms. King’s rebuttal testimony regarding  
14 Empire’s compliance with usage reads between the required 26 to 35 days; (2) Ms.  
15 Boustead’s rebuttal testimony regarding Empire’s Low Income Pilot Program and  
16 Empire’s CSR training for Community Action Agency referrals; and (3) Mr. Glasgow’s  
17 rebuttal testimony regarding credit and debit card charge communications.

18 **II. SURREBUTTAL TO MS. KING**

19 **Q. Ms. King alleges the Company was at times in violation of Commission Rule 20**  
20 **CSR 4240-13.015, which, among other things, requires every residential bill to be**  
21 **rendered each billing period with a usage period of not less than twenty-six nor**

1           **more than thirty-five days for a monthly billed customer. Do you agree with her**  
2           **assessment?**

3    A.     There were times that the Company did not meet this requirement in the past. This was  
4           a complex issue affected by the AMI meter exchange initiative which required time-  
5           consuming processes and system modifications. I am pleased to report that the  
6           Company has resolved the matter and, since June of 2021, is in full compliance with  
7           the rule.

8    **Q.     Why was Empire, at times, not in compliance with Commission Rule 20 CSR 4240-**  
9           **13.015(1) (C) and 13.020(1)?**

10   A.     There were a couple of primary reasons that left Empire in a situation where we fell  
11           outside of the parameters of the Commission rule. First, when Empire announced its  
12           decision to implement AMI, naturally, our meter reading staff commenced moving to  
13           other positions. Although anticipated, it takes a bit of time to replace employees and,  
14           as you will read later, onboard contractors. Also affecting these metrics were the effects  
15           of COVID-related issues including impact on our staff as well as more customers being  
16           home and limiting access to meters. Empire management quickly recognized the issue  
17           and put several remediation efforts in place.

18   **Q.     Please provide examples of the remediation efforts taken by Empire.**

19   A.     The Company increased active meter reading staffing levels through contractor hiring,  
20           recruitment of internal labor, and engagement of a second meter reading contractor to  
21           manage route volumes and labor fluctuations, in some cases caused by COVID-related  
22           absences. On-boarding incremental staff, particularly a new vendor, required time to  
23           implement. The Company also developed new meter reading metrics to ensure timely  
24           readings, holding internal and external staff accountable for the rigorous standards.

1 Empire modified the timing of its AMI meter exchanges to avoid interference with  
2 billing cycles, and finally, the Company progressively leveraged its newly deployed  
3 AMI technology to not only be compliant with Commission rule 20 CSR 4240-  
4 13.015(1) (C) and 13.020(1), but also greatly reduce the amount of estimated meter  
5 reads.

6 **Q. Was the program successful?**

7 A. Yes. As Ms. King states on p.8 of her rebuttal testimony, Empire began regular (bi-  
8 weekly) meetings with Staff in March 2021 to communicate initiatives and results.  
9 Metrics were reviewed during these discussions showing the issue was improving, but  
10 not entirely rectified.

11 **Q. Ms. King notes on p. 5 of her rebuttal testimony that the number of bills rendered**  
12 **outside the required days dropped to one bill per month in April and May 2021.**  
13 **Has the progress been sustained?**

14 A. Yes. The below report shows bills rendered outside the required days dropped to one  
15 in April and May and down to zero from June 2021 through December 2021.

<span style="float: right;">MOPSC Case No. ER-2019-0374 - Monthly Compliance Report December 2021 Data</span>														
Billing Metrics- The Empire District Electric Company - Missouri Service Territories														
	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec	YTD	
<b>Monthly Estimates</b>	1st. Quarter			2nd. Quarter			3rd. Quarter			4th. Quarter				
MO	6,404	16,328	(0)	2,804	1,304	172	107	91	70	58	38	32	26	27,434
<b>Billing Days under 26 over 35</b>														
> 35 Days	341	82	11	1	0	0	0	0	0	0	0	0	0	435
< 26	0	0	24	0	1	0	0	0	0	0	0	0	0	25
<b>Meter Reader Staffing- Liberty/Contractors</b>														
Approved Liberty Staff*	12	12	12	12	12	9	9	8	7	6	5	4		
Active Liberty Staff*	13	14	10	9	8	8	8	8	6	5	3	3		
Approved Contractor Meter Reader Staff*	22	26	26	20	16	9	6	3	2	2	-	-		
Active Contractor Meter Reader Staff*	11	15	18	16	13	8	6	3	2	2	-	-		
<b>Total Approved Liberty Staff and Contractor Meter Reader Staff</b>	34	38	38	32	28	18	15	11	9	8	5	4		
<b>Total Active Liberty Staff and Contractor Meter Reader Staff</b>	24	29	28	25	21	16	14	11	8	7	3	3		
<b>3 or More Consecutive Estimations **</b>														
MO	509	561	381	158	36	9	2	2	1	2	4	3	1,668	

16

1 **Q. Will the Company remain in compliance with the Commission rule?**

2 A. I am not aware of any current circumstance that would cause a problem similar to what  
3 the Company experienced after it first announced the decision to move to AMI. In the  
4 unlikely event circumstances arise in the future that could impact the Company's ability  
5 to comply with this rule, the Company will proactively manage the issue and utilize the  
6 open line of communication with Staff and the Office of the Public Counsel ("OPC").

7 **III. SURREBUTTAL TO MS. BOUSTEAD**

8 **Q. Empire's Low-Income Pilot Program is currently a customer-funded low-income**  
9 **program providing 100% discount of the monthly customer charge for customers**  
10 **eligible for the Low-Income Home Energy Assistance Program. Do you agree with**  
11 **OPC witness Geoff Marke's recommendations to discontinue the program and**  
12 **replace it with an alternative comparable to Ameren Missouri's Keeping Current**  
13 **and Keeping Cool Programs, as reiterated in Ms. Boustead's rebuttal testimony?**

14 A. No. Dr. Marke contends the number of participants in Empire's LIPP has declined over  
15 the years and record keeping is insufficient because customers have been removed from  
16 the program and the program does not take into account double-counting (i.e.  
17 customers dropping off but then participating at a later date). While the number of  
18 customers in LIPP has declined for multiple reasons, the reduction can be overcome  
19 through communication with the qualifying customers and Community Action  
20 Agencies (CAA). Importantly, Empire's record keeping is accurate based on a LIPP  
21 rate code which makes the number of customers unique. If a customer drops out and  
22 re-enrolls, they are only counted as a single participant at any point in time.

23 **Q. Was the Low-Income Pilot Program discussed with OPC and Staff in 2021?**

24 A. Yes, Empire, Staff, and OPC met to discuss LIPP on March 3, 2021.

1 **Q. Were recommendations made to enhance the program?**

2 A. Yes. Empire recommended modifications to make it easier for low-income customers  
3 to remain enrolled in LIPP including waiving the payment requirement to stay current  
4 within 60 days of bill date. Additionally, Empire recommended increasing the discount  
5 to two times the customer charge during the peak heating months December through-  
6 February and cooling months June through August which was well received by OPC  
7 and Staff

8 **Q. Do you agree with Dr. Marke's recommendation for a shareholder contribution,**  
9 **as reiterated in Staff's rebuttal testimony?**

10 A. Yes, at a level tied to the projected growth in the program. For example, existing  
11 funding of \$250,000 is sufficient to accommodate 1,000 customers per year under the  
12 proposed structure. Empire will consider an additional \$250,000 shareholder  
13 contribution to double participation from the current cap.

14 **Q. Why is this preferable to Ameren's Keeping Current and Keeping Cool**  
15 **Programs?**

16 A. For several reasons including less program complexity, lower administrative cost, and  
17 the ability to help a larger number of customers relative to the ratepayer and shareholder  
18 investments.

19 **Q. Do you agree with the recommendation to fund a one-time third-party needs**  
20 **assessment study, at a cost not exceeding \$100,000 with funding drawn from**  
21 **Empire's bill assistance program?**

22 A. Yes. In the event LIPP funding is not fully utilized, Empire would commission a one-  
23 time needs assessment study with available capital to continue the refinement of its  
24 low-income program(s).



1 **Q. Should Empire’s Customer Service Reps (CSRs) who receive calls from customers**  
2 **struggling to pay bills be trained to request customer consent to forward their**  
3 **contact information to relevant the CAAs so a CAA representative may contact**  
4 **them about weatherizing their home free of charge and about the availability of**  
5 **other assistance, as recommended by OPC and Staff?**

6 A. Empire agrees with this recommendation. Historically, CAAs have preferred that  
7 customers take the initiative for help, and CSRs have also been discouraged from  
8 making direct referrals due to CAA resource constraints. However, as CAAs develop  
9 low-income program implementors to channel customer assistance and Critical Needs  
10 Programs, we expect CAAs to become more receptive.

11 **Q. What process would Liberty use to request customer consent and contact the**  
12 **CAAs?**

13 A. Empire will train CSRs to listen for key expressions that customers require financial  
14 support and provide a script communicating availability of weatherization and other  
15 programs to lower costs or help pay their bills. The CSR will request contact  
16 information, and with customer permission, submit the information to Empire’s Credit  
17 Department for communication to the CAA.

18 **Q. Do you agree Empire should create a Critical Needs Program consistent with the**  
19 **terms agreed to and approved in Case GR-2021-0108 with funding split 50/50**  
20 **between ratepayers and shareholders with total annual funding of \$200,000?**

21 A. Partially. Empire agrees the Critical Needs Program has significant merit to ensure  
22 CAAs can hire and train implementors to process federal and other funds for the benefit  
23 of low-income customers. With cold weather, higher fuel prices, and inflation on the  
24 rise, Empire supports the administration of a \$100,000 customer funded program with

1 possible future shareholder contributions dependent on the success of the program  
2 pilot.

3 **IV. SURREBUTTAL TO MR. GLASGOW**

4 **Q. Mr. Glasgow’s testimony relates to Empire’s communication plan to notify**  
5 **customers that credit and debit card fees were removed from Empire’s Missouri**  
6 **Electric Kubra payment channel. The plan included alerts on Empire’s website,**  
7 **residential customer e-mails, and letters to commercial and industrial accounts to**  
8 **inform customers the charges were being waived. Do you agree with Mr.**  
9 **Glasgow’s concerns that the communications in this regard could be improved?**

10 A. Yes. While Empire’s letters, e-mail, website, and press release communicated the  
11 change that Missouri electric customer will no longer pay fees when bills are paid  
12 online or by phone, Empire agrees the communication did not reach all customers and  
13 an “on-bill” message is a valid recommendation. A review of the on-bill messaging  
14 when the option was evaluated showed seven messages on the bill. However, the  
15 language could have been modified, and as such, Empire will incorporate an on-bill  
16 message as soon as possible.

17 **V. CONCLUSION**

18 **Q. Please summarize the additional funding and recommendations Empire is**  
19 **proposing in this Surrebuttal Testimony.**

20 A. For the additional funding and recommendations, Empire proposes enhancements to its  
21 low-income pilot program to provide greater benefits to customers and a shareholder  
22 contribution tied to the projected growth of the program. To double customer  
23 enrollment from its current cap under its existing program, Empire supports a \$250,000  
24 shareholder contribution. Additionally, Empire will support communication between

1           our CSRs and the Community Action Agencies on behalf of low-income customers in  
2           need and will fund a third-party needs assessment up to \$100,000 with low-income  
3           pilot program capital that is not fully utilized. Finally, Empire is excited about the  
4           possible funding and development of a Critical Needs Program and CAA implementers  
5           to administer state and federally funded low-income programs with future shareholder  
6           contributions dependent on the needs and success of the program.

7   **Q.    Does this conclude your Surrebuttal Testimony at this time?**

8   A.    Yes.

**VERIFICATION**

I, Jon Harrison, under penalty of perjury, on this 20th day of January 2022, declare that the foregoing is true and correct to the best of my knowledge and belief.

/s/ Jon Harrison