

Exhibit No. 106

Staff – Exhibit 106
Testimony of Claire M. Eubanks, PE
Direct
File No. ER-2024-0261

Exhibit No.:
Issue(s): *Transmission &
Distribution Projects*
Witness: *Claire M. Eubanks, PE*
Sponsoring Party: *MoPSC Staff*
Type of Exhibit: *Direct Testimony*
Case No.: *ER-2024-0261*
Date Testimony Prepared: *July 2, 2025*

MISSOURI PUBLIC SERVICE COMMISSION

INDUSTRY ANALYSIS DIVISION

ENGINEERING ANALYSIS DEPARTMENT

DIRECT TESTIMONY

OF

CLAIRE M. EUBANKS, PE

**THE EMPIRE DISTRICT ELECTRIC COMPANY,
d/b/a Liberty**

CASE NO. ER-2024-0261

*Jefferson City, Missouri
July 2025*

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1 including performing as the Certifying Engineer for projects related to landfill design,
2 construction plans and specifications, and construction quality assurance.

3 In November 2012, I began my employment with the Commission as a Utility
4 Regulatory Engineer I. My primary job duties were primarily related to the Renewable Energy
5 Standard, reviewing applications for Certificates of Convenience and Necessity, construction
6 audits, and the development and evaluation of in-service criteria. In January 2017, I was
7 promoted to Utility Regulatory Engineer II and in April of 2020, I was promoted to my
8 current position.

9 Q. Have you previously filed testimony before the Commission?

10 A. Yes, numerous times. Please refer to Schedule CME-d1, attached to this
11 Direct Testimony, for a list of cases which I have filed testimony or recommendations.

12 Q. What knowledge, skills, experience, training and education do you have in the
13 areas of which you are testifying as an expert witness?

14 A. I have received continuous training at in-house and outside seminars on
15 technical matters since I began my employment at the Commission. I have been employed by
16 this Commission as an Engineer for over 12 years, and have submitted testimony numerous
17 times before the Commission. I have also been responsible for the supervision of other
18 Commission employees in rate cases and other regulatory proceedings.

19 **EXECUTIVE SUMMARY**

20 Q. What is the purpose of your direct testimony?

21 A. The purpose of my direct testimony is to provide an overview of Staff's review
22 of Transmission and Distribution projects in this case.

TRANSMISSION AND DISTRIBUTION PROJECTS

Q. Please describe Staff's review of transmission and distribution projects in this case.

A. Staff's Engineering Analysis Department reviewed a selection of Empire's transmission and distribution projects with consideration of the following: whether the projects are needed for safe and reliable service, whether the projects provide reliability improvements, and whether there were significant variances in costs from an individual project's budget and its actual cost. Staff also reviewed the project documentation for evidence of imprudence.

Engineering Analysis reviewed the information (regarding distribution and transmission projects) as provided by Empire in its annual Capital Budget filing (EO-2019-0046).^{1,2} Additionally, Staff requested information supporting certain projects listed in the Direct Testimony of Jeffery Westfall, Schedule JW-d1. For this case, Engineering Analysis Staff selected projects from Jeffery Westfall, Schedule JW-d1 representing plant additions over \$1 million dollars from July 1, 2021, through September 20, 2023.³

Q. What documentation did Empire provide?

¹ 2024 PISA Report, Exhibit 2 and 2025 PISA Report, Exhibit 2.

² 393.1400.4. states in part: "For each project in the specific capital investment plan on which construction commences on or after January first of the year in which the plan is submitted, and where the cost of the project is estimated to exceed twenty million dollars, the electrical corporation shall identify all costs and benefits that can be quantitatively evaluated and shall further identify how those costs and benefits are quantified. For any cost or benefit with respect to such a project that the electrical corporation believes cannot be quantitatively evaluated, the electrical corporation shall state the reasons the cost or benefit cannot be quantitatively evaluated, and how the electrical corporation addresses such costs and benefits when reviewing and deciding to pursue such a project. No such project shall be based solely on costs and benefits that the electrical corporation believes cannot be quantitatively evaluated. Any quantification for such a project that does not produce quantified benefits exceeding the costs shall be accompanied by additional justification in support of the project... By February twenty-eighth following each year in which the electrical corporation submits a capital investment plan, the electrical corporation shall submit a report to the commission detailing actual capital investments made the previous year, the quantitatively evaluated benefits and costs generated by each of those investments that exceeded twenty million dollars, and any efficiencies achieved as a result of those investments." Note the above listed language was added to 393.1400.4 in 2022 as a result of SB 745.

³ Note Schedule JW-d1 represents activity cost from July 1, 2021, through September 30, 2023, and expected spend from October 2023 through September 2024.

1 A. Empire provided Staff with project specific documentation for 18 funding
2 projects representing approximately ** [REDACTED] **. This included the following items
3 as applicable:

4 a. Original Budget;

5 b. Documentation of change orders over \$50,000, ** [REDACTED]
6 [REDACTED] **;

7 c. Cost; and,

8 f. In-service dates and Project completion dates.

9 Q. Did Staff note any concerns during this review?

10 A. Yes, but it appears that recent internal process changes by Empire may help
11 address the primary areas of concern identified by Engineering Analysis Staff.

12 As with any construction project, Engineering Analysis found variances in an individual
13 project's budget and its actual cost. For example, a project may see an increase in actual cost
14 due to unforeseen field conditions. Engineering Analysis is reviewing individual project
15 change orders and is continuing to follow-up with Empire regarding specific questions through
16 the true-up phase of this case.

17 Q. What areas of concern did Staff note?

18 A. Based on the projects and information reviewed to date, Staff is concerned with
19 Empire's initial budgeting process. ** [REDACTED]

20 [REDACTED]

21 [REDACTED]

22 [REDACTED]

23 [REDACTED]

24 [REDACTED] **

1 ** [REDACTED]

7 [REDACTED]⁴

12 [REDACTED]⁵ [REDACTED]

19 [REDACTED] **

20 Q. What internal process improvements has Empire made that may address the
21 concern described above?

⁴ Staff Data Request 0267. ** [REDACTED]

⁵ Staff Data Request 0268. * [REDACTED] **

1 A. In May 2024, Empire updated its internal process to introduce a gate process,⁶
2 “to provide a framework for consistent project development and project execution for Capital
3 Projects (“Projects”) for the Company.” A gate process is a project management methodology
4 that divides a project into stages separated by decision points (or gates). Empire identified
5 certain benefits to a gate process as follows:

- 6 • Documented process for Project development
- 7 • Improves the accuracy of Project budgets
- 8 • Improves the accuracy of Project cost predictability (forecasting)
- 9 • Improves overall Company capital budgeting process and planning
- 10 • Achieves efficient and effective allocation of scarce resources

11 Empire’s gate process applies to capital projects defined as over \$500,000 and on its
12 own individual budget line. Empire’s gate process includes a specific requirement in each gate
13 regarding the Project Business Case, Project Budget and Project Cost Forecast.

14 Q. Does Staff have additional recommendations regarding capital project
15 management?

16 A. Yes. Staff witness Matthew R. Young discusses Staff’s recommendation for
17 internal audits on a variety of topics including authorization procedures for capital projects.

18 Q. Does any other Staff member discuss Empire’s capital project management?

19 A. Yes. Staff witness Brodrick Niemeier reviewed projects related to Empire’s
20 generation fleet and similarly noted a concern with initial budgeting of certain capital projects.

21 Q. Did Staff review any cost-benefit analyses for specific capital investments
22 greater than \$1 million?

⁶ Staff Data Request 0371 and 0371.1.

1 A. Not in this case. As agreed to by the stipulation and agreement in
2 ER-2021-0312, Empire is developing a cost-benefit analysis framework for planned capital
3 investments of \$1 million and above. Empire outlined its framework in its 2025 PISA Report,
4 Exhibit 4 (EO-2019-0046) and in the Direct Testimony of Dmitry Balashov filed in this case.
5 It is Staff's understanding that Empire is rolling out the new framework for 2025 capital
6 investments of \$1 million and above.

7 Q. Does this conclude your direct testimony?

8 A. Yes it does.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Request of The Empire)
District Electric Company d/b/a Liberty for)
Authority to File Tariffs Increasing Rates)
for Electric Service Provided to Customers)
in Its Missouri Service Area)

Case No. ER-2024-0261

AFFIDAVIT OF CLAIRE M. EUBANKS, PE

STATE OF MISSOURI)
)
COUNTY OF COLE) ss.

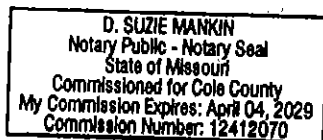
COMES NOW CLAIRE M. EUBANKS, PE and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Direct Testimony of Claire M. Eubanks, PE*; and that the same is true and correct according to her best knowledge and belief.

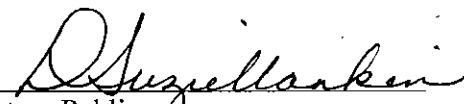
Further the Affiant sayeth not.


CLAIRE M. EUBANKS, PE

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 26th day of June 2025.




Notary Public

CLAIRE M. EUBANKS, PE

PRESENT POSITION:

I am the Manager of the Engineering Analysis Department, Industry Analysis Division of the Missouri Public Service Commission.

EDUCATIONAL BACKGROUND AND WORK EXPERIENCE:

I received my Bachelor of Science degree in Environmental Engineering from the University of Missouri – Rolla, now Missouri University of Science and Technology, in May 2006. I am a licensed professional engineer in the states of Missouri and Arkansas. Immediately after graduating from UMR, I began my career with Aquaterra Environmental Solutions, Inc., now SCS Aquaterra, an engineering consulting firm based in Overland Park, Kansas. During my time with Aquaterra, I worked on various engineering projects related to the design, construction oversight, and environmental compliance of solid waste landfills. I began my employment with the Commission in November 2012 and was promoted to my current position in April 2020.

Currently, I am the co-chair of the NARUC Staff subcommittee on Electric Reliability & Resilience.

CASE HISTORY:

Case Number	Utility	Type	Issue
EA-2012-0281	Ameren	Rebuttal	Certificate of Convenience and Necessity
EC-2013-0379 EC-2013-0380	KCP&L KCP&L GMO	Rebuttal	RES Compliance
EO-2013-0458	Empire	Memorandum	RES Compliance Plan & Report
EO-2013-0462	Ameren	Memorandum	RES Compliance Report
EO-2013-0503	Ameren	Memorandum	RES Compliance Plan
EO-2013-0504	KCPL	Memorandum	RES Compliance Plan & Report
EO-2013-0505	GMO	Memorandum	RES Compliance Plan & Report
ET-2014-0059	KCP&L GMO	Rebuttal	RES Retail Rate Impact
ET-2014-0071	KCP&L	Rebuttal	RES Retail Rate Impact
ET-2014-0085	Ameren	Rebuttal	RES Retail Rate Impact
ER-2014-0258	Ameren	Cost of Service Report, Surrebuttal	RES, In-Service

Case Number	Utility	Type	Issue
EO-2014-0151	KCP&L GMO	Memorandum	RESRAM
EO-2014-0357	Electric	Memorandum	Solar Rebates Payments
EO-2014-0287	KCPL	Memorandum	RES Compliance Plan
EO-2014-0288	GMO	Memorandum	RES Compliance Plan
EO-2014-0289	KCPL	Memorandum	RES Compliance Report
EO-2014-0290	GMO	Memorandum	RES Compliance Plan
ER-2014-0370	KCP&L	Cost of Service Report	RES
EX-2014-0352	N/A	Live Comments	RES rulemaking
EC-2015-0155	GMO	Memorandum	Solar Rebate Complaint
EO-2015-0260	Empire	Memorandum	RES Compliance Plan & Report
EO-2015-0263	KCPL	Memorandum	RES Compliance Report
EO-2015-0264	GMO	Memorandum	RES Compliance Report
EO-2015-0265	KCPL	Memorandum	RES Compliance Plan
EO-2015-0266	GMO	Memorandum	RES Compliance Plan
EO-2015-0267	Ameren	Memorandum	RES Compliance Plan & Report
EO-2015-0252	GMO	Staff Report	Integrated Resource Plan – Renewable Energy Standard
EO-2015-0254	KCPL	Staff Report	Integrated Resource Plan – Renewable Energy Standard
EA-2015-0256	KCP&L GMO	Live Testimony	Greenwood Solar CCN
EO-2015-0279	Empire	Memorandum	RES Compliance Plan & Report
ET-2016-0185	KCP&L	Memorandum	Solar Rebate Tariff Suspension
EO-2016-0280	KCPL	Memorandum	RES Compliance Report
EO-2016-0281	GMO	Memorandum	RES Compliance Report
EO-2016-0282	KCPL	Memorandum	RES Compliance Plan
EO-2016-0283	GMO	Memorandum	RES Compliance Plan
EO-2016-0284	Ameren	Memorandum	RES Compliance Plan & Report
ER-2016-0023	Empire	Report	RES
ER-2016-0156	KCP&L GMO	Rebuttal	RESRAM Prudence Review

Case Number	Utility	Type	Issue
EA-2016-0208	Ameren	Rebuttal	Certificate of Convenience and Necessity
ER-2016-0285	KCPL	Cost of Service Report	In-Service, Greenwood Solar
ER-2016-0179	Ameren	Rebuttal	In-Service, Labadie Landfill
EW-2017-0245	Electric	Report	Working Case on Emerging Issues in Utility Regulation
EO-2017-0268	Ameren	Memorandum	RES Compliance Plan & Report
EO-2017-0269	KCPL	Memorandum	RES Compliance Report
EO-2017-0271	KCPL	Memorandum	RES Compliance Plan
GR-2017-0215 & GR-2017-0216	Spire	Rebuttal & Surrebuttal	CHP for Critical Infrastructure
GR-2018-0013	Liberty Utilities (Midstates Natural Gas)	Rebuttal	CHP Outreach Initiative for Critical Infrastructure Resiliency
EO-2018-0287	Ameren	Memorandum	RES Compliance Plan & Report
EO-2018-0288	KCPL	Memorandum	RES Compliance Report
EO-2018-0290	KCPL	Memorandum	RES Compliance Plan
EA-2016-0207	Ameren	Memorandum	Certificate of Convenience and Necessity
ER-2018-0146	GMO	Cost of Service Report	RESRAM Prudence Review
ER-2018-0145 ER-2018-0146	KCPL GMO	Class Cost of Service Report, Rebuttal	Solar Subscription Pilot Rider, Standby Service Rider
EA-2018-0202	Ameren	Staff Report	Certificate of Convenience and Necessity
EE-2019-0076	Ameren	Memorandum	Variance Request – Reliability Reporting
EA-2019-0021	Ameren	Staff Report	Certificate of Convenience and Necessity
EA-2019-0010	Empire	Staff Report	Certificate of Convenience and Necessity
EX-2019-0050	N/A	Live Comments	Renewable Energy Standard

Case Number	Utility	Type	Issue
EO-2019-0315	KCPL	Memorandum in Response to Commission Questions	Renewable Energy Standard
EO-2019-0316	GMO	Memorandum	Renewable Energy Standard
EO-2019-0317	KCPL	Memorandum in Response to Commission Questions	Renewable Energy Standard
EO-2019-0318	GMO	Memorandum	Renewable Energy Standard
ER-2019-0335	Ameren	Cost of Service Report	Renewable Energy Standard, In-Service Criteria
EA-2019-0371	Ameren	Staff Report	Certificate of Convenience and Necessity
EO-2020-0329	Evergy Missouri Metro	Memorandum	Renewable Energy Standard
EO-2020-0330	Evergy Missouri West	Memorandum	Renewable Energy Standard
EE-2021-0237	Evergy Missouri Metro	Memorandum	Cogeneration Tariff
EE-2021-0238	Evergy Missouri West	Memorandum	Cogeneration Tariff
EE-2021-0180	Ameren Missouri	Memorandum	Electric Meter Variance
ET-2021-0151 and 0269	Evergy	Memorandum, Rebuttal Report	Transportation Electrification
AO-2021-0264	Various	Staff Report	February 2021 Cold Weather Event
EW-2021-0104	n/a	Staff Report	RTO Membership
EW-2021-0077	n/a	Staff Report	FERC Order 2222
EO-2021-0339	Evergy Missouri West	Memorandum	Territorial Agreement
GR-2021-0108	Spire	Rebuttal	Automated Meter Reading Opt-out Tariff
EA-2021-0087	ATXI	Rebuttal Report	Certificate of Convenience and Necessity

Case Number	Utility	Type	Issue
ER-2021-0240	Ameren Missouri	Cost of Service Report Rebuttal	In-Service Bat Mitigation
ER-2021-0312	Empire	Cost of Service Report	Construction Audit – Engineering Review, In-service
EO-2022-0061	Evergy Missouri West	Surrebuttal	Special Rate/ Renewable Energy Standard
EA-2022-0099	ATXI	Rebuttal	Certificate of Convenience and Necessity
EA-2022-0234	NextEra Energy Transmission	Rebuttal	Certificate of Convenience and Necessity
ER-2022-0129	Evergy Missouri West	Direct Rebuttal	Advanced Metering Infrastructure, Reliability, Transmission & Distribution Investment, PISA reporting, Misc. Tariff issues
ER-2022-0130	Evergy Missouri Metro	Direct Rebuttal Surrebuttal/True-Up	Advanced Metering Infrastructure, Reliability, Transmission & Distribution Investment, PISA reporting, Misc. Tariff issues
EE-2022-0329	Ameren Missouri	Memorandum	Variance Request
GR-2022-0179	Spire Missouri	Direct Rebuttal	Metering Infrastructure
ER-2022-0337	Ameren Missouri	Direct Rebuttal Surrebuttal/True-Up	Rush Island, Smart Energy Plan, High Prairie
EA-2023-0017	Grain Belt	Rebuttal	Certificate of Convenience and Necessity
ET-2023-0250	Empire	Memorandum	Cogeneration/ Net Metering Tariff
. GE-2023-0196	Empire District Gas Company	Memorandum	Variance Request
EO-2023-0423 EO-2023-0424	Evergy	Memorandum	Solar Subscription Program
EC-2024-0108	Ameren Missouri	Staff Report	Complaint
EA-2024-0147	ATXI	Memorandum	Certificate of Convenience and Necessity
EO-2024-0231	Ameren Missouri	Memorandum	Renewable Energy Standard

Case Number	Utility	Type	Issue
EE-2024-0335	Evergy Missouri Metro	Memorandum	Electric Meter Variance
EF-2024-0021	Ameren Missouri	Rebuttal Surrebuttal	Securitization
ER-2024-0189	Evergy Missouri West	Direct Rebuttal Surrebuttal	In-service, Distribution Reliability, Net Metering
GR-2024-0106	Liberty Midstates	Direct Surrebuttal	Mains, Meters, and Service Lines
ER-2024-0319	Ameren Missouri	Direct, Rebuttal, Surrebuttal / True-Up Direct	High Prairie, Rush Island, Energy Delivery Projects
EE-2025-0158	Evergy Missouri Metro	Memorandum	Electric Meter Variance
GR-2025-0107	Spire Missouri	Direct, Rebuttal	CPR Audit, Stranded Meters
ET-2025-0286	Evergy Missouri Metro	Memorandum	TOU Net Metering
EA-2025-0087	ATXI	Staff Recommendation	Certificate of Convenience and Necessity