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Issues: Energy Efficiency Programs  
Witness: Henry E. Warren  
Sponsoring Party: MO PSC Staff  
Type of Exhibit: Rebuttal Testimony  
Case No.: GR-2009-0434  
Date Testimony Prepared: December 18, 2009

**MISSOURI PUBLIC SERVICE COMMISSION**

**UTILITY OPERATIONS DIVISION**

**REBUTTAL TESTIMONY**

**OF**

**HENRY E. WARREN**

**THE EMPIRE DISTRICT GAS COMPANY**

**CASE NO. GR-2009-0434**

Jefferson City, Missouri  
December 2009

~~SAC-18~~ Exhibit No. 32  
Case No(s). GR-2009-0434  
Date 1-08-10 Rptr VF

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

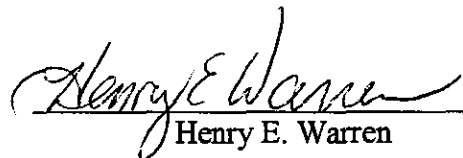
In the Matter of The Empire District Gas )  
Company of Joplin, Missouri for )  
Authority to File Tariffs Increasing Rates )  
for Gas Service Provided to Customers in )  
the Missouri Service Area of the )  
Company. )

Case No. GR-2009-0434

**AFFIDAVIT OF HENRY E. WARREN**

STATE OF MISSOURI     )  
                                  ) ss  
COUNTY OF COLE     )

Henry E. Warren, of lawful age, on his oath states: that he has participated in the preparation of the following Rebuttal Testimony in question and answer form, consisting of 3 pages of Rebuttal Testimony to be presented in the above case, that the answers in the following Rebuttal Testimony were given by him; that he has knowledge of the matters set forth in such answers; and that such matters are true to the best of his knowledge and belief.

  
Henry E. Warren

Subscribed and sworn to before me this 18<sup>th</sup> day of December, 2009.



SUSAN L. SUNDERMEYER  
My Commission Expires  
September 21, 2010  
Callaway County  
Commission #06942086

  
Notary Public

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**REBUTTAL TESTIMONY**

**OF**

**HENRY E. WARREN**

**THE EMPIRE DISTRICT GAS COMPANY**

**CASE NO. GR-2009-0434**

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**REBUTTAL TESTIMONY**

**OF**

**HENRY E. WARREN**

**THE EMPIRE DISTRICT GAS COMPANY**

**CASE NO. GR-2009-0434**

Q. Please state your name and business address.

A. My name is Henry E. Warren and my business address is Missouri Public Service Commission, P. O. Box 360, Jefferson City, Missouri, 65102.

Q. Are you the same Henry E. Warren that contributed to the *Staff Report, Cost of Service, THE EMPIRE DISTRICT GAS COMPANY*, filed October 20, 2009?

A. I am.

**1. EXECUTIVE SUMMARY**

Q. What is the purpose of your rebuttal testimony?

A. My rebuttal testimony will address two issues: 1) Regarding the issue of The Empire District Gas Company's (EDG or Company) expenditures on Residential, Small Commercial, and Large Commercial Energy Efficiency (EE) Programs; and 2) the establishment of an Energy Efficiency Collaborative (EEC), I will respond to the direct testimony of Missouri Department of Natural Resources – Energy Center (EC) Witness Laura Wolfe.

**2. DIRECT TESTIMONY OF MS. LAURA WOLFE, MISSOURI**

**DEPARTMENT OF NATURAL RESOURCES, ENERGY CENTER ON  
ENERGY EFFICIENCY PROGRAMS**

Q. What direct testimony was submitted by Missouri Department of Natural Resources, Energy Center (EC) Witness, Ms. Laura Wolfe regarding EDG revenue collections and expenditures on EE Programs?

A. Ms. Wolfe submitted direct testimony for both Revenue Requirement and Rate Design which I will address together. In both of her direct testimonies, she proposes that EDG continue to expend the funds for EE Programs proposed by EDG Witness Ms. Sherill L. McCormack in her direct testimony for 2010 of approximately \$217,000 for Residential, Small Commercial, and Large Commercial customers, but the funding increase to approximately \$327,000 in the year 2011 and further increase to approximately \$655,000 by 2012. She also supported Ms. McCormack's proposal for the establishment of an EEC as an advisory group consisting of EDG and member organizations of the Staff of the PSC, Office of the Public Counsel, and EC.

Q. What is your response to the direct testimonies of EC Witness Ms. Wolfe regarding EDG EE Programs?

A. In her direct testimonies, Ms. Wolfe addressed EDG's expenditures on EE Programs and proposed provisions for EDG EE programs going forward.

I recommend that EDG EE Programs continue to be funded and implemented as proposed by Ms. Sherill L. McCormack in her direct testimony as described above, and as agreed to in the PARTIAL STIPULATION AND AGREEMENT ON DSM FUNDING. Any additional funding or change in the funding mechanism for either

Rebuttal Testimony of  
Henry E. Warren

1 Residential EE programs or Small Commercial EE programs should be contingent on the  
2 success of the current programs. The EEC should be a non-binding advisory group.

3 The funding levels proposed by Ms. McCormack are based on a current Applied  
4 Energy Group (AEG) study of the EDG service area. The funding levels proposed by  
5 Ms. Wolfe are based on a general multi-state study in 2006 conducted by American  
6 Council for an Energy-Efficient Economy (ACEEE). The more current and focused  
7 AEG study should be relied on more than the ACEEE study.

8 **3. STAFF RECOMMENDATION**

9 Q. What is your recommendation regarding the direct testimonies of EC  
10 Witness Ms. Wolfe regarding the funding for EE Programs and the EEC?

11 A. My recommendation is EDG should fund the EE Programs for the  
12 Residential, and Commercial customers as proposed by Ms. McCormack. Staff agrees  
13 that the EEC should be established as a non-binding advisory group.

14 Q. Why do you recommend a non-binding advisory group?

15 A. So that decisions about the EE programs ultimately are Company  
16 decisions, and Staff, or any other stakeholder, does not directly determine the expenditure  
17 of funds by the Company outside of a case.

18 Q. Does this conclude your rebuttal testimony?

19 A. Yes, it does.