

STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION  
TRANSCRIPT OF PROCEEDINGS

Public Hearing

June 27, 2006

Reeds Spring, Missouri

Volume 4

In the Matter of the Empire District     )  
Electric Company of Joplin, Missouri     ) Case No. ER-2006-0315  
for Authority to File Tariffs             )  
Increasing Rates for Electric Service     )  
Provided to Customers in the Missouri     )  
Service Area of the Company               )

COLLEEN M. DALE, Presiding  
CHIEF REGULATORY LAW JUDGE

CONNIE MURRAY,  
LINWARD "LIN" APPLING,  
COMMISSIONERS

REPORTED BY: PATRICIA L. SNIDER, C.C.R.

**APPEARANCES**

**REPRESENTING EMPIRE:**

MS. JANET E. WHEELER  
Brydon, Swearngen & Englund, P.C.  
312 E. Capitol Avenue  
P.O. Box 456  
Jefferson City, Missouri 65102

**OFFICE OF PUBLIC COUNSEL:**

MR. LEWIS MILLS  
Post Office Box 2230  
Jefferson City, Missouri 65102

**STAFF ATTORNEY:**

MR. STEVE DOTTHEIM  
Governor Office Building  
200 Madison Street  
P.O. Box 360  
Jefferson City, Missouri 65102-0360

I N D E X

Page/Line

PROCEEDINGS . . . . .

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

PROCEEDINGS

BY JUDGE DALE: The Missouri Public Service Commission has set this time for a local hearing in case number ER20060315 in which the Empire District Electric Company seeks an increase of rates that will increase total revenues by \$29,513,713. The Missouri Public Service Commission regulates the rates charged by investor-owned utility companies in Missouri to ensure that those rates are just and reasonable. The Commission also regulates the quality of service and safety of the operations in investor-owned utilities.

The commission is made up of five commissioners, two of whom are here today in Jefferson City. The commissioners are appointed by the governor to fixed terms and confirmed by the Senate. The commissioners employ a staff of engineers, accountants, attorneys, financial analysts and other specialists in the field of utility regulation.

I am Colleen M. Dale. I am a Regulatory Law Judge for the Missouri Public Service

1 Commission and I will preside over this  
2 hearing. This is an official hearing of the  
3 Missouri Public Service Commission and the  
4 statements and testimony of witnesses will be  
5 recorded by the court reporter and must be  
6 given under oath. All of the commissioners  
7 will have the opportunity to read all of the  
8 witnesses' remarks.

9 In addition to this local hearing, and  
10 the ones that were held previously, a trial-  
11 type evidentiary hearing is scheduled for  
12 September 6 through 15, 2006, starting at 10  
13 a.m. at the Commission's offices at the  
14 Governor Office Building in Jefferson City,  
15 Missouri. That hearing is a public hearing  
16 and the company will have the burden at that  
17 hearing of proving its case. The parties  
18 will present their witnesses for and against  
19 the petition at that time.

20 The purpose of this hearing is to hear  
21 from you. The company will not present  
22 witnesses and will not answer questions.  
23 This is your opportunity to testify and your  
24 remarks will be part of the official record  
25 of this case. I will call the name of each

1 witness who has signed up to speak. When  
2 your name is called, please come forward and  
3 speak clearly. There are plenty of microphones  
4 around the room, so we will be able to pick  
5 up without having to speak directly into a  
6 microphone. Please spell your name for the  
7 court reporter, so she can put it in the  
8 record correctly. I will ask a few  
9 preliminary questions and then there may be  
10 questions from the commissioners, from me, or  
11 from the counsel present. Please do not  
12 leave the witness area until you are excused.

13 We are scheduled to end promptly at 9:00.  
14 We ask that you be brief. If a previous  
15 speaker has already made the points you  
16 wanted to make, you may simply state that you  
17 agree with what that person said. There may  
18 be someone who wishes to testify, but because  
19 of religious convictions cannot take an oath.  
20 For this reason you will be asked to swear  
21 or affirm that your testimony will be the  
22 truth.

23 Are there any questions about this  
24 procedure? Hearing none, then we are here in  
25 the case number ER-2006-0315 In the Matter of

1 Empire District Electric Company of  
2 Joplin, Missouri for Authority to File  
3 Tariffs Increasing Rates for Electric Service  
4 Provided to Customers in the Missouri Service  
5 Area of the Company. Will counsel please  
6 make their entries of appearance, beginning  
7 with staff?

8 BY MR. DOTTHEIM: (no audible answer)

9

10 BY JUDGE DALE: Public counsel?

11 BY MR. MILLS: On behalf of the  
12 Office of the Public Counsel and the public  
13 my name is Lewis Mills. My address is Post  
14 Office Box 2230, Jefferson City, Missouri  
15 65102.

16 BY JUDGE MILLS: Company?

17 BY MS. WHEELER: Let the record  
18 reflect the appearance of Janet E. Wheeler of  
19 the law firm Brydon, Swearngen & England,  
20 P.O. Box 456, Jefferson City, Missouri, on  
21 behalf of the applicant, the Empire District  
22 Electric Company.

23 BY JUDGE DALE: Thank you. And with  
24 me here at the bench are Commissioners Murray  
25 and Appling. This would be a time when we

1           would begin to take statements from  
2           witnesses, if we have any.

3                       BY MR. OCHOA:  There's nobody signed  
4           up, Judge.  I don't know if anybody wants to  
5           testify.

6                       BY MR. TERRELL:  Sure.

7                       BY MR. OCHOA:  Why don't you go  
8           ahead and sit at the table.

9                       BY JUDGE DALE:  Would you please  
10          raise your right hand?  Do you swear or  
11          affirm that the testimony you're about to  
12          give will be the truth?

13                      BY MR. TERRELL:  I do.

14                      BY JUDGE DALE:  Thank you.  Would  
15          you please state your name and spell it for  
16          the record?

17                      BY MR. TERRELL:  Yes.  I'm Joshua  
18          Terrell, J-O-S-H-U-A T-E-R-R-E-L-L.

19                      BY JUDGE DALE:  And your address,  
20          please?

21                      BY MR. TERRELL:  113 Cannon Avenue,  
22          Clever, Missouri 65631.

23                      BY JUDGE DALE:  Are you a customer  
24          at Empire?

25                      BY MR. TERRELL:  I am.



1                   BY JUDGE DALE: Thank you. Please  
2 go ahead with whatever statement or comment  
3 you'd like to make.

4                   BY MR. TERRELL: Well, at this time,  
5 with the higher fuel costs, it's a burden  
6 that everyone has to share, I understand  
7 that. My concerns here are that while the  
8 company is being profitable, although it's a  
9 six-percent profit rather than their  
10 preferred 11-percent profit or more, I think  
11 it's premature to be requesting that all  
12 these families, many of whom in this area are  
13 low-income families, that they should bear  
14 the burden alone of these higher fuel costs.  
15 I don't see any problem with a company  
16 losing some of their extra profit due to  
17 these costs, since it was - and we don't even  
18 know if those costs are going to continue.  
19 At the same time that the customers, they  
20 have to bear their costs as well. If this  
21 company was closer to going in the red I  
22 would be all for the rate increase, but at  
23 this point, since we don't even know that the  
24 fuel costs are going to continue at this rate,  
25 rate, I believe that this request is

1           premature.

2                   BY JUDGE DALE:   Thank you very much.  
3           Are there any questions for Mr. Terrell from  
4           the bench?   We have no questions.   Do the  
5           counsel have questions?

6                   BY MR. MILLS:   No questions.

7                   BY MR. DOTTHEIM:   No questions.

8                   BY JUDGE DALE:   Then you are  
9           dismissed.   Thank you for testifying very  
10          much.   We appreciate it. Is there anyone else  
11          who would like to make a statement or  
12          comments?

13                   BY MR. OCHOA:   I don't see any, Your  
14          Honor.

15                   BY JUDGE DALE:   Mr. Mills, do you  
16          have an opinion on whether we should wait any  
17          longer?

18                   BY MR. MILLS:   Why don't we give it  
19          another five minutes.   It's only 6:15.  
20          People may have seen the notice and expected  
21          the hearing to go on for some time.   You  
22          know, there was another woman here just a few  
23          minutes ago.   I'm not sure, I thought she was  
24          perhaps interested in testifying, but she  
25          seems to have left.   There may be other

1 people that come in, so with the Bench's  
2 indulgence, if we can wait five minutes I  
3 think that would give people a chance to show  
4 up if they wanted to.

5 BY JUDGE DALE: That's fine. We're  
6 going to go to our intermission screens on  
7 both ends and we'll wait.

8 (Off the record)

9 (Back on the record)

10 BY JUDGE DALE: Has anyone else  
11 come?

12 BY MR. MILLS: No. No one else has  
13 shown up. We're still talking to the people  
14 that are here, but no one else has showed up  
15 and it's 6:30 by my watch.

16 BY JUDGE DALE: It's very close to  
17 that by the clock here in the hearing room.  
18 So I suppose for this evening we will  
19 adjourn. If there isn't any other business  
20 we have to accomplish right now then we will  
21 adjourn and be off the record. Thank you  
22 everyone.

23 (Hearing concluded at 6:30 p.m.)  
24  
25