

Exhibit No.:
Issue: Service Quality; Public Safety
Witness: Bruce Akin
Type of Exhibit: Direct Testimony
Sponsoring Party: Westar Energy, Inc.
Case No.: EM-2018-0012
Date Testimony Prepared: August 31, 2017

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO. EM-2018-0012

FILED²

MAR 19 2018

**DIRECT TESTIMONY
OF
BRUCE AKIN
ON BEHALF OF
WESTAR ENERGY, INC.**

**Missouri Public
Service Commission**

August 2017

Applicant Exhibit No. 1
Date 3/12/18 Reporter JB
File No. EM-2018-0012

TABLE OF CONTENTS

I. Introduction and Purpose of Testimony 1

II. Merger Impact on Service Quality and Public Safety..... 2

III. Conclusions..... 7

DIRECT TESTIMONY

OF

BRUCE AKIN

Case No. EM-2018-0012

I. INTRODUCTION AND PURPOSE OF TESTIMONY

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18

Q Please state your name and business address.

A. Bruce Akin, 818 S. Kansas Avenue, Topeka, Kansas.

Q. By whom and in what capacity are you employed?

A. Westar Energy, Inc. (“Westar”). I am Senior Vice President, Power Delivery.

Q. Please describe your educational background and business experience.

A. I received a Bachelor of Business Administration degree with a major in Accounting from Washburn University in 1987 and a Master’s Degree in Business Administration in 1998. I have worked for Westar Energy for 30 years with broad experience across many functions in both administrative areas and utility operations. My present position is Senior Vice President of Power Delivery, which includes responsibility for all transmission, substation and distribution plant and operations. I will be Vice President of Distribution Operations for the combined company following the merger, which will include oversight of distribution operations in both Kansas and Missouri.

Q. Have you previously testified before the Missouri Public Service Commission (“Commission”) or any other regulatory body?

A. No, however I have testified on a number of occasions before The Kansas Corporation Commission (“KCC”).

1 **Q: On whose behalf are you testifying?**

2 A: I am testifying on behalf of Westar Energy, Inc. and Kansas Gas and Electric Company
3 (referred to herein as “Westar”) in support of the request of Westar, Great Plains Energy
4 Incorporated (“Great Plains Energy” or “GPE”), Kansas City Power & Light Company
5 (“KCP&L”) and KCP&L Greater Missouri Operations (“GMO”) (all parties collectively
6 referred to herein as “Applicants”) for approval of the merger of Westar and GPE
7 (“Merger”).

8 **Q. What are you addressing in your testimony?**

9 A. My testimony describes how the Merger will maintain, if not improve, service quality,
10 including reliability and customer service, as well as the public safety. I also describe the
11 Applicants’ proposed service quality conditions and commitments and how they help
12 ensure there is no detriment to the public interest.

13 **II. MERGER IMPACT ON SERVICE QUALITY AND PUBLIC SAFETY**

14 **Q. What is your understanding of the Commission’s standard for approval of mergers
15 as it applies to the issues you are addressing in your testimony?**

16 A. In my understanding that the Commission’s basic standard is that a merger must not be
17 detrimental to the public interest. In regard to the issues I am addressing, I understand this
18 to mean that the Merger must not be detrimental to the provision of safe and adequate
19 service to KCP&L and GMO customers.¹

¹ See, e.g., Staff’s Investigation Report, Case No. EM-2016-0324. July 25, 2016. P. 69.

1 **Q. How will the Merger affect the quality of service KCP&L and GMO provide to their**
2 **Missouri customers?**

3 A. The Merger will enable the combined organization to maintain or, over the longer term,
4 potentially provide higher service quality. Both KCP&L and GMO have a long history of
5 providing safe and reliable service in Missouri. The Applicants are committed to
6 continuing and enhancing the reliability and quality service the utilities have provided in
7 the past, in large part because our customers demand it.

8 **Q. What can customers of KCP&L and GMO expect following the Merger?**

9 A. We will continue to serve customers safely, effectively, reliably, and ultimately more
10 efficiently. Customers will also experience little if any change in their day-to-day
11 interactions with their electric service provider. Following the Merger, the Applicants will
12 continue to operate the existing Westar contact center in Wichita, Kansas, and the existing
13 contact center in Raytown, Missouri serving KCP&L and GMO customers.

14 **Q. How will the Merger enable KCP&L and GMO to maintain, or over the longer term**
15 **potentially improve, service quality?**

16 A: Over the longer term, there will be a positive impact on KCP&L's and GMO's customers
17 as we integrate GPE and Westar. The Merger will provide the opportunity for all of the
18 Applicants' utility subsidiaries to draw on the strengths of one another, access each other's
19 resources, and assess and adopt best practices across all operating areas to serve our
20 customers even more efficiently and effectively. These best practices include engineering
21 designs and restoration practices to be used by the combined entity.

1 **Q. Are the Applicants proposing commitments and conditions related to service quality?**

2 A. Yes. As presented in the direct testimony of Darrin Ives and as Appendix H, the Applicants
3 propose three service quality conditions (Nos. 34-36) that reflect the Applicants'
4 commitment that service quality will be maintained or improved as a result of the Merger

5 **Q. How were these commitments and conditions developed?**

6 A. The Applicants developed service quality commitments through discussions with
7 Commission Staff ("Staff") in proceedings leading to the filing of the application seeking
8 approval of the proposed acquisition of Westar by GPE in Case No. EM-2017-0226
9 ("Initial Transaction").

10 **Q. Please describe condition No. 34.**

11 A. In condition No. 34, KCP&L and GMO commit to meet or potentially exceed the customer
12 service and operational levels currently provided to their Missouri retail customers. To
13 ensure that Staff has the information required to assess KCP&L's and GMO's quality of
14 service, in condition No. 34, KCP&L and GMO also commit to continue to provide service
15 quality data to Staff on a monthly basis. This includes the following contact center metrics:
16 abandoned call rate, average speed of answer, service level (percentage of calls answered
17 within 20 seconds), and the numbers of calls offered call deferral technology. It also
18 includes the following service reliability metrics: system average interruption duration
19 index ("SAIDI"), system average interruption frequency index ("SAIFI"), customer
20 average interruption duration index ("CAIDI"), and customer average interruption
21 frequency index ("CAIFI").

22 In addition, pursuant to condition No. 34, KCP&L and GMO will provide Staff on
23 a twice-yearly basis customer survey response information. This reporting schedule will

1 be in place for two years following the close the Merger, after which time this information
2 will be available through the rate case discovery process.

3 **Q. Please explain why the reporting of contact center and reliability metrics and**
4 **customer survey data, as required in condition No. 34, will help ensure there is no**
5 **detriment to service quality?**

6 A. The contact center and reliability metrics included in condition No. 34 measure the call
7 center customer service and the electric service reliability that customers care about. These
8 are primary industry indicators for these key areas of service quality and will be measured
9 and reported to Staff on a regular basis by KCP&L and GMO. With the provision of this
10 information, as well as the customer survey response information, Staff will be fully
11 equipped to ensure that the Merger will not have a detrimental effect on service quality.

12 **Q. Please describe the conditions Nos. 35 and 36.**

13 A. In condition No. 35, KCP&L and GMO commit to meet with Staff on a periodic basis after
14 the close of the Merger to review service quality performance, and, if needed, to address
15 customer service operating procedures and the level of service being provided to Missouri
16 retail customers. In condition No. 36, KCP&L and GMO commit to provide Staff on a
17 monthly basis a current organizational chart illustrating the names and positions of
18 management employees that have customer service responsibilities.

19 **Q. How will conditions No. 35 and 36 contribute to ensuring that the Merger will not**
20 **have a detrimental impact on the public interest?**

21 A. In conjunction with condition No. 34, these conditions will provide Staff with robust,
22 updated information on service quality, as well as the opportunity to meet with KCP&L

1 and GMO employees to address any questions or concerns regarding the level of service
2 quality the utilities provide to their Missouri retail customers.

3 **Q. What impact will the Merger have on public safety?**

4 A: The Merger is expected to maintain, and possibly improve, the public safety. By
5 combining KCP&L, GMO, and Westar and adopting “best practices” among the utilities,
6 the Applicants expect a positive effect on safety for both the public and our employees.
7 KCP&L and GMO have a good safety record and have performed at a high level in large
8 construction projects, but Westar’s safety record over last several years outpaces KCP&L’s
9 and GMO’s. Overall, the companies’ concern for public and employee safety combined
10 with the Commission’s regulatory oversight authorities will ensure that safety is
11 maintained.

12 **Q: Can you provide examples that illustrate that the Merger will not be detrimental to**
13 **the public safety?**

14 This Merger will not lead to cost cutting for vegetation management, maintenance, system
15 improvements, or other areas of utility operations that would negatively impact the public
16 safety. I note that the savings analysis conducted by Mr. Busser does not include any
17 savings related to reduction in the employment of utility linemen and women who play a
18 key role in ensuring the safety of the electric system. In addition, proposed cost reductions
19 in vegetation management programs, which are reflected in the savings analysis conducted
20 by Mr. Busser, do not come from reducing safety precautions, but from efficiencies in how
21 the program is staffed, managed and executed. These efficiencies do not result in fewer
22 trees being trimmed or greater public exposure to tree-related outages or hazards. Finally,
23 both of the existing call centers will continue to operate post-Merger with the same

1 emphasis on responsiveness to customer inquiries and the same 7x24x365 staffing for
2 emergency calls.

3 **III. CONCLUSIONS**

4 **Q. What are the conclusions from your testimony?**

5 A. The Merger, including the proposed service quality commitments and conditions, will
6 maintain and possibly improve the quality of service experienced by customers, including
7 electric reliability, customer service, as well as the public safety. This supports a finding
8 by the Commission that the Merger is not detrimental to the public interest.

9 **Q. Does this conclude your direct testimony?**

10 A. Yes.

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


In the Matter of the Application of Great Plains)
Energy Incorporated for Approval of its Merger) Docket No. EM-2018-0012
with Westar Energy, Inc.)

AFFIDAVIT OF BRUCE AKIN

STATE OF KANSAS)
) ss
COUNTY OF SHAWNEE)


Bruce Akin, being first duly sworn on his oath, states:

1. My name is Bruce Akin. I work in Topeka, Kansas, and I am employed by Westar Energy, Inc. as Senior Vice President of Power Delivery.
2. Attached hereto and made a part hereof for all purposes is my Direct Testimony on behalf of Westar Energy, Inc. consisting of seven (7) pages, having been prepared in written form for introduction into evidence in the above-captioned docket.
3. I have knowledge of the matters set forth therein. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded, including any attachments thereto, are true and accurate to the best of my knowledge, information and belief.



Bruce Akin

Subscribed and sworn before me this 28th day of August 2017.



Notary Public

My commission expires: 4-18-2021

