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Stipulation Compliance
Witness: Brent Baker
Type of Exhibit: Direct Testimony
Sponsoring Party: The Empire District
Electric Company
Docket No.: 19-EPDE-223-RTS
Date: December 2018

Before the Kansas Corporation Commission

Direct Testimony

Of

Brent Baker

December 2018



DIRECT TESTIMONY
OF
BRENT BAKER
ON BEHALF OF
THE EMPIRE DISTRICT ELECTRIC COMPANY
BEFORE THE
KANSAS CORPORATION COMMISSION
DOCKET NO. 19-EPDE-___-RTS

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1 **I. INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

3 A. My name is Brent Baker. My business address is 602 South Joplin Avenue,
4 Joplin, Missouri.

5 **Q. WHO IS YOUR EMPLOYER AND WHAT POSITION DO YOU HOLD?**

6 A. I am employed by Liberty Utilities Service Corp. as the Vice President of
7 National Customer Experience for Liberty Utilities, which includes electric,
8 natural gas, water and wastewater operating utilities in the Liberty Utilities
9 Central Region.

10 **Q. ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS PROCEEDING?**

11 A. I am testifying on behalf of The Empire District Electric Company (“Empire” or
12 “Company”).

13 **Q. PLEASE DESCRIBE YOUR EDUCATIONAL AND PROFESSIONAL**
14 **BACKGROUND.**

15 A. I graduated from Missouri University of Science and Technology with a Bachelor
16 of Science Degree in Civil Engineering in 2002. I began my employment with
17 Empire in May 2002. I have held the positions of Structural Engineer in Line
18 Engineering, Manager of Distribution Design, Director of Customer Service, Vice

1 President of Customer Service, Transmission and Engineering, Vice President of
2 Customer Experience for the Central Region prior to assuming my present
3 position of National Vice President of Customer Experience.

4 **Q. HAVE YOU PREVIOUSLY TESTIFIED IN A PROCEEDING BEFORE**
5 **THE KANSAS CORPORATION COMMISSION (“KCC” or**
6 **“COMMISSION”) OR BEFORE ANY OTHER UTILITY REGULATORY**
7 **AGENCY?**

8 A. Yes. While I have not provided testimony before this Commission, I have
9 testified on behalf of the Company in proceedings before the Missouri Public
10 Service Commission.

11 **II. PURPOSE OF TESTIMONY**

12 **Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?**

13 A. The purpose of my direct testimony is to discuss the Company’s Kansas service
14 area, as well as Empire’s involvement and commitment to the communities in
15 which we serve. I will also address the Company’s compliance with some of the
16 provisions in the stipulation agreement made in its recent acquisition docket
17 (Docket No. 16-EPDE-410-ACQ).

18 **III. DESCRIPTION OF THE KANSAS SERVICE AREA AND CUSTOMER**
19 **SERVICE INITIATIVES**

20 **Q. PLEASE PROVIDE A BRIEF BACKGROUND ON THE COMPANY’S**
21 **SERVICE AREA IN KANSAS.**

22 A. Empire provides electric service to customers in Cherokee and Labette counties in
23 southeastern Kansas. As of June 30, 2018, in Kansas, Empire served

1 approximately 8,173 residential customers, 1,294 commercial customers, 151
2 industrial customers, 52 public authority and street and highway customers, and
3 one resale customer.

4 **Q. HAS EMPIRE MADE EFFORTS TO IMPROVE THE CUSTOMER**
5 **EXPERIENCE FOR ITS KANSAS CUSTOMERS?**

6 A. Yes. The Company engages in a series of initiatives and programs to improve the
7 customer experience and invest in the local communities in which it serves.

8 **Q. PLEASE DESCRIBE EMPIRE’S INITIATIVES TO IMPROVE THE**
9 **CUSTOMER EXPERIENCE.**

10 A. In 2018, Liberty Utilities conducted a community partnership survey to gain an
11 understanding of the strategic plans and future needs of the communities we serve
12 to ensure we are building sustainable partnerships. The survey was sent to thirty
13 communities across the United States. Within Kansas, the community partnership
14 survey included the communities of Baxter Springs, Columbus and Galena.
15 Empire will use the results of the survey to develop sustainability plans with the
16 cities, which could include plans for lighting or electric vehicle charging as
17 examples.

18 **Q. HOW HAS EMPIRE INVESTED IN THE LOCAL COMMUNITIES IN**
19 **KANSAS?**

20 A. In addition to Empire’s own involvement and direct investments in the
21 communities it serves, the Company recently requested approval from the
22 Commission for an Economic Development Rider (“EDR”) for Kansas customers
23 in Docket No. 18-EPDE-549-TAR. The Company strongly believes that approval

1 of the proposed EDR will provide additional opportunities for growth in our
2 communities and allow them to be more competitive with other communities as
3 businesses seek to expand or relocate in Kansas.

4 **Q. WHAT INITIATIVES HAS THE COMPANY UNDERTAKEN TO**
5 **PARTICIPATE IN THE COMMUNITIES THAT IT SERVES IN**
6 **KANSAS?**

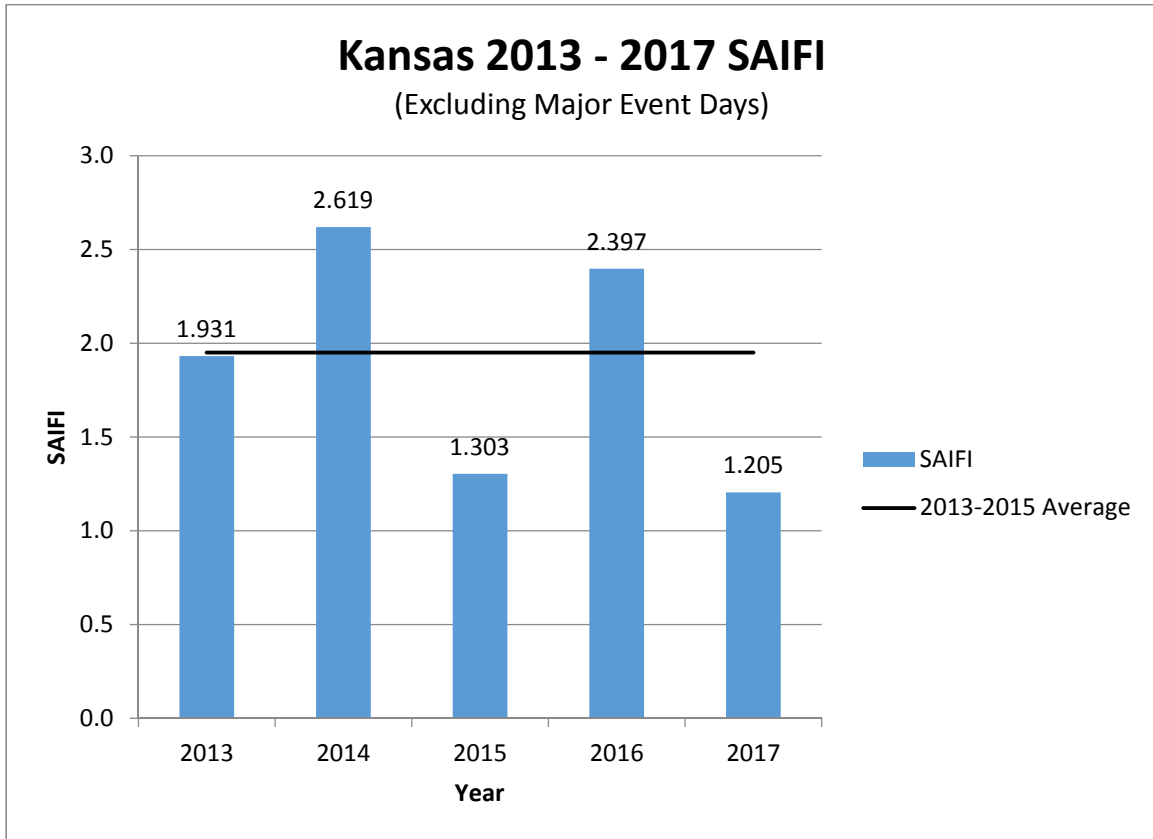
7 A. Empire's Business and Community Development (BCD) team actively
8 participates in several organizations and events within its Kansas service territory,
9 including Chamber of Commerce meetings, City Council meetings and other
10 community events. Specifically, Empire attends Chamber of Commerce meetings
11 in Baxter Springs and Columbus, Kansas. In addition, Empire's BCD team works
12 with the Cherokee County Economic Development board and participates in
13 various events including board meetings, meet and greets, and events with Kansas
14 Senator Richard Hildebrand and Cherokee County Commissioners Pat Collins
15 and Cory Moates to ensure that elected officials remain informed about the
16 Company's work within their districts.

17 The Company also supports, contributes to, and participates in local
18 organizations and events such as volunteer first responders, the Columbus Day
19 Festival Hot Air Balloon Regatta, Riverton schools, Galena Education
20 Foundation, Galena Economic Development banquet, and a street light painting
21 project in Baxter Springs.

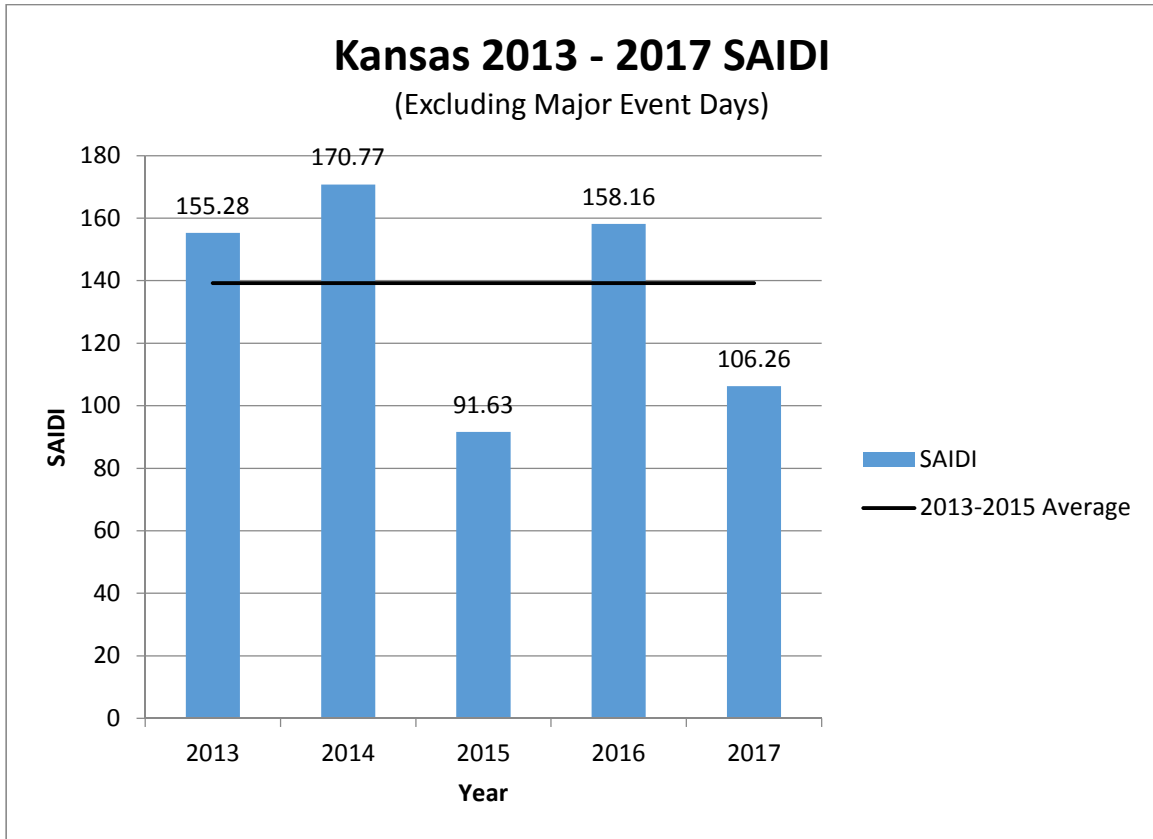
1 **IV. MERGER STIPULATION COMPLIANCE**

2 **Q. DURING THE ACQUISITION OF EMPIRE BY LIBERTY UTILITIES IT**
3 **AGREED TO MAINTAIN OR IMPROVE EMPIRE’S QUALITY OF**
4 **SERVICE. PLEASE EXPLAIN HOW THE COMPANY HAS COMPLIED**
5 **WITH THIS STIPULATION.**

6 A. As provided in Empire’s 2017 Kansas Reliability Performance Report, the
7 Company has improved its reliability indices for the frequency and duration of
8 system average interruptions, known as SAIDI and SAIFI. SAIDI is the total
9 duration of sustained interruptions in a year, divided by the total number of
10 customers. SAIFI is the total number of sustained interruptions in a year, divided
11 by the total number of customers. As compared to Empire’s normalized SAIDI
12 and SAIFI reliability indices, as defined by the Institute of Electronic and
13 Electrical Engineers (“IEEE”), for years 2013 through 2015, the Company
14 improved its SAIDI reliability metric by approximately 45% and its SAIFI
15 reliability metric by approximately 48%. The following charts reflect these
16 improvements:



1



1

2

3 **Q. HAS EMPIRE COMPLIED WITH ITS AGREEMENT TO MAINTAIN AN**
4 **ANSWERED CALL RATE ABOVE 95%?**

5 A. Yes. As of May 1, 2018, the Company has answered 96% of calls received.

6 **Q. HAS EMPIRE COMPLIED WITH ITS AGREEMENT TO DOCUMENT**
7 **EXTRAORDINARY EVENTS AND THEIR IMPACTS ON EMPIRE'S**
8 **CALL CENTER OR ELECTRIC SERVICE PERFORMANCE?**

9 A. Yes. In the Paragraph 52 of the Unanimous Settlement Agreement in Docket No.

10 16-EPDE-410-ACQ, Empire agreed that:

11 Upon the occurrence of an extraordinary event as that term is further
12 defined below, Empire shall document the event and its impact on
13 Empire's call center or electric service performance as applicable. Should
14 Empire's service performance become inferior to service standards of any

1 of the performance indicators specified, Empire will have the opportunity
2 to present evidence of an extraordinary event in its written report,
3 attaching supporting documentation as previously described.
4

5 Since the acquisition, Empire has had three (3) major events which occurred on
6 May 22, 2017, June 17, 2017 and June 22, 2018. On June 21, 2018 the Company
7 filed a Revised 2017 Kansas Reliability Performance Report (“Report”) in Docket
8 No. 17-EPDE-393-CPL. The Report includes a Major Event Report for the major
9 events occurring in calendar year 2017. The major event which occurred in 2018
10 will be included in the 2018 Report, which will be filed in May 2019.

11 **Q. DID THE MAJOR EVENTS ADVERSELY IMPACT EMPIRE’S SERVICE**
12 **LEVEL AND AVERAGE SPEED OF ANSWER?**

13 A. No. In all months that the Company has experienced major events the service
14 level has been above 80%. In fact, in May 2017 the service level for the month
15 was 93% and the average speed of answer was 16 seconds. In June 2017, the
16 service level was 90% and average speed of answer was 18 seconds. And finally,
17 for the major event on June 22, 2018 the service level at the Contact Center was
18 88% and average speed of answer was 15 seconds.

19 **Q. HAS EMPIRE COMPLIED WITH ITS AGREEMENT THAT THERE**
20 **WOULD BE NO NET REDUCTION IN THE TOTAL NUMBER OF**
21 **FIELD/PLANT PERSONNEL SERVING THE CUSTOMERS OF**
22 **KANSAS?**

23 A. Yes. There has been no net reduction in the total number of field/plant personnel
24 serving the customers of Kansas since the acquisition.

1 **Q. HAS THE COMPANY COMPLIED WITH ALL OF THE REPORTING**
2 **REQUIREMENTS INCLUDED IN THE ACQUISITION STIPULATION**
3 **AGREEMENT AND APPENDIX A?**

4 **A. Yes.**

5 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

6 **A. Yes, it does.**

