

April 9, 2024

1 **I. STATEMENT OF QUALIFICATIONS**

2 **Q. What is your name?**

3 A. Robert H. Glass

4 **Q. By whom are you employed and what is your job?**

5 A. I am employed by the Kansas Corporation Commission (KCC or Commission) as
6 Chief of the Economics and Rates Section within the Utilities Division.

7 **Q. What is your business address?**

8 A. 1500 S.W. Arrowhead Road, Topeka, Kansas, 66604-4027.

9 **Q. Are you the same Robert H. Glass who filed Direct Testimony in this Docket**
10 **on April 2, 2024?**

11 A. Yes.

12 **II. ANALYSIS**
13 **TRANSMISSION LEVEL SERVICE**

14 **Q. Why are you filing Supplemental Direct Testimony?**

15 A. In its Application, Southern Pioneer proposed the Transmission Level Service
16 Delivery Energy Charge be changed to a Delivery Demand Charge¹ to be
17 “consistent with the cost of service and with the overall approach of recovering
18 non-power supply and transmission costs in the Customer Charge and [Delivery]
19 Demand Charge rather than [Delivery] Energy Charges.”²

20 However, problems were found in the demand billing determinants which
21 Southern Pioneer was not able to correct until April 2, 2024, when testimony was
22 due. Whether Staff agreed or not with Southern Pioneer’s theoretical argument for

¹ Application, Docket No. 24-SPEE-415-TAR, p. 7.

² Richard Macke, Amended Direct Testimony, Docket No. 24-SPEE-415-TAR, p. 41 (Feb. 16, 2024)

1 the change from a Delivery Energy Charge to a Delivery Demand Charge, Staff
2 could not recommend the new Delivery Demand Charge until Staff could verify
3 that the implementation of the new demand rate was based on accurate billing
4 determinants.

5 Because there had already been errors in the data, Staff needed an explanation
6 for how the errors happened, what was done to correct the demand billing
7 determinants, and why the new billing determinants were correct. In other words,
8 Staff needed evidence that the new billing determinants for the Transmission Level
9 Service Class provided an accurate and fair transition from the current Delivery
10 Energy Charge to the new Delivery Demand Charge.

11 **Q. How did Staff handle the uncertainty of the new demand data?**

12 A. Staff sent to Southern Pioneer a data request asking for an explanation of how the
13 errors occurred in the initial data and how those errors were corrected in the
14 subsequent data.

15 **Q. What was Southern Pioneer's explanation for how the errors in the data**
16 **occurred?**

17 A There were different types of errors.

18 (1) For one customer, the original August number was incorrect and was corrected.

19 (2) For the 34.5 kV customers, the original demand data was thought to be based
20 on a 15-minute interval, but was instead based on a 60-minute interval. Now, all
21 demand data is based on a 15-minute interval.

1 (3) For one of the 34.5 kV customers there was found to be a formula error in the
2 calculation of the demand data that significantly overstated demand for that
3 customer. The formula error was corrected.

4 **Q. How do these corrections affect the proposed demand rate?**

5 A. The customer demand for the 34.5 kV customers was reduced from 113,649 kW to
6 9,032 kW while the customer demand for the 115 kV customers increased from
7 803,276 kW to 807,126 kW, a net decline of over 100,000 kW for the total class.
8 As a result of the decline in demand, the demand rate increased from \$1.23 per kW
9 to \$1.38 per kW.

10 **Q. Is the transition from a Delivery Energy Charge to a Delivery Demand Charge**
11 **approximately revenue neutral?**

12 A. Yes. Table 1 below shows the base rate revenue with the current Delivery Energy
13 Charge in Column (d) and with the proposed Delivery Demand Charge in Column
14 (f). The effect of the proposed transition to a Delivery Demand Charge will raise
15 the revenue generated by the 34.5 kV customers by \$4,846 and reduce the revenue
16 generated by the 115 kV customer \$1,905.

1

Table 1

Rate Class	Billing Determinants	Units	Current Rate	Revenue	Proposed Rates	Revenue
	(a)	(b)	(c)	(d)	(e)	(f)
Transmission Level Service (STR)						
Service at 34.5 kV Voltage						
Customer Charge	2	cons	\$116.52	2,796	\$116.52	2,796
Delivery Energy Charge	3,258,560	kWh	\$0.00206	6,713	-	
Delivery Demand Charge	9,032.0	kW			\$1.38	12,464
Property Tax Surcharge	3,258,560	kWh	\$0.00028	906	-	
Total Revenue				10,415		15,261
Service at 115 kV Voltage						
Customer Charge	4	cons	\$116.52	5,593	\$116.52	5,593
Delivery Energy Charge	477,219,593	kWh	\$0.00206	983,072		
Delivery Demand Charge	807,126.0	kW			\$1.38	1,113,834
Property Tax Surcharge	477,219,593	kWh	\$0.00028	132,667		
Total Revenue				1,121,332		1,119,427
Total STR Revenue				1,131,747		1,134,687

2

1 **Q. What is Staff’s recommendation about the proposed change to a Delivery**
2 **Demand Charge?**

3 A. Staff recommends accepting the proposed transition from a Delivery Energy
4 Charge to a Delivery Demand Charge for the Transmission Level Service Class.
5 The explanations for the errors in the data before are reasonable and the corrections
6 result in demand numbers that are supported by the data and are more intuitive than
7 the initial numbers.

8 **Q. Are there any other amendments or revisions you wish to make to the Direct**
9 **Testimony you filed in this Docket on April 2, 2024?**

10 A. No.

11 **Q. Does that conclude your testimony?**

12 A. Yes. Thank you.

STATE OF KANSAS)
) ss.
COUNTY OF SHAWNEE)

VERIFICATION

Bob Glass, being duly sworn upon his oath deposes and states that he is Chief of Economic Policy and Planning for the Utilities Division of the Kansas Corporation Commission of the State of Kansas, that he has read and is familiar with the foregoing *Direct Testimony*, and attests that the statements contained therein are true and correct to the best of his knowledge, information and belief.



Bob Glass
Chief of Economic Policy and Planning
State Corporation Commission of the
State of Kansas

Subscribed and sworn to before me this 26 day of March, 2024.


Notary Public

My Appointment Expires: 4/28/25



NOTARY PUBLIC - State of Kansas
ANN M. MURPHY
My Appt. Expires 4/28/25

CERTIFICATE OF SERVICE

24-SPEE-415-TAR

I, the undersigned, certify that a true and correct copy of the above and foregoing Supplemental Direct Testimony of Robert Glass was served via electronic service this 9th day of April, 2024, to the following:

JOSEPH R. ASTRAB, ATTORNEY
CITIZENS' UTILITY RATEPAYER BOARD
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
j.astrab@curb.kansas.gov

TODD E. LOVE, ATTORNEY
CITIZENS' UTILITY RATEPAYER BOARD
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
t.love@curb.kansas.gov

DAVID W. NICKEL, CONSUMER COUNSEL
CITIZENS' UTILITY RATEPAYER BOARD
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
d.nickel@curb.kansas.gov

SHONDA RABB
CITIZENS' UTILITY RATEPAYER BOARD
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
s.rabb@curb.kansas.gov

DELLA SMITH
CITIZENS' UTILITY RATEPAYER BOARD
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
d.smith@curb.kansas.gov

JAMES P ZAKOURA, ATTORNEY
FOULSTON SIEFKIN LLP
7500 COLLEGE BOULEVARD, STE 1400
OVERLAND PARK, KS 66201-4041
jzakoura@foulston.com

JEFFRY POLLOCK
J. POLLOCK, INCORPORATED
14323 South Outer 40 Rd.
Ste. 206N
Town and Country, MO 63017-5734
jcp@jpollockinc.com

BRIAN G. FEDOTIN, GENERAL COUNSEL
KANSAS CORPORATION COMMISSION
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
b.fedotin@kcc.ks.gov

CARLY MASENTHIN, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
c.masenthin@kcc.ks.gov

KYLER C. WINEINGER, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
k.wineinger@kcc.ks.gov

CERTIFICATE OF SERVICE

24-SPEE-415-TAR

TREVOR WOHLFORD, ATTORNEY
MORRIS LAING EVANS BROCK & KENNEDY
800 SW JACKSON
SUITE 1310
TOPEKA, KS 66612-1216
twohlford@morrislaing.com

GLEND A CAFER, MORRIS LAING LAW FIRM
MORRIS LAING EVANS BROCK & KENNEDY CHTD
800 SW JACKSON STE 1310
TOPEKA, KS 66612-1216
gcafer@morrislaing.com

BRIAN BEECHER, OPERATIONS AND ENGINEERING
MANAGER
SOUTHERN PIONEER ELECTRIC COMPANY
3997 NE WELL ROAD
PO BOX 347
MEDICINE LODGE, KS 67104
bbeecher@southernpioneer.net

LINDSAY CAMPBELL, INTERIM PRESIDENT & CEO
SOUTHERN PIONEER ELECTRIC COMPANY
1850 W OKLAHOMA
PO BOX 430
ULYSSES, KS 67880-0368
lcampbell@pioneerelectric.coop

LARISSA LAYMAN, LEGAL EXECUTIVE ASSISTANT
SOUTHERN PIONEER ELECTRIC COMPANY
1850 W OKLAHOMA
PO BOX 430
ULYSSES, KS 67880-0368
llayman@pioneerelectric.coop

RICHARD J MACKE, VP - ECONOMICS, RATES, AND
BUSINESS PLANNING DPT.
SOUTHERN PIONEER ELECTRIC COMPANY
10710 Town Square Dr NE Ste 201
Minneapolis, MN 55449
rmacke@powersystem.org

CLINT MEIER, VP - ENGINEERING AND OPERATIONS
SOUTHERN PIONEER ELECTRIC COMPANY
1850 WEST OKLAHOMA
PO BOX 403
ULYSSES, KS 67880
cmeier@pioneerelectric.coop

CHANTRY SCOTT, INTERIM ASST CEO & CFO
SOUTHERN PIONEER ELECTRIC COMPANY
1850 WEST OKLAHOMA
PO BOX 403
ULYSSES, KS 67880
cscott@pioneerelectric.coop

Ann Murphy

Ann Murphy