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OPC – Exhibit 201
Robinette Rebuttal
File No. WR-2023-0006

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Issue(s):
Witness/Type of Exhibit:
Sponsoring Party:
Case No.:

Depreciation
Robinett/Rebuttal
Public Counsel
WR-2023-0006

REBUTTAL TESTIMONY

OF

JOHN A. ROBINETT

Submitted on Behalf of the Office of the Public Counsel

**CONFLUENCE RIVERS UTILITY
OPERATING COMPANY, INC.**

CASE NO. WR-2023-0006

June 29, 2023

REBUTTAL TESTIMONY

OF

JOHN A. ROBINETT

CONFLUENCE RIVERS UTILITY OPERATING COMPANY, INC.

CASE No. WR-2023-0006

1 **Q. What is your name and what is your business address?**

2 A. John A. Robinett, PO Box 2230, Jefferson City, Missouri 65102.

3 **Q. Are you the same John A. Robinett who filed direct testimony on behalf of the Missouri**
4 **Office of the Public Counsel (“OPC”) in this proceeding?**

5 A. Yes.

6 **Q. What is the purpose of your rebuttal testimony?**

7 A. In this testimony, I will discuss the depreciation recommendations from Confluence and
8 from Commission Staff and the need for additional support of initial recommendations.

9 **Depreciation Concerns**

10 **Q. Did you have any concerns regarding that study?**

11 A. Yes. I had several concerns regarding the depreciation study. First, as explained in my direct
12 testimony, I do not believe Confluence performed the proper due-diligence when it contracted
13 for depreciation services. I further pointed out how the Commission’s rules did not require
14 the Company to file a depreciation study.

15 **Q. Did you have any other concerns related to the depreciation study provided by**
16 **Confluence?**

17 A. Yes. My next concern related to the depreciation study is that, as currently filed, it lacks
18 the background support for the ultimate recommendations provided by Confluence witness
19 Mr. Ned W. Allis.

1 **Q. Does the information needed to support the depreciation study exist?**

2 A. Yes, it does. The data has been provided to me through Confluence response to OPC data
3 request number 8504.

4 **Q. Why is this information and response to OPC data request number 8504 important?**

5 A. As was discussed in my direct testimony, the Direct Testimony of Company Witness Mr.
6 Allis, and the direct testimony of Staff witness Ms. Amanda Coffey, Confluence currently
7 has a lack of retirement data to perform a statistically valid depreciation study. Because the
8 data does not exist to derive the retirement rates of each type of property, the depreciation
9 experts have to instead rely on other sources of data to arrive at an estimate of how long
10 units of property will be expected to last. Each expert must rely on other sources of
11 experience both personally and historically.

12 Ms. Coffey relies on two sources for her depreciation recommendations. First, she
13 relies on the most recent depreciation rates approved for Confluence from Case No. WM-
14 2021-0412. Second, she relies on Missouri American Water Company's ("MAWC") most
15 recent rate proceeding (Case Number WR-2022-0303) for depreciation rates for water
16 accounts 317, 344, and 398; and sewer accounts 365 and 398.¹ The only rationale Ms.
17 Coffey provides for using MAWC's rates is that MAWC is a Class A water and sewer
18 utility. Ms. Coffey offers no testimony as to why MAWC is the most appropriate Class A
19 utility to utilize. There is no explanation for why Staff did not use Liberty Missouri, which
20 is also a Class A water and sewer utility; or Raytown Water Company, which is also a
21 Class A water utility; or Timber Creek, which is also a Class A sewer utility. Staff has not
22 provided any rationale of why these other Class A utilities in the State were not utilized.

¹ Case No. WR-2023-0006 Direct Testimony of Staff witness Amanda Coffey page 3 line 13 through page 4 line 1.

1 Mr. Allis relies on his experience. However, from review of his case history, Mr.
2 Allis has been the witness on only two cases involving a water utility and those two cases
3 concerned the same water utility in two different jurisdictions in 2020 and 2022.
4 Additionally, he relies on the recent history of studies performed by his employer Gannett
5 Fleming which were provided in response to OPC data request 8504 and discussions with
6 Confluence on how Confluence intends to operate and maintain the individual plant assets.

7 **Q. Do you have any concerns related to Mr. Allis' testimony that he is relying on discussions**
8 **with Confluence?**

9 A. Yes. Reliance on speaking with the utility management and personnel is useful for
10 understanding how the utility is being operated. However, I have significant concerns when
11 it comes to Confluence, given some of the responses I have received from data requests
12 submitted in this case. Specifically, Confluence's response to OPC data request 8508.
13 While this data request asked about an individual system, Confluence's response indicates
14 that it is in the process of developing a pipe repair and replacement plan. Give this answer,
15 I must conclude that a solid pipe repair and replacement plan does not currently exist, which
16 means there is nothing off which a depreciation rate could be developed.

17 **Q. Given the concerns you have identified, what recommendation would you have for**
18 **the Commission?**

19 A. Both parties need to supplement their direct filings to fully support and provide their
20 rationale for their recommendations, to include the supported information relied on for
21 Commission review prior to approval of the depreciation rates.

22 **Q. Does this conclude your rebuttal testimony?**

23 A. Yes, it does.

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


In the Matter of Confluence Rivers Utility)
Operating Company, Inc.'s Request for)
Authority to Implement a General Rate Increase) Case No. WR-2023-0006
for Water Service and Sewer Service Provided in)
Missouri Service Areas)

AFFIDAVIT OF JOHN A. ROBINETT

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

John A. Robinett, of lawful age and being first duly sworn, deposes and states:

1. My name is John A. Robinett. I am a Utility Engineering Specialist for the Office of the Public Counsel.
2. Attached hereto and made a part hereof for all purposes is my rebuttal testimony.
3. I hereby swear and affirm that my statements contained in the attached testimony are true and correct to the best of my knowledge and belief.



John A. Robinett
Utility Engineering Specialist

Subscribed and sworn to me this 28th day of June 2023.



TIFFANY HILDEBRAND
My Commission Expires
August 8, 2023
Cole County
Commission #15637121

My Commission expires August 8, 2023.



Tiffany Hildebrand
Notary Public