

Exhibit No.
Issues: Riverton In-Service Criteria;
Witness: Timothy N. Wilson
Type of Exhibit: True-Up Direct
Testimony
Sponsoring Party: Empire District Electric
Case No.: ER-2016-0023
Date Testimony Prepared: May 2016

**Before the Public Service Commission
of the State of Missouri**

True-Up Direct Testimony

Of

Timothy N. Wilson

May 2016

TABLE OF CONTENTS
OF
TIMOTHY N. WILSON
ON BEHALF OF
THE EMPIRE DISTRICT GAS COMPANY
BEFORE THE
MISSOURI PUBLIC SERVICE COMMISSION

	<u>SUBJECT</u>	<u>PAGE</u>
1	INTRODUCTION.....	1
2	EXECUTIVE SUMMARY	1
3	RIVERTON 12 NGCC.....	1
4	IN-SERVICE CRITERIA	2
5	CAPITAL COSTS ASSOCIATED WITH NEW PLANT IN-SERVICE	2

TRUE-UP DIRECT TESTIMONY
OF
TIMOTHY N. WILSON
ON BEHALF OF
THE EMPIRE DISTRICT ELECTRIC COMPANY
BEFORE THE
MISSOURI PUBLIC SERVICE COMMISSION
CASE NO. ER-2016-0023

1 **INTRODUCTION**

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

3 A. Timothy N. Wilson. My business address is 602 South Joplin Ave., Joplin,
4 Missouri.

5 **Q. BY WHOM ARE YOU EMPLOYED AND WHAT IS YOUR JOB TITLE?**

6 A. I am employed by The Empire District Electric Company (“Empire” or
7 “Company”); where I am Director of Energy Supply Services.

8 **Q. ARE YOU THE SAME TIM WILSON WHO FILED DIRECT TESTIMONY**
9 **IN THIS CASE ON BEHALF OF EMPIRE?**

10 A. Yes.

11 **EXECUTIVE SUMMARY**

12 **Q. WHAT IS THE PURPOSE OF YOUR TRUE-UP DIRECT TESTIMONY IN**
13 **THIS CASE BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION**
14 **(“COMMISSION”)?**

15 A. My testimony and exhibits will demonstrate Empire’s Riverton 12 unit has met the
16 in-service criteria established for the conversion of Riverton 12 to a natural gas-
17 fired combined cycle generating unit (Riverton 12 NGCC). The in service criteria
18 is attached to my direct testimony as Schedule TNW-1.

19 **RIVERTON 12 NGCC**

20 **Q. PLEASE BRIEFLY EXPLAIN THE RIVERTON 12 NGCC ADDITION.**

21 A. The Riverton 12 NGCC project involves converting the existing Riverton Unit 12
22 simple cycle gas turbine, which went into service in 2007, to a combined cycle gas
23 turbine. The conversion includes the installation of a heat recovery steam
24 generator, steam turbine generator, auxiliary boiler, cooling tower, and other

1 balance of plant equipment. The Riverton 12 NGCC will be the most efficient
2 generator in Empire's fleet.

3 **Q. WHAT IS THE CURRENT STATUS OF THE RIVERTON 12 NGCC**
4 **PROJECT?**

5 A. Major construction, start-up, and commissioning activities are complete, and the
6 unit went into service on May 1, 2016. Empire project management and operations
7 personnel have been working with the Commission Staff to validate that the in-
8 service criteria have been met.

9 **IN-SERVICE CRITERIA**

10 **Q. HOW WERE IN THE IN-SERVICE CRITERIA ESTABLISHED?**

11 A. The in-service criteria, attached to my direct testimony as Schedule TNW-1, were
12 agreed to between the Company and the Commission Staff. Empire and the
13 Commission Staff worked together in establishing the in-service criteria prior to the
14 construction phase of the project. This process was similar to past practice on
15 previous units Empire has constructed.

16 **Q. HAS EMPIRE MET THE IN-SERVICE CRITERIA ESTABLISHED FOR**
17 **THE RIVERTON 12 NGCC ADDITION?**

18 A. Yes. All in-service criteria have been met, and the results are attached to this
19 testimony as Schedule TNW-3.

20 **Q. DOES EMPIRE CONSIDER THE RIVERTON 12 NGCC ADDITION TO BE**
21 **USED AND USEFUL IN EMPIRE'S PROVISION OF ELECTRIC**
22 **SERVICE?**

23 A. Yes. As noted above, the unit went into service on May 1, 2016, and the in-service
24 criteria have been met.

25 **CAPITAL COSTS ASSOCIATED WITH NEW PLANT IN-SERVICE**

26 **Q. HAVE THE CAPITAL COSTS ASSOCIATED WITH THE RIVERTON 12**
27 **NGCC ADDITION BEEN INCLUDED IN THE REVENUE REQUIREMENT**
28 **IN THIS RATE CASE?**

29 A. Yes. Empire included an estimate of the capital costs associated with the Riverton
30 12 NGCC addition.

1 **Q. WHAT LEVEL OF RIVERTON 12 NGCC EXPENDITURES SHOULD BE**
2 **REFLECTED IN THIS CASE?**

3 A. In total, as of March 31, 2016, Empire's investment in Riverton 12 NGCC is
4 \$175,637,605, which includes incurred capital expenditures and AFUDC. The
5 Missouri jurisdictional share of this investment is approximately 85.79% or
6 \$150,687,581 million. Empire witness John Woods describes the expected
7 operations and maintenance costs associated with Riverton 12 NGCC in his direct
8 and rebuttal testimonies.

9 **Q. DOES THIS CONCLUDE YOUR TRUE-UP DIRECT TESTIMONY?**

10 A. Yes, it does.