

Exhibit No:

132

Issues:

Payroll, Payroll
Taxes, Incentive
Compensation,
Employee Benefits
Lobbying Activities
Customer &
Government
Relations, Collections
Contract

Witness:

Kimberly K. Bolin

Sponsoring Party:

MOPSC Staff

Type of Exhibit:

Direct Testimony

Case No.:

GR-2006-0422

Date Testimony Prepared:

October 13, 2006

**MISSOURI PUBLIC SERVICE COMMISSION
UTILITY SERVICES DIVISION**

FILED²

DIRECT TESTIMONY

FEB 07 2007

OF

KIMBERLY K. BOLIN

**Missouri Public
Service Commission**

**MISSOURI GAS ENERGY
CASE NO. GR-2006-0422**

*Jefferson City, Missouri
October 2006*

Staff Exhibit No. 132
Case No(s) GR-2006-0422
Date 1-17-07 KF

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

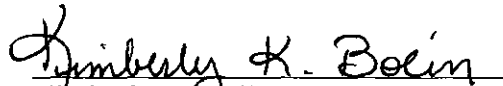
In the Matter of Missouri Gas Energy's Tariff)
Sheets Designed to Increase Rates for Gas Service)
in the Company's Missouri Service Area.)

Case No. GR-2006-0422

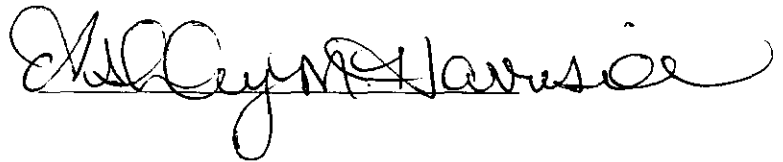
AFFIDAVIT OF KIMBERLY K. BOLLIN

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

Kimberly K. Bolin, of lawful age, on her oath states: that she has participated in the preparation of the foregoing Direct Testimony in question and answer form, consisting of 15 pages to be presented in the above case; that the answers in the foregoing Direct Testimony were given by her; that she has knowledge of the matters set forth in such answers; and that such matters are true and correct to the best of her knowledge and belief.


Kimberly K. Bolin

Subscribed and sworn to before me this 12th day of October 2009





ASHLEY M. HARRISON
My Commission Expires
August 31, 2010
Cole County
Commission #06898978

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KIMBERLY K. BOLIN
MISSOURI GAS ENERGY
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DIRECT TESTIMONY
OF
KIMBERLY K. BOLIN
MISSOURI GAS ENERGY
CASE NO. GR-2006-0422

Q. Please state your name and business address.

A. Kimberly K. Bolin, 200 Madison Street, Suite 440, Jefferson City, MO 65102.

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

A. I am a Utility Regulatory Auditor for the Missouri Public Service Commission (PSC or Commission).

Q. What is your educational and employment background?

A. I graduated from Central Missouri State University in Warrensburg, Missouri, with a Bachelor of Science in Business Administration, major emphasis in Accounting in May 1993. Before coming to work at the Commission, I was employed by the Missouri Office of the Public Counsel (Public Counsel) as a Public Utility Accountant from September 1994 to April 2005. I commenced employment with the Commission in April 2005.

Q. What was the nature of your job duties when you were employed by Public Counsel?

A. I was responsible for performing audits and examinations of the books and records of public utilities operating within the state of Missouri.

Q. What is the nature of your current job duties at the Commission?

A. I am responsible for assisting in the audits and examinations of the books and records of utility companies operating within the state of Missouri.

Direct Testimony of
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1 Q. Have you previously filed testimony before this Commission?

2 A. Yes, please refer to Schedule 1, attached to this direct testimony, for a list of
3 the major audits on which I have assisted and filed testimony.

4 Q. Please describe your areas of responsibility in this case, Case No.
5 GR-2006-0422.

6 A. I am responsible for the areas of Lobbying Activities, Customer &
7 Government Relations, Payroll, Payroll Taxes, Incentive Compensation, Employee Benefits
8 and Collections Contract with Pipeline Maintenance Inc. (PMI).

9 Q. Please describe what adjustments you are sponsoring in this case.

10 A. I am sponsoring the following Income Statement adjustments:

11 Payroll S-12.1, S-13.1, S-14.1, S-16.1, S-17.1, S-18.1, S-19.1,
12 S-20.1, S-21.1, S-23.1, S-24.1, S-25.1, S-27.1, S-28.1,
13 S-29.1, S-30.1, S-31.1, S-32.1, S-33.1, S-34.1, S-35.1,
14 S-37.1, S-39.1, S-43.1, S-46.1, S-46.3, S-47.1, S-49.1,
15 S-51.1, S-56.1

16
17 Incentive Compensation S-12.2, S-13.2, S-14.2, S-16.2, S-17.2, S-18.2,
18 S-19.2, S-20.2, S-21.2, S-23.2, S-24.2, S-25.2,
19 S-27.2, S-28.2, S-29.2, S-30.2, S-31.2, S-32.2,
20 S-33.2, S-34.2, S-35.2, S-39.2, S-43.2, S-46.2,
21 S-47.2, S-51.2,
22

23 Payroll Taxes S-61.1

24
25 Employee Benefits S-52.1, S-52.4, S-52.5, S-52.6, S-52.7, S-52.8

26
27 Lobbying Activities S-46.4, S-47.5, S-49.7, S-54.4

28
29 Customer & Government
30 Relations Department S-46.5, S-47.6, S-49.8, S-54.5

31
32 Collections Contract S-35.6
33

1 Q. What knowledge, skill, experience, training and education do you have related
2 to your audit assignments in this case?

3 A. My college education provides a fundamental knowledge base, which I have
4 utilized in my assigned duties both at Public Counsel and at the Commission. I have attended
5 training courses and reviewed in-house training materials both when employed by
6 Public Counsel and while at the Commission. When I was employed at Public Counsel, I
7 received guidance from the Chief Public Utility Accountant, and since I began my
8 employment at the Commission I have continually received guidance from the
9 Senior Auditors in the Auditing Department on my assignments. My work assignments while
10 employed by Public Counsel and my earlier assignments with the Commission Staff have
11 provided me with a general knowledge base upon which I have relied to develop my assigned
12 areas in this rate proceeding. I have reviewed the Company's testimony, workpapers and data
13 request responses for this case.

14 **EXECUTIVE SUMMARY**

15 Q. Please briefly summarize your direct testimony in this proceeding.

16 A. Concerning my payroll related assignments, I annualized payroll expense and
17 other payroll related items based upon the number of MGE employees, wage rates and/or
18 salaries and payroll tax rates as of June 30, 2006. I removed severance costs from the cost of
19 service as well as all incentive compensation and bonuses awarded for achieving financial
20 goals. Concerning my lobbying and governmental affairs assignment, the Staff removed
21 costs incurred by the Company for lobbying and Missouri Economic Development
22 Association (MEDA) activities from its cost of service. This adjustment also excludes
23 10 percent of Mr. Robert Hack's salary from cost of service, since Staff believes Mr. Hack

1 performs lobbying duties for the Company. In addition, Staff proposes removing 20.3 percent
2 of the Customer and Governmental Relation Department costs from cost of service, as Staff
3 believes not all of the functions of this department benefit ratepayers.

4 **PAYROLL**

5 Q. How did the Staff develop its payroll annualization in this case?

6 A. The Staff reviewed payroll information for each department and individual
7 employed by Missouri Gas Energy as of December 31, 2005, and June 30, 2006. The Staff
8 reviewed payroll information as of these dates because the Staff is filing a test year of twelve
9 months ending December 31, 2005, updated for known and measurable events through
10 June 30, 2006.

11 I determined the salary and wage rates as of June 30, 2006, and applied those rates to
12 MGE employees that were employed as of that date. The annualized amount was then
13 compared to the test year per book amount at December 31, 2005, to identify the related
14 adjustment to the test year level. The annualized amount was distributed to the various
15 Federal Energy Regulatory Commission (FERC) Uniform System of Accounts by the test
16 year payroll distribution percentage.

17 Q. What are "annualizations?"

18 A. Annualizations reflect a full 12-month period of revenues and expenses in the
19 development of the proper revenue requirement. The annualization process is commonly used
20 to adjust expense levels such as payroll expense to reflect changes during the test year
21 resulting from wage increases, termination of employment, new employee hires, etc. For
22 example, the test year in this case is based upon calendar year 2005. Union wage increases
23 occurred May 1, 2005; thus the test year will only reflect eight months of the payroll at the

1 current union wages. For this reason, payroll expense must be annualized to reflect a full
2 year's payroll with the current union wage.

3 Q. How did you determine an overtime expense amount to include in the case?

4 A. Due to the fluctuating nature of overtime incurred by the Company in the last
5 five years, I used a five-year average of overtime hours incurred and multiplied that average
6 by the June 30, 2006, hourly overtime rate.

7 Q. Where did you obtain the June 30, 2006, overtime rate for MGE?

8 A. I arrived at the June 30, 2006, overtime rate by dividing the twelve months
9 ending June 30, 2006, overtime dollar amount by the number of overtime hours incurred for
10 the twelve months ending June 30, 2006.

11 Q. Why did you not use the test year amount of overtime costs?

12 A. I examined the amount of overtime hours incurred for the period of
13 January 2001 through June 2006. The amount of overtime hours incurred during the last four
14 months in test year 2005 (September through December 2005) were the four highest months
15 in that five and a half year time period. The increase in overtime incurred is due to the
16 Company's more aggressive bad debt collection policy.

17 Q. Please explain adjustment No. S-46.3.

18 A. Adjustment No. S-46.3 removes a severance payment from Account 920. This
19 severance payment should be disallowed because it is a non-recurring item.

20 **PAYROLL TAXES**

21 Q. Please explain adjustment S-61.1.

22 A. This adjustment was made to annualize the FICA (social security), State
23 Unemployment Taxes (SUTA) and Federal Unemployment Taxes (FUTA) associated with

1 the Staff's payroll annualization at the current tax rates. The Staff's annualized payroll and
2 the most current tax rates were used to calculate the level of payroll tax proposed in this case.

3 **INCENTIVE COMPENSATION AND BONUSES**

4 Q. Is the Staff proposing to eliminate MGE incentive compensation payments that
5 were tied to financial goals of the Company, commissions, performance bonuses and
6 Christmas bonuses in this case?

7 A. Yes.

8 Q. Has the Commission consistently excluded incentive compensation costs that
9 were based primarily on criteria that benefit utility shareholders or are not directly related to
10 the provision of safe and adequate utility service?

11 A. Yes. In the Report and Order issues in Case No. GR-2004-0209, the
12 Commission stated:

13 The Commission agrees with Staff and Public Counsel that the
14 financial incentive portions of the incentive compensation plan should
15 not be recovered in rates. Those financial incentives seek to reward the
16 company's employees for making their best efforts to improve the
17 company's bottom line. Improvements to the company's bottom line
18 chiefly benefit the company's shareholders, not its ratepayers. Indeed,
19 some actions that might benefit a company's bottom line, such as a
20 large rate increase, or the elimination of customer service personnel,
21 might have an adverse effect on ratepayers.

22 Q. Is MGE's incentive compensation based upon financial goals only?

23 A. Yes. MGE's incentive compensation is based upon attaining an "earnings
24 before income tax" goal that is determined at the beginning of each year by Southern Union
25 Company (Southern Union). Southern Union is MGE's corporate parent.

26 Q. Did the Staff allow any performance bonuses for achieving customer service
27 goals and safety goals that were paid during the test year?

1 A. Yes. Staff allowed bonuses that were given for reaching customer service
2 goals and safety goals.

3 Q. Did the Staff disallow Christmas bonuses paid during the test year?

4 A. Yes. The Staff believes that Christmas bonuses are in the nature of gifts made
5 to employees purely at the discretion of the Company, rather than a contractual obligation.

6 **EMPLOYEE BENEFITS**

7 Q. Please explain adjustments S-52.5 and S-52.6.

8 A. The Staff used its June 30, 2006 annualized payroll level for each employee
9 and then applied the employer rates for Life, Accidental Death and Disability (AD&D) and
10 Long Term Disability insurance to each participant in the plan.

11 Q. Please explain adjustment S-52.7.

12 A. Adjustment S-52.7 adjusts the Company "match" portion of 401(k) costs for
13 the Staff's annualized payroll level as of June 30, 2006.

14 Q. What is adjustment S-52.4?

15 A. Adjustment S-52.4 updates the Company's "match" portion of the retirement
16 power program based upon Staff's annualized payroll for this case. The retirement power
17 program was a previous retirement program that has now been superseded. This program has
18 a grandfather provision that allows employees who were enrolled in the program to continue
19 the program.

20 **LOBBYING AND MEDA ACTIVITIES**

21 Q. Please explain adjustment S-49.7.

1 A. This adjustment removes expenses booked by MGE in the test year that relate to
2 lobbying activities. This adjustment was included in MGE's filed accounting schedules in
3 this proceeding as adjustment H-23, Non-Utility Activities.

4 Q. Does the Staff believe any costs incurred by MGE that are associated with the
5 Missouri Energy Development Association (MEDA) should be included in MGE's cost of
6 service?

7 A. No. The Staff considers MEDA to be a lobbying association designed to promote
8 the interest of utility shareholders. As such, all costs related to MEDA should be booked
9 below-the-line for ratemaking purposes and be absorbed by the shareholders.

10 Q. Did MGE book MEDA dues below-the- line during the test year?

11 A. Yes. The Company recorded MEDA dues below-the-line; however, the Company
12 does not track the time MGE employees spend in regards to MEDA activities. Any time
13 that is spent by MGE employees for MEDA activities or functions should be booked
14 below-the-line as a lobbying cost as well.

15 Q. How does the Staff define the word "lobbying?"

16 A. The Staff considers the word "lobbying" to include any attempt to influence the
17 decisions of legislators. All such costs associated with lobbying activities, both direct and
18 indirect in nature, should be excluded from a utility's cost of service.

19 Q. Is it the Staff's position that only non-payroll expenditures related to lobbying
20 activities should be excluded from a utility's cost of service?

21 A. No. The Staff believes that both payroll and non-payroll charges related to
22 lobbying should be excluded from a utility's cost of service (recorded below-the- line). The
23 Staff believes that a utility employee's time spent on lobbying or related activity should be

Direct Testimony of
Kimberly K. Bolin

1 recorded in the employee's time sheet. When the utility files a rate case, it should determine
2 how much time was spent on lobbying activities and remove that cost from the utility's cost
3 of service.

4 Q. Did MGE remove any test year payroll costs for time spent on lobbying activities?

5 A. No.

6 Q. Did the Staff find that any MGE employees spend time on lobbying activities?

7 A. Yes. The Staff found that Mr. Robert Hack, who is the current Chief Operating
8 Officer; Mr. James Oglesby, the past President and Chief Operating Officer, who retired
9 December 31, 2005; and Ms. Pamela Levetzow, the Director of the Customer and
10 Government Relations Department, participated in MEDA activities during the test year.

11 Q. Is the Staff proposing an adjustment to remove certain of MGE's employees'
12 payroll costs on the basis that they are related to lobbying activities?

13 A. Yes. The Staff determined a 10 percent allocation of Mr. Hack's time to below-
14 the-line lobbying activities is appropriate in this case. No adjustment is necessary for Mr.
15 Oglesby, since as of December 31, 2005 he was no longer an employee and Staff's payroll
16 annualization only includes employees as of June 30, 2006 in the Company's cost of service.
17 I will address how much of Ms. Levetzow's salary should be included in the Company's cost
18 of service in the next section of my testimony.

19 Q. Is the adjustment of 10 percent of Mr. Hack's salary based upon on mathematical
20 certainty that this is the percentage of time he spends on lobbying activities?

21 A. No. The Staff does not have the data necessary to make an exact determination.
22 In MGE's last rate case, Case No. GR-2004-0209, the Staff proposed a 10% disallowance of
23 Messrs. Hack and Oglesby's salaries in lieu of documentation from the Company supporting

Direct Testimony of
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1 a more exact quantification of time spent by them on lobbying activities. This adjustment was
2 accepted by the Commission.

3 Q. What documentation concerning MGE's involvement in MEDA and other
4 lobbying activities did the Staff review in this case?

5 A. The Staff reviewed Mr. Hack's appointment calendars from September 2005 to
6 August 2006. However, these calendars are not sufficient to provide a detailed accounting for
7 the time spent by Mr. Hack on lobbying related and other activities.

8 Q. Did you also review Mr. Hack's appointment calendars that were provided in
9 response to Staff Data Request No.195 in the last rate case?

10 A. Yes, I did.

11 Q. Did you review any other employee's appointment calendars that were
12 provided in the last rate case?

13 A. I reviewed the calendar of Mr. Paul Snider, whom is no longer employed by
14 MGE, but while he was employed with MGE his official title was "Legislative Liaison." MGE
15 has not hired anyone to replace Mr. Snider in this position. I also reviewed Mr. Oglesby's
16 and Ms. Levetzow's appointment calendars.

17 Q. Has Mr. Hack's position within MGE changed since the time of MGE's last
18 rate case, Case No. GR-2004-0209?

19 A. Yes. During 2006, Mr. Hack was appointed Chief Operating Officer and
20 continues to serve as Vice President of Pricing and Regulatory Affairs. Mr. Oglesby was
21 Chief Operating Officer at the time of MGE's last rate proceeding.

22 Q. Was Staff able to see any changes in MGE's accounting and timekeeping
23 practices from the last case that would justify consideration of a different approach to

1 quantifying the time spent by Mr. Hack on lobbying activities than utilizing a 10 percent
2 salary disallowance?

3 A. No. In fact, the Company has not made any changes or improvements to its
4 time recordkeeping from the last case that would cause Staff to consider changing the
5 10 percent salary disallowance approach.

6 Q. Did the Staff find any other expense related to lobbying and/or MEDA?

7 A. Yes. Staff found approximately \$3,000 in expenses related to MEDA and
8 other lobbying activities recorded in Account Nos. 920, Administrative and General
9 Expense - Salaries and 930, Miscellaneous General Expense. Adjustments S-47.5 and S-54.4
10 remove these expenditures from the cost of service.

11 **CUSTOMER AND GOVERNMENT RELATIONS DEPARTMENT**

12 Q. Please describe MGE's Customer and Government Relations Department.

13 A. The Company's mission statement for the Customer and Government
14 Relations Department is as follows:

15 The Customer and Government Relations Department provides a
16 variety of services to customers and employees that are essential to the
17 delivery of natural gas service. It is our goal to provide effective safety
18 education materials and critical customer service information through
19 advertisement, bill inserts, and one-on-one interaction. It is our goal to
20 work with our communities and assist them to grow their business base
21 and contribute to the overall quality of life. It is our goal to proactively
22 collaborate with others to create programs that assist low income,
23 elderly and disabled customers and to do community outreach
24 regarding LIHEAP, EITC, energy conservation and safety education.
25 We work diligently to provide a point of contact for opinion leaders
26 such as local, county and state elected officials should they need energy
27 subject matter information or assistance with energy issues of their
28 constituents. Our internal communication goal is to provide accurate,
29 timely and regular information to our employees so that they in turn
30 can communicate effectively with each other and our customers. In
31 addition, we work to maintain a positive working relationship with

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news organizations in our service area. And we work with state legislators to represent the business interests of MGE and its customers. (Source: Data Request No. 91)

Q. Please identify the Department's employees.

A. The following is a list of the department's employees and job titles:

<u>Employee Name</u>	<u>Job Title</u>
Pamela Levetzow	Director of Customer and Government Relations
Craig Daniels	Communication Specialist
Joy Hurt	Public Affairs Administrative Assistant
Rae Lewis	Senior Customer Advisor
Carlotta Roberts	Senior Customer Advisor
Renee Paluka	Senior Customer Advisor
Barbara LaBass	Community Relations Specialist
Juanita Stewart	Senior Customer Advisor

Q. Have you reviewed time sheets of the Customer and Government Relations Department employees for the test year?

A. Yes.

Q. Please describe the Customer and Government Relations Department time sheet.

A. The timesheets are broken out by ten work areas. Seven of these work areas are defined in materials provided in Staff Data Request No. 90 as follows:

Communication – Public Policy - This includes communication activities related to public policy development. PAC related activities are included here. Specific projects to which significant time is devoted may be listed separately on the time sheets.

Communication – Customer Related – This includes bills inserts, pamphlets, etc. promoting safety and other informational type material. This also includes civic meetings related to Company memberships in the various organizations throughout the MGE service territory.

Communication – MGE Internal – This includes all internal communications with employees informing them of the various activities in which the Company is involved, news related messages, regulatory messages, regulatory related information, etc.

1 **Communication – Media Related** – This includes all dealings with the media,
2 be it print or air. It also includes press releases and other Company related
3 announcements.

4 **Telecommunications** - This includes the functions related to monitoring of
5 cell phones, pagers and all other communication related equipment used by
6 MGE employees.

7 **Industry Research** – This includes the monitoring of other companies within
8 the natural gas distribution industry, monitoring or regulatory agencies, the
9 monitoring of all utility related new worthy items, etc.

10 **Special Projects** – This includes various MGE work related team projects such
11 as the Weather Related Turn-On Team, etc. Specific projects to which
12 significant time is devoted may be listed separately on the time sheets.

13 The three remaining work areas that were listed on the employee timesheets that were
14 not further described in the response to Staff data request no. 90 are as follows:

15 Charitable Activities

16 Communication – Customer Education/Safety

17 Communication – Customer General

18 Q. Which of the above ten work areas provides no direct benefit to Missouri
19 ratepayers, in the Staff's opinion?

20 A. Three work areas provide no direct benefit to Missouri ratepayers, as follows:

21 1. **Communication - Public Policy** – All hours related to lobbying
22 activities and interests would be reported under this work area.

23 2. **Communication – Customer Related** – All hours related to economic
24 development activities and interests would be reported under this work
25 area.

26 3. **Charitable Activities** – All hours related to participation in charitable
27 events and MGE community interest activities would be reported under
28 this work area.

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1 Q. Are you recommending a disallowance of the Customer and Governmental
2 Relations Department expenses?

3 A. Yes. I am recommending 20.3 % of the Customer and Governmental
4 Relations Department expense and payroll be disallowed.

5 Q. How did you arrive at disallowing 20.3% of the department's expenses and
6 payroll?

7 A. I examined the time sheets of Pamela Levetzow, the Director of the Customer
8 and Governmental Relations Department, for the test year. Ms. Levetzow's time sheets
9 reflected the following:

Work Area	Hours Recorded	% of Hours
Communication - Public Policy	96	4.65%
Charitable Activities	203	9.84%
Communication - Customer Education	147	7.12%
Communication - Informational	313	15.16%
Communication - Customer General Chamber/EDC	88	4.26%
Communications - MGE Internal	276	13.37%
Communications - Media Related	99	4.80%
Industry Research	260	12.60%
Staff Meetings & Management	386	18.70%
Leave	124	6.01%
Misc. Projects	40	1.94%
MEDA	32	1.55%
Total	2064	100.00%

25 Ms. Levetzow spent 20.3% of her time performing duties that are classified as
26 "Communication - Public Policy," "Charitable Activities," "Communications - Customer
27 General (Chamber/EDC)" and "MEDA." As previously discussed in this testimony, these
28 activities provide no direct benefit to the customers.

29 Q. Did any other Customer and Governmental Relations Department employee
30 complete time sheets?

1 A. None of the other employees in the Customer and Governmental Relations
2 Department completed the department time sheets; thus, I based my disallowance of the
3 Department's costs upon Ms. Levetzow's time charges only.

4 **COLLECTIONS CONTRACT**

5 Q. Please explain adjustment S-35.6.

6 A. MGE signed a new contract with Pipeline Maintenance Inc. (PMI), an outside
7 vendor for performing field collections and turn-offs. The new contract was effective May 1,
8 2006, and continues until May 1, 2009. In the new contract, the hourly rate increased from
9 the previous contracted hourly rate. My adjustment uses the test year hours incurred and
10 increases the hourly test year contracted rate to the new rate.

11 Q. Does this conclude your direct testimony?

12 A. Yes, it does.

**CASE PARTICIPATION
OF
KIMBERLY K. BOLIN**

<u>Company Name</u>	<u>Case Number</u>	<u>Testimony/Issues</u>	<u>Contested or Settled</u>
Kansas City Power & Light	ER-2006-0314	<u>Direct</u> - Gross Receipts Tax, Revenues, Weather Normalization, Customer Growth/Loss Annualization, Large Customer Annualization, Other Revenue, Uncollectible (Bad Debt) Expense, Payroll, A&G Salaries Capitalization Ratio, Payroll Taxes, Employer 401 (k) Match, Other Employee Benefits <u>Surrebuttal</u> - Uncollectible (Bad Debt) Expense, Payroll, A&G Salaries Capitalization Ratio, Other Employee Benefits	Pending

WHILE EMPLOYED WITH THE OFFICE OF THE PUBLIC COUNSEL

<u>Company Name</u>	<u>Case Number</u>	<u>Testimony/Issues</u>	<u>Contested or Settled</u>
St. Louis County Water Company	WR-95-145	<u>Rebuttal</u> - Tank Painting Reserve Account; Main Repair Reserve Account <u>Surrebuttal</u> - Main Repair Reserve Account	Contested
Missouri-American Water Company	WR-95-205/ SR-95-206	<u>Direct</u> - Property Held for Future Use; Premature Retirement of Sewer Plant; Depreciation Study Expense; Deferred Maintenance <u>Rebuttal</u> - Property Held for Future Use; Premature Retirement of Sewer Plant; Deferred Maintenance <u>Surrebuttal</u> - Property Held for Future Use; Premature Retirement of Sewer Plant	Contested
Steelville Telephone Company	TR-96-123	<u>Direct</u> - Depreciation Reserve Deficiency	Settled
St. Louis Water Company	WR-96-263	<u>Direct</u> -Main Incident Repairs <u>Rebuttal</u> - Main Incident Repairs <u>Surrebuttal</u> - Main Incident Repairs	Contested
Imperial Utility Corporation	SC-96-427	<u>Direct</u> - Revenues, CIAC <u>Surrebuttal</u> - Payroll; Uncollectible Accounts Expense; Rate Case Expense, Revenues	Settled

<u>Company Name</u>	<u>Case Number</u>	<u>Testimony/Issues</u>	<u>Contested or Settled</u>
Missouri-American Water Company	WA-97-45	<u>Rebuttal</u> - Waiver of Service Connection Charges	Contested
Associated Natural Gas Company	GR-97-272	<u>Direct</u> - Acquisition Adjustment; Interest Rates for Customer Deposits <u>Rebuttal</u> - Acquisition Adjustment; Interest Rates for Customer Deposits <u>Surrebuttal</u> - Interest Rates for Customer Deposits	Contested
St. Louis County Water Company	WR-97-382	<u>Direct</u> - Interest Rates for Customer Deposits, Main Incident Expense	Settled
Union Electric Company	GR-97-393	<u>Direct</u> - Interest Rates for Customer Deposits	Settled
Gascony Water Company, Inc.	WA-97-510	<u>Rebuttal</u> - Rate Base; Rate Case Expense; Cash Working Capital	Settled
Missouri Gas Energy	GR-98-140	<u>Direct</u> - Payroll; Advertising; Dues & Donations; Regulatory Commission Expense; Rate Case Expense	Contested
Laclede Gas Company	GR-98-374	<u>Direct</u> - Advertising Expense; Gas Safety Replacement AAO; Computer System Replacement Costs	Settled
St. Joseph Light & Power	ER-99-247	<u>Direct</u> - Merger Expense; Rate Case Expense; Deferral of the Automatic Mapping/Facility Management Costs <u>Rebuttal</u> - Merger Expense; Rate Case Expense; Deferral of the Automatic Mapping/Facility Management Costs <u>Surrebuttal</u> - Merger Expense; Rate Case Expense; Deferral of the Automatic Mapping/Facility Management Costs	Settled
St. Joseph Light & Power	HR-99-245	<u>Direct</u> - Advertising Expense; Dues & Donations; Miscellaneous Expense; Items to be Trued-up <u>Rebuttal</u> - Advertising Expense <u>Surrebuttal</u> - Advertising Expense	Settled
Laclede Gas Company	GR-99-315	<u>Direct</u> - Advertising Expense; Dues & Donations; Miscellaneous Expense; Items to be Trued-up	Contested

<u>Company Name</u>	<u>Case Number</u>	<u>Testimony/Issues</u>	<u>Contested or Settled</u>
Missouri American Water Company	WR-2000-281/ SR-2000-282	<u>Direct</u> - Water Plant Premature Retirement; Rate Case Expense <u>Rebuttal</u> - Water Plant Premature Retirement <u>Surrebuttal</u> - Water Plant Premature Retirement	Contested
St. Louis County Water Company	WR-2000-844	<u>Direct</u> - Main Incident Expense	Settled
Osage Water Company	SR-2000-556/ WR-2000-557	<u>Direct</u> - Customer Service	Contested
Empire District Electric	ER-2001-299	<u>Direct</u> - Payroll; Merger Expense <u>Rebuttal</u> - Payroll <u>Surrebuttal</u> - Payroll	Settled
Gateway Pipeline Company	GM-2001-585	<u>Rebuttal</u> - Acquisition Adjustment; Affiliated Transactions; Company's Strategic Plan	Contested
Laclede Gas Company	GR-2001-629	<u>Direct</u> - Advertising Expense; Safety Replacement Program; Dues & Donations; Customer Correspondence	Settled
Warren County Water & Sewer	WC-2002-160 / SC-2002-155	<u>Direct</u> - Clean Water Act Violations; DNR Violations; Customer Service; Water Storage Tank; Financial Ability; Management Issues <u>Surrebuttal</u> - Customer Complaints; Poor Management Decisions; Commingling of Regulated & Non-Related Business	Contested
Environmental Utilities	WA-2002-65	<u>Direct</u> - Water Supply Agreement <u>Rebuttal</u> - Certificate of Convenience & Necessity	Contested
Missouri-American Water Company	WO-2002-273	<u>Rebuttal</u> - Accounting Authority Order <u>Cross-Surrebuttal</u> - Accounting Authority Order	Contested
Laclede Gas Company	GR-2002-356	<u>Direct</u> - Advertising Expense; Safety Replacement Program and the Copper Service Replacement Program; Dues & Donations; Rate Case Expense <u>Rebuttal</u> - Gas Safety Replacement Program / Deferred Income Taxes for AAOs	Settled

<u>Company Name</u>	<u>Case Number</u>	<u>Testimony/Issues</u>	<u>Contested or Settled</u>
Empire District Electric	ER-2002-424	<u>Direct</u> - Dues & Donations; Memberships; Payroll; Security Costs <u>Rebuttal</u> - Energy Traders' Commission <u>Surrebuttal</u> - Energy Traders' Commission	Settled
Missouri American Water Company	WR-2003-0500	<u>Direct</u> - Acquisition Adjustment; Water Treatment Plant Excess Capacity; Retired Treatment Plan; Affiliated Transactions; Security AAO; Advertising Expense; Customer Correspondence	Settled
Osage Water Company	ST-2003-0562 / WT-2003-0563	<u>Direct</u> - Payroll <u>Rebuttal</u> - Payroll; Lease Payments to Affiliated Company; alleged Legal Requirement of a Reserve	Case Dismissed
Missouri Gas Energy	GR-2004-0209	<u>Direct</u> - Safety Line Replacement Program; Environmental Response Fund; Dues & Donations; Payroll; Customer & Governmental Relations Department Disallowance; Outside Lobbyist Costs <u>Rebuttal</u> - Customer Service; Incentive Compensation; Environmental Response Fund; Lobbying/Legislative Costs <u>True-Up</u> - Rate Case Expense	Contested
Missouri American Water Company & Cedar Hill Utility Company	SM-2004-0275	<u>Direct</u> - Acquisition Premium	Settled
Empire District Electric	ER-2004-0570	<u>Direct</u> - Payroll	Settled
Missouri Gas Energy	GU-2005-0095	<u>Rebuttal</u> - Accounting Authority Order <u>Surrebuttal</u> - Accounting Authority Order	Contested