

*Exhibit No.:*  
*Issue(s):* Amortizations  
*Witness:* Amanda C. McMellen  
*Sponsoring Party:* MoPSC Staff  
*Type of Exhibit:* Direct Testimony  
*Case No.:* GR-2021-0320  
*Date Testimony Prepared:* January 24, 2022

**MISSOURI PUBLIC SERVICE COMMISSION**  
**FINANCIAL AND BUSINESS ANALYSIS DIVISION**  
**AUDITING DEPARTMENT**

**DIRECT TESTIMONY**  
**OF**  
**AMANDA C. MCMELLEN**

**THE EMPIRE DISTRICT GAS COMPANY,**  
**d/b/a Liberty**

**CASE NO. GR-2021-0320**

*Jefferson City, Missouri*  
*January 2022*



1 employed by this Commission as a Regulatory Auditor for over 20 years, and have submitted  
2 testimony on ratemaking matters numerous times before the Commission. I have also been  
3 responsible for the supervision of other Commission employees in rate cases and other  
4 regulatory proceedings.

5 **EXECUTIVE SUMMARY**

6 Q. What is the purpose of your direct testimony?

7 A. The purpose of my direct testimony is to explain Staff's recommendations  
8 concerning The Empire District Gas Company's ("Empire") energy efficiency programs.

9 **ENERGY EFFICIENCY PROGRAMS**

10 Q. What are the current energy efficiency programs authorized for Empire?

11 A. In the *Partial Stipulation and Agreement* the Commission approved on  
12 January 20, 2010, in Empire's last rate case, Case No. GR-2009-0434, Empire was ordered to  
13 implement the following demand side management programs: Low-Income Weatherization,  
14 High Efficiency Water Heating, High Efficiency Space Heating, Home Performance of  
15 Energy Star, Large Commercial Audit and Rebate, Apogee, and Building Operator  
16 Certification.

17 Q. What amounts has Staff included in rate base for the energy efficiency  
18 regulatory asset?

19 A. Staff has included the balance as of September 30, 2021, the update period in  
20 this case, of \$905,418 in its revenue requirement calculation.

21 Q. What did Staff include in expenses for the energy efficiency programs  
22 amortization?

Direct Testimony of  
Amanda C. McMellen

1           A.     As approved in the *Partial Stipulation and Agreement* mentioned above, Staff  
2 has amortized the balance over 10 years for \$90,542 in amortization expense.

3           Q.     Is Staff recommending any changes to the current energy efficiency programs?

4           A.     Staff witness Kory Boustead addresses an overview of the programs and any  
5 recommendations in her direct testimony in this case.

6           Q.     Does this conclude your direct testimony?

7           A.     Yes it does.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI


In the Matter of The Empire District Gas )  
Company's d/b/a Liberty Request to File Tariffs ) Case No. GR-2021-0320  
to Change its Rates for Natural Gas Service )

**AFFIDAVIT OF AMANDA C. McMELLEN**

STATE OF MISSOURI )  
 ) ss.  
COUNTY OF COLE )

COMES NOW AMANDA C. McMELLEN and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Direct Testimony of Amanda C. McMellen*; and that the same is true and correct according to her best knowledge and belief.

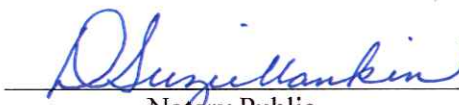
Further the Affiant sayeth not.

  
AMANDA C. McMELLEN

**JURAT**

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 19<sup>th</sup> day of January 2022.



  
Notary Public

Amanda C. McMellen  
Utility Regulatory Auditor V

**EDUCATION**

Bachelors of Science  
DeVry Institute of Technology, Kansas City, MO-June 1998

**PROFESSIONAL EXPERIENCE**

Missouri Public Service Commission  
Utility Regulatory Auditor V  
February 2013 – Present  
Utility Regulatory Auditor IV  
November 2006 – February 2013  
Utility Regulatory Auditor III  
June 2002 – November 2006  
Utility Regulatory Auditor II  
June 2000 – June 2002  
Utility Regulatory Auditor I  
June 1999 – June 2000

I am a Utility Regulatory Auditor for the Missouri Public Service Commission (Commission). I graduated from the DeVry Institute of Technology in June 1998 with a Bachelor of Science degree in Accounting. Before coming to work at the Commission, I worked as an accounts receivable clerk. I commenced employment with the Commission Staff in June 1999. As a Utility Regulatory Auditor, I am responsible for assisting in the audits and examinations of the books and records of utility companies operating within the state of Missouri.

**SUMMARY OF RATE CASE TESTIMONY FILED**

<b><u>COMPANY</u></b>	<b><u>CASE NO.</u></b>	<b><u>ISSUES</u></b>
Osage Water Company	SR-2000-556	Plant in Service Depreciation Reserve Depreciation Expense Operation & Maintenance Expense
Osage Water Company	WR-2000-557	Plant in Service Depreciation Reserve Depreciation Expense Operation & Maintenance Expense
Empire District Electric Company	ER-2001-299	Plant in Service Depreciation Reserve Depreciation Expense Cash Working Capital Other Working Capital Rate Case Expense PSC Assessment Advertising Dues, Donations & Contributions
UtiliCorp United, Inc./ d/b/a Missouri Public Service	ER-2001-672	Insurance Injuries and Damages Property Taxes Lobbying Outside Services Maintenance SJLP Related Expenses
BPS Telephone Company	TC-2002-1076	Accounting Schedules Separation Factors Plant in Service Depreciation Reserve Revenues Payroll Payroll Related Benefits Other Expenses
Aquila, Inc. d/b/a Aquila Networks-MPS & Aquila Networks-L&P	ER-2004-0034	Revenue Annualizations Uncollectibles
Fidelity Telephone Company	IR-2004-0272	Revenue Revenue Related Expenses
Aquila, Inc. d/b/a Aquila Networks-MPS & Aquila Networks-L&P	ER-2005-0436	Revenue Annualizations Uncollectibles

**Continued Amanda C. McMellen  
Summary of Rate Case Testimony Filed**

<u>COMPANY</u>	<u>CASE NO.</u>	<u>ISSUES</u>
Empire District Electric Company	ER-2006-0315	Payroll Payroll Taxes 401(k) Plan Health Care Costs Incentive Compensation Depreciation Expense Amortization Expense Customer Demand Program Deferred State Income Taxes Income Taxes
Aquila, Inc. d/b/a Aquila Networks-MPS & Aquila Networks-L&P	ER-2007-0004	Revenue Annualizations Uncollectibles Maintenance Expenses Turbine Overhaul Maintenance
Empire District Electric Company	ER-2008-0093	Revenues Bad Debts Employee Benefits Tree Trimming Storm Costs Customer Programs Amortizations Current Income Taxes Deferred Income taxes Jurisdictional Allocations Corporate Allocations
Missouri Gas Energy, a Division of Southern Union Company	GR-2009-0355	Staff Report Cost of Service Revenues-Customer Growth Corporate Allocations Other Rate Base Items Amortization Expense Interest expense on customer Deposits Rents and Leases
Missouri-American Water Company	WR-2010-0131	Staff Report Cost of Service Corporate and District Allocations Lobbying Costs Net Negative Salvage Amortization of Regulatory Assets Belleville Lab Expenses Comprehensive Planning Study Payroll Payroll Taxes



**Continued Amanda C. McMellen  
Summary of Rate Case Testimony Filed**

<u>COMPANY</u>	<u>CASE NO.</u>	<u>ISSUES</u>
Kansas City Power & Light Company	ER-2010-0355	Staff Report Cost of Service Revenues-Customer Growth In-Field Service Fees Gross Receipts Taxes Forfeited Discounts Other Revenues Credit Card Acceptance Program Bad Debts
KCP&L Greater Missouri Operations Company	ER-2010-0356	Staff Report Cost of Service Revenues-Customer Growth Other Revenues Credit Card Acceptance Program Bad Debts
Empire District Electric Company	ER-2011-0004	Staff Report Cost of Service Plant in Service Depreciation Reserve Depreciation Expense Pensions & OPEBs Customer Programs Amortizations Carrying Costs Revenue Annualizations
Empire District Electric Company	ER-2012-0345	Staff Report Cost of Service Plant in Service Depreciation Reserve Depreciation Expense Prepayments Materials and Supplies Customer Demand Programs Amortization of Electric Plant Customer Deposits Customer Advances Carrying Costs Customer Programs Customer Deposit Interest Expense Franchise Taxes Amortizations Banking Fees Lease Expense Pay Station Fees Amortizations
Summit Natural Gas Company of Missouri, Inc.	ER-2014-0086	Corporate Allocations Capitalization Policy MGU Purchase Price SMNG Legacy Asset Valuation Energy Efficiency Programs

**Continued Amanda C. McMellen  
Summary of Rate Case Testimony Filed**

<u>COMPANY</u>	<u>CASE NO.</u>	<u>ISSUES</u>
Empire District Electric Company	ER-2016-0023	Staff Report Cost of Service Test Year/Update/True-Up Accumulated Deferred Income Taxes SWPA Hydro Reimbursement SPP Revenues and Expenses SPP Transmission Expenses ASM Revenue and Expense Miscellaneous SPP Related Revenues and Expenses Off-System Sales Revenue and Expense Current Income Taxes Deferred Income Taxes Rate Case Expense-Sharing Advertising Dues and Donations SWPA Amortization Tornado AAO Amortization Corporate Expenses Capitalized Depreciation Proposed Acquisition
Terre Du Lac utilities Corporation	WR-2017-0110	Rate Base
Spire Missouri, Inc.	GR-2017-0215 GR-2017-0216	Bad Debts
Missouri-American Water Company	WR-2017-0285	Plant in Service Contributions in Aid of Construction Regulatory Deferrals Depreciation Reserve Depreciation Expense Amortization Expense Customer owned Lead Service Lines
Empire District Electric Company	ER-2019-0374	Fuel Inventories Fuel and Purchased Power
Missouri-American Water Company	WR-2020-0344	Plant in Service Contributions in Aid of Construction Other Rate Base Regulatory Deferrals Depreciation Reserve Depreciation Expense Amortization Expense Property Tax Tracker Customer owned Lead Service Lines