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| Exhibit No.: | |
| Issue: | Rate Design |
| Witness: | Donald E. Johnstone |
| Type of Exhibit: | Direct Testimony |
| Sponsoring Party: | AGP |
| Case Number: | WR-2010-0131 |
| Date Prepared: | March 26, 2010 |

**Missouri American Water Company**
**WR-2010-0131**

**Direct Testimony of**

**Donald E. Johnstone**

on behalf of the

AG PROCESSING INC A COOPERATIVE

Competitive Energy
DYNAMICS

Missouri American Water Company
WR-2010-0131

Direct Testimony of Donald E. Johnstone

**TABLE OF CONTENTS**

**Missouri American Water Company**

**WR-2010-0131**

**Direct Testimony of Donald E. Johnstone**

**INTRODUCTION - SUMMARY**

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

A Donald E. Johnstone. My address is 384 Black Hawk Drive, Lake Ozark, MO 65049.

**Q ARE YOU THE SAME DONALD JOHNSTONE THAT PREVIOUSLY SUBMITTED TESTIMONY IN THIS CASE ON MARCH 9, 2010?**

A Yes. My qualifications and experience are set forth in Schedule 1 attached to that testimony.

**Q ON WHOSE BEHALF ARE YOU APPEARING?**

A I am appearing on behalf of AG PROCESSING INC A COOPERATIVE ("AGP"). AGP is a customer in the St. Joseph District.

**Q PLEASE SUMMARIZE YOUR TESTIMONY.**

A As stated in my earlier testimony, AGP supports the proposition that the properly determined cost of providing services should be the fundamental starting point for the design of rates. I support cost incurrence responsibility as a fair and appropriate basis for spreading revenue responsibility among the classes and for the design of rates for each class, recognizing that various practical considerations may also arise and properly be considered. With the possible notable exception of special contract rates approved on the basis of an incremental cost analysis, the fully allocated cost of

service is the appropriate measure of costs for the design of rates.

Two class cost-of-service studies are submitted herewith. One study shows the cost for special contract customers as a class and assumes imputed revenues equal to the cost of service. In other words, in this study all rate classes are made responsible for their fully allocated cost of service, but because the revenues for special contract customers are less than cost, the difference is imputed. A second study is also based on the assumption that special contract customers will be approved by the Commission for continuation in the present form, but it further assumes that the Commission determines that costs attributable to the contracts for ratemaking purposes are the incremental costs, consistent with the cost analysis approach presented when the contracts were initially submitted to the Commission. In this second study, the margin contribution of the special contracts is spread among all of standard tariff classes as a benefit, with the allocation of the benefit based on the rate base.

I recommend class revenues be set equal to the class cost-of-service study for each class. The industrial class rates go down by 2.2% according to Study 1 or up by 10.8% according to Study 2. Summaries of the two studies are attached as Schedules DEJ 1 and DEJ 2. In the absence of a Commission decision to use incremental cost and contract revenues for all rate design purposes in this case (instead of fully allocated costs) the Study 1 results should be implemented.

I recommend an equal percentage adjustment to the volumetric elements of the industrial rate design. While I do not oppose the meter charges as proposed by company, I recognize that the level of meter charges is often a contentious issue, and the 67% MAWC increase proposal for the St. Joseph District is unlikely to be an exception. Inasmuch as these charges have appropriately been uniform across classes,

and are of relatively of less financial importance/impact for larger customers such as AGP, I am prepared to give consideration to alternative reasonable meter charge proposals of the parties in due course.

I used the MAWC class cost-of-service study, including the proposed cost levels for the St. Joseph District as the basis for my analysis of the class cost-of-service. This does not imply support, agreement, or acquiescence to the costs levels proposed by MAWC. Indeed the Staff cost-of-service report shows a rate increase for the St. Joseph District of approximately one tenth of the amount proposed by MAWC. Thus, while the studies prepared for this testimony proceed from the costs claimed and proposed by MAWC, I hope to provide additional studies to illustrate the effect of lower overall St. Joseph District cost levels as the case progresses.

**MAWC CLASS COST-OF-SERVICE STUDY TESTIMONY**

**Q PLEASE SUMMARIZE THE CLASS COST-OF-SERVICE TESTIMONY AND CLASS REVENUE RECOMMENDATIONS OF MAWC FOR THE ST. JOSEPH DISTRICT.**

A MAWC submitted a class cost-of-service study for each district, including the St. Joseph District. My focus is on the St. Joseph District. MAWC's St. Joseph District class cost-of-service study generally follows the form of past studies submitted by the Company, with a few notable exceptions. There are some limitations to the usefulness of the study, and the foremost limitation is due to the treatment of the Special Contract customers. However, with the important adjustments recommended in this testimony, the class cost-of-service can provide useful guidance for the design of rates.

**Q PLEASE DESCRIBE THE MAWC CLASS COST-OF-SERVICE STUDY IN MORE DETAIL.**

A Like past studies, the current MAWC study continues to suffer from the lack of load research data from the St. Joseph District to support some of the important allocation factors. Instead, the study relies on largely undocumented and unreproducible assumptions characterized as "judgments." This detracts somewhat from the usefulness of the results. On the other hand, the "judgments" appear to rely on data and experience from other studies. The resulting MAWC class cost-of-service study can at least be characterized as an illustration of important cost differences that arise based on the assumptions. The study illustrates that it costs less (per gallon) to serve larger customers with higher load factors than it costs to serve smaller customers with lower load factors.

For the first time in this case MAWC separately identifies the larger mains (12" and larger) that provide primarily a transmission function, as compared to smaller mains that provide more of a distribution function. This is an important improvement over past studies. MAWC has identified five industrial customers and all (nineteen) sales for resale customers as recipients of service from the transmission mains and not the distribution mains. While small in number, the five industrial customers represent 76% of the total gallons delivered to all industrial customers, as shown on Schedule DEJ 3. Together with the sales for resale customers, this group represents 42% of the total gallons delivered to all customers. This means that none of the smaller distribution mains has as its primary purpose the delivery of water to these customers. The important implication for the class cost-of-service study is that these 24 customers should not receive an allocation of the cost of the distribution mains, since these mains are used first and foremost to provide service to the remaining 58% of the

system volumes, and not to the 24 customers connected to the 12" and larger mains. This approach follows the guiding principle in a class cost-of-service study: costs are to be allocated based on the principle of cost causation.

**Q PLEASE DESCRIBE THE MANNER IN WHICH THE INDUSTRIAL SPECIAL CONTRACT CUSTOMERS WERE HANDLED IN THE MAWC CLASS COST-OF-SERVICE STUDY.**

A MAWC created a separate "large industrial" rate class that includes only Triumph. Nestle, the other special contract customer, was left in the industrial rate class. The MAWC approach presents several issues. It proceeds from the premise that costs should be allocated to the special contract customers on the same fully allocated basis used for all other customers. This is an acceptable approach to the extent that the cost-of-service revenues are imputed for the special contracts. MAWC did not impute the additional revenues.

The rates for the two special contract customers are both based on considerations other than the fully allocated cost of service. As such, they are distinguishable from other customers and belong in a separate class. It is logical to treat these customers the same as others in the class cost-of-service study only to the extent that cost-based revenues are imputed. I do not object to this approach. However, it is illogical to treat these customers like others in the class cost-of-service study if revenues are not imputed.

By definition, the two subject special contract rates were not designed to reflect the fully allocated class costs as defined by the study. It makes no sense in this circumstance to include them in the industrial class in the absence of imputed revenues, because the other customers in the class are penalized. If the class cost-of-service study result was implemented, it would create an intraclass subsidy of the

special contract customers. This would, in my opinion amount to undue preference and discrimination against customers served under the standard industrial rate, because costs attributable to the special contracts would be collected from this select group of customers.

**THE MAWC RATE DESIGN PROPOSAL**

**Q PLEASE SUMMARIZE THE MAWC INDUSTRIAL RATE DESIGN PROPOSAL FOR THE ST. JOSEPH DISTRICT.**

A MAWC proposes to upset much of the existing structure for the Saint Joseph District starting with a 68% increase in the meter charges, as shown in Schedule DEJ 4. The present rate design is further upset with a 28% reduction in the rate for the first volumetric block, a 13% increase in the second block, a 76% increase in the third block, and a 34% increase in the tail block. As a consequence of this proposal, the impacts on individual customers are extraordinary and extend far beyond the overall 26% proposed increase for the district.

While the meter charges are based on costs as defined by MAWC, the large percentage increase raises the specter of burdensome impacts for smaller customers.

The volumetric charges proposed for the industrial customers likewise present burdensome impacts within the class, depending on size. Here it is the larger customers that are adversely impacted by the proposed 76% increase in the third block.

**Q WHAT IS THE BASIS FOR MAWC'S PROPOSED INDUSTRIAL RATE DESIGN?**

A Mr. Williams testifies as follows:

"The Company provided Mr. Herbert the following guidelines regarding rate design:
(1) Maintain district specific pricing for each district's rate structure and taking into account a revenue contribution for several small districts as discussed below;
(2) determine the unit cost per public fire hydrant in the St. Louis Metro Area so that public fire protection costs can be recovered from each customer in a similar manner as the current practice in St. Louis County;
(3) for districts other than St. Louis Metro, use a one-block structure for the residential class and two- to four-block structures for non-residential classes;
(4) incorporate new fee schedules as reflected in the testimony of Greg Weeks; and,
(5) design the customer charges and volumetric rates so that proposed revenues by customer classification move toward or approximate the indicated cost of service in each district."

Mr. Herbert essentially repeats the list. However, there is little in the way of explanation of the changes to the industrial volumetric charges; nor is there any expressed consideration of the impacts of the proposed changes from the currently approved rates.

**Q PLEASE EXPLAIN YOUR RECOMMENDATION FOR THE INDUSTRIAL RATES.**

A First, the rate elements should be designed to collect the class costs as determined by my Schedule 1 class cost-of-service study if the overall St. Joseph District cost level is approved as proposed. To the extent that the Commission is persuaded and makes findings consistent with an incremental approach to the special contracts without the imputation of cost based revenues, the rates should be designed to collect the industrial class revenue according to Schedule DEJ 2.

I do not oppose the proposed meter charges, although I recognize other parties may well take issue with them and a gradual approach ought to be considered due to the large customer impacts that would otherwise occur.

As to the volumetric charges, I start from the premise that the existing charges are presumed to be fair and reasonable and I recommend an equal percentage increase or decrease to the charges, as the case may be. Also to the extent that there

are above average increases in the customer charges, it would be appropriate to adjust the first block downward so as to reduce the cost shifting effect across industrial customers of varying sizes. This would also reduce the size of any extraordinary impacts for smaller customers.

**IMPROVEMENTS TO THE COST STUDY**

**Q FOR THE PURPOSES OF THIS CASE, ARE IMPROVEMENTS IN ORDER FOR THE CLASS COST-OF-SERVICE STUDY FOR THE ST. JOSEPH DISTRICT?**

A Yes. I recommend alternative class cost-of-service studies to provide a more appropriate treatment of special contract customers. Upon review of the study, responses to data requests and workpapers, I made adjustments to the Base and Excess capacity allocation factors. I also made adjustments to the allocation factors used for various cost items including, but not limited to the allocation of costs that come to the St. Joseph District based on a customer allocation of corporate costs. The intent in every case is to better capture the cost of serving the several customer classes.

**Q PLEASE EXPLAIN THE CHANGES TO THE COST OF SERVICE TREATMENT OF SPECIAL CONTRACT CUSTOMERS.**

A Although this testimony should not be read to suggest that the actual contracted for rates be disturbed for the Special Contract customers (unless in the case of Triumph, that rate can no longer be justified pursuant to the agreement), it does appear that some changes are in order for the regulatory treatment of the special contract customers. As I explained in my earlier direct testimony (submitted March 9 in the revenue phase of this proceeding), one of two alternative approaches is in order with

respect to the special contract customers, depending on circumstances. Under the first, otherwise appropriate rate revenues may be imputed. With this approach the study will provide a reliable guide to the cost of service of the classes, assuming the study is otherwise properly implemented. Under the second approach, it is assumed that MAWC will in due course prove to the Commission that the special contracts continue to meet appropriate criteria, such that the contract rates are appropriately treated as incremental for class cost-of-service study and rate design purposes. Under this approach the special contracts should not be allocated costs as a separate class in the class cost-of-service study. Instead, costs are first allocated to the customer classes that pay fully allocated cost-of-service rates. After the allocation of all costs, the incremental costs associated with service to the special contract customers is eliminated with a credit allocated among the classes on volumes (Factor 1 in the study), the same factor used to allocate variable costs to the classes. Thus costs directly incurred due to the special contracts are subtracted from the study. This is reflected in column 3 on Schedule DEJ 2. Since the incremental costs are assigned to the Special Contract class, the net impact on total revenues is zero.

The second step is to allocate the special contract margin revenues among the customer classes as an additional credit to the fully allocated cost-of-service results. In this way the incremental financial benefit of the special contracts to the system is explicitly spread among the customer classes, and all classes receive an allocated share of the benefits. This is demonstrated in column 4 on schedule DEJ 2. Since the margin is provided by the contract customers and credited to all others, the net impact on total revenues is again zero.

The resulting revenue responsibility of each class is then the sum of the fully allocated system costs, the credit for special contract incremental costs, and the credit for special contract margin. Column 5 on Schedule DEJ 2 shows the result. This is the recommended revenue responsibility for each class under the incremental approach to special contracts and fully allocated cost for all tariff customers.

**Q PLEASE EXPLAIN YOUR ADJUSTMENTS TO THE MAXIMUM DAY BASE EXTRA CAPACITY ALLOCATION FACTOR.**

A The company assumed an extra capacity factor of 0.5 for the industrial class as it formulated the class and a corresponding factor of 0.2 for its large industrial class. In study one, I developed a combined factor of 0.37 via a weighted average of the two MAWC industrial cost-of-service classes. I applied this factor for the reformulated industrial and special contract customer classes. Otherwise the computations follow those in the MAWC study.

**Q PLEASE EXPLAIN YOUR ADJUSTMENT TO THE MAXIMUM HOUR BASE EXTRA CAPACITY ALLOCATION FACTOR.**

A The company assumed an extra capacity factor of 1.5 for both industrial classes. This implies total usage equal to 2.5 times the average usage, which is extraordinary for high load factor customers. I used an extra capacity factor of 1.0, which implies an average maximum hour usage for the industrial and special contract classes equal to twice the hourly average usage.

**Q HOW DOES MAWC ALLOCATE CORPORATE COSTS TO THE ST. JOSEPH DISTRICT?**

A The allocated corporate costs are allocated to the St. Joseph district using a customer allocation factor.

**Q HOW ARE CORPORATE COSTS ALLOCATED BY MAWC WITHIN THE ST. JOSEPH DISTRICT CLASS COST-OF-SERVICE STUDY?**

A In the class cost-of-service study the costs are allocated on several factors other than the number of customers. This is inconsistent.

In a response to a data request MAWC explained that the additional corporate cost incurred as a result of a special contract customer is determined by the customer allocation of the costs, $92 per customer (response to AGP DR 58). This is a truism given that costs are allocated based on the number of customers.

The class cost-of-service study should reflect this reality, so I adjusted the study accordingly to allocate corporate costs among the classes based on the number of customers.

**Q DID YOU ALSO REVIEW THE ALLOCATION FACTORS FOR THE NON-CORPORATE ADMINISTRATIVE AND GENERAL COSTS WITHIN THE ST. JOSEPH DISTRICT?**

A The costs are allocated on several factors. I performed a review and found several items that would be appropriately allocated on the number of customers and made those changes where needed.

**Q WERE THERE ADDITIONAL CHANGES TO THE ALLOCATION FACTORS IN STUDY TWO?**

A Yes. The inputs for the special contract class were set to zero so that costs would not be allocated to that class, consistent with the design and intent for the study.

**Q ARE ADDITIONAL CHANGES TO THE CLASS COST-OF-SERVICE STUDY APPROPRIATE FOR THE NEXT CASE?**

A Yes. Pursuant to the stipulation and agreement in the last case, there were discussions of the possibility of load research studies. The idea in part was to explore

cost effective opportunities for the development of more reliable estimates of the class maximum daily demands and the class maximum hourly demands used in the class cost-of-service study. It has been determined that AGP and other industrial meters can be upgraded to capture the maximum day and maximum hour usage characteristics. The cost is nominal.

Furthermore, in this case it has been established that five industrial customers comprise 76% of the volumes for the industrial class (including special contract customers) and 28% of the volumes for the entire system. Assuming metering analogous to the AGP metering is similarly nominal in cost, I recommend any necessary additional metering be installed for all five customers as soon as possible. With this data it will be possible to develop improved estimates of industrial load characteristics in future class cost-of-service studies.

There is also a benefit for the remainder of the customers. Given estimates of the total system characteristics and the newly available industrial data, the characteristics of the remainder of the load will be the difference between the two, and it will therefore be possible to more accurately estimate the usage characteristics of the remaining customers. This will improve the accuracy of future class cost-of-service studies for all customer classes.

**Q DOES THIS CONCLUDE YOUR TESTIMONY?**

A Yes it does.

AGP Class Cost of Service Study
with Special Contracts Customer Class

| Customer Classification | Cost of Service Including Special Contracts Amount | Cost of Service Including Special Contracts Percent | Revenues, Present Rates Amount | Revenues, Present Rates Percent | Difference Amount | Difference Percent |
|---|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| Residential | $13,392,020 | 52.9% | $ 10,070,185 | 50.2% | $ 3,321,835 | 33.0% |
| Commercial | 3,835,776 | 15.1% | 3,755,412 | 18.7% | 80,364 | 2.1% |
| Industrial | 2,567,099 | 10.1% | 2,623,645 | 13.1% | (56,546) | -2.2% |
| Special Contracts | 2,424,506 | 9.6% | 801,200 | 4.0% | 1,623,306 | 202.6% |
| Public Authority | 684,358 | 2.7% | 670,067 | 3.3% | 14,291 | 2.1% |
| Sales for Resale | 2,100,348 | 8.3% | 1,900,568 | 9.5% | 199,780 | 10.5% |
| Private Fire Service | 327,403 | 1.3% | 250,593 | 1.2% | 76,810 | 30.7% |
| Public Fire Service | - | 0.0% | - | 0.0% | - | - |
| Total Sales | 25,331,510 | 100.0% | 20,071,670 | 100.0% | 5,259,840 | 26.2% |
| Other Revenues | 316,832 | | 256,717 | | 60,115 | 23.4% |
| Total | $25,648,342 | | $ 20,328,387 | | $ 5,319,955 | 26.2% |

Adjustments to Company Study

- Create Special Contracts class; eliminate Large Industrial class
- Review and adjust A&G allocations
- Adjust class allocations to be consistent with corporate allocation to district
- Adjustment to Factors 2 & 3 Maximum Day Weight factor: Industrial = 0.37, Special Contracts = 0.37
- Adjustment to Factors 4 & 5 Maximum Hour Weight factor: Industrial = 1.0, Special Contracts = 1.0

AGP Class Cost of Service Study
Special Contract Customers Removed from Cost Allocation Study
Special Contract Margin Benefit Allocated Among Customer Classes

| Customer Classification | Cost of Service | | | | Revenues, Present Rates | Percent | Difference | |
|---|---|---|---|---|---|---|---|---|
| | Amount | Remove Special Contract Incremental Cost | Credit Special Contract Margin | Total | | | Amount | Percent |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
| Residential | $ 14,361,287 | (122,909) | $ (209,730) | $ 14,028,648 | $10,070,185 | 50.2% | $ 3,958,463 | 39.3% |
| Commercial | 4,306,418 | (63,558) | (84,845) | 4,158,015 | 3,755,412 | 18.7% | 402,603 | 10.7% |
| Industrial | 3,045,450 | (73,511) | (66,110) | 2,905,828 | 2,623,645 | 13.1% | 282,183 | 10.8% |
| Special Contracts | - | 333,991 | 467,209 | 801,200 | 801,200 | 4.0% | 0 | |
| Public Authority | 778,316 | (12,625) | (16,446) | 749,245 | 670,067 | 3.3% | 79,178 | 11.8% |
| Sales for Resale | 2,510,445 | (59,016) | (55,318) | 2,396,112 | 1,900,568 | 9.5% | 495,544 | 26.1% |
| Private Fire Service | 330,008 | (534) | (6,074) | 323,399 | 250,593 | 1.2% | 72,806 | 29.1% |
| Public Fire Service | - | (1,837) | (28,687) | (30,524) | - | 0.0% | (30,524) | - |
| Total Sales | 25,331,924 | - | - | 25,331,924 | 20,071,670 | 100.0% | 5,260,254 | 26.2% |
| Other Revenues | 316,832 | - | - | 316,832 | 256,717 | | 60,115 | 23.4% |
| Total | $ 25,648,756 | $ - | $ - | $ 25,648,756 | $20,328,387 | | $ 5,320,369 | 26.2% |

Adjustments

- Eliminate Special Contracts class
- Allocate Special Contracts incremental cost and margin among classes
- Review and adjust A&G allocations
- Adjust class allocations to be consistent with corporate allocation to district
- Adjustment to Factors 2 & 3 Maximum Day Weight factor: Industrial = 0.37, Special Contracts = 0.37
- Adjustment to Factors 4 & 5 Maximum Hour Weight factor: Industrial = 1.0, Special Contracts = 1.0

Missouri American Water Company - St. Joseph District
Transmission System Usage

| Line No. | | Transmission Customers | Percent of Total | Total Customers |
|---|---|---|---|---|
| | **Industrial Class** | | | |
| 1 | No. of Customers | 5 | 4% | 124 |
| 2 | Gallons (1000) | 4257 | 76% | 5,597 |
| | **Sales for Resale Class** | | | |
| 3 | No. of Customers | 19 | 100% | 19 |
| 4 | Gallons (1000) | 2200 | 100% | 2,200 |
| | **All Customer Classes** | | | |
| 5 | No. of Customers | 24 | 0.1% | 32,153 |
| 6 | Gallons (1000) | 6457 | 42% | 15,309 |

Missouri American Water Company - St. Joseph District
MAWC Present vs. Proposed Rates
Industrial Class

**Minimum Charge**

| Meter Size | Present Rate Per Month | Proposed Rate Per Month | Amount Increase | Percent Increase |
|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) |
| 5/8" | $8.95 | $15.00 | $6.05 | 67.6% |
| 3/4" | 11.46 | 19.20 | 7.74 | 67.5% |
| 1" | 16.24 | 27.21 | 10.97 | 67.5% |
| 1-1/2" | 28.25 | 47.32 | 19.07 | 67.5% |
| 2" | 42.65 | 71.44 | 28.79 | 67.5% |
| 3" | 76.23 | 127.67 | 51.44 | 67.5% |
| 4" | 124.19 | 208.02 | 83.83 | 67.5% |
| 6" | 244.12 | 408.90 | 164.78 | 67.5% |
| 8" | 388.03 | 649.91 | 261.88 | 67.5% |
| 10" | 659.16 | 1,104.01 | 444.85 | 67.5% |
| 12" | 1,087.30 | 1,821.11 | 733.81 | 67.5% |

**Usage Rate (per 1000 gallons)**

| | Per Month | Present Rate | Proposed Rate | Amount Increase | Percent Increase |
|---|---|---|---|---|---|
| For the first | 100 | $6.0650 | $4.3400 | ($1.73) | -28.4% |
| For the next | 1,900 | $3.3975 | $3.8500 | 0.45 | 13.3% |
| For the next | 3,000 | $2.0493 | $3.6100 | 1.56 | 76.2% |
| For all over | 5,000 | $1.6741 | $2.2500 | 0.58 | 34.4% |

**BEFORE THE**

**PUBLIC SERVICE COMMISSION OF MISSOURI**

| | | |
|---|---|---|
| In the Matter of Missouri-American Water Company's Request for Authority to Implement a General Rate Increase for Water Service Provided in Missouri Service Areas | ) ) ) ) ) | WR-2010-0131 |

## Affidavit of Donald E. Johnstone

State of Missouri )
) SS
County of St. Louis )

Donald E. Johnstone, being first duly sworn, on his oath states:

1. My name is Donald E. Johnstone. I am a consultant and President of Competitive Energy Dynamics, L. L. C. I reside at 384 Black Hawk Drive, Lake Ozark, MO 65049. I have been retained by AG PROCESSING INC, A COOPERATIVE.

2. Attached hereto and made a part hereof for all purposes are my testimony and schedules in written form for introduction into evidence in the above captioned proceeding.

3. I hereby swear and affirm that my testimony is true and correct and show the matters and things they purport to show.

Donald E. Johnstone

Subscribed and sworn to this 26th day of March, 2010.

Notary Public

ANTHONY LAVEAR
Notary Public-Notary Seal
State of Missouri, St Louis County
Commission # 09768319
My Commission Expires Apr 5, 2013