

# EXHIBIT

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OPC.006  
Prepayments  
Conner/Surrebuttal  
Public Counsel  
ER-2016-0023

## SURREBUTTAL TESTIMONY

OF

AMANDA C. CONNER

Submitted on Behalf of the Office of the Public Counsel

EMPIRE DISTRICT ELECTRIC COMPANY

CASE NO. ER-2016-0023

May 16, 2016

OPC Exhibit No. 6  
Date 6-2-16 Reporter KEF  
File No. ER-2016-0023

Exhibit No. \_\_\_\_\_  
Date \_\_\_\_\_  
Reporter \_\_\_\_\_  
File No. \_\_\_\_\_



**SURREBUTTAL TESTIMONY**  
**OF**  
**AMANDA C. CONNER**  
**EMPIRE DISTRICT ELECTRIC COMPANY**  
**CASE NO. ER-2016-0023**

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**I. INTRODUCTION**

**Q. Please state your name and business address.**

A. Amanda C. Conner, PO Box 2230, Jefferson City, Missouri 65102.

**Q. Are you the same Amanda Conner who filed direct testimony in this case?**

A. Yes.

**Q. What is the purpose of this surrebuttal testimony?**

A. The purpose of this surrebuttal testimony is so the Office of Public Counsel (“OPC”) can respond to rebuttal testimony from Empire District Electric Company (“Empire”) witness James Wood regarding the issue of rate base prepayments.

**II. PREPAYMENTS**

**Q. Please summarize the issue.**

A. Empire is proposing to include, in its rate base prepayments, expenses related to the operations of Iatan, Plum Point and the Kansas City Power and Light (“KCP&L”) land lease. OPC has seen no evidence these payments are required to be paid in advance.

1 **Q. Did Empire file rebuttal against your direct testimony?**

2 A. No, Empire filed rebuttal testimony against Missouri Public Service Commission Staff's  
3 ("Staff") direct testimony regarding this issue. I am filing surrebuttal testimony because  
4 OPC and Staff have the same position.

5 **Q. Was this issue raised in Empire's last rate case?**

6 A. Yes. Staff took issue with these accounts being included in prepayments in the last rate  
7 case, No. ER-2014-0351 asserting that these are cash accounts and not actual investment  
8 in utility assets; therefore excluded from rate base. Empire's share of Iatan, Plum Point  
9 and KCP&L land lease operation and maintenance ("O&M") expenses were removed  
10 from prepayments in that case. This is the position both OPC and Staff have taken in this  
11 rate case as well. These accounts are considered normal O&M expense accounts and  
12 OPC sees no reason why they would be considered rate base prepayments.

13 **Q. What evidence does OPC need to change its position on this issue?**

14 A. OPC would reconsider its position on this issue if it was provided with documentation,  
15 such a contract, signifying an agreement requiring Empire to prepay its share of O&M  
16 expenses for Iatan, Plum Point, and KCP&L land lease. If these documents are provided,  
17 OPC will consider the prudence of Empire agreeing to prepay normal O&M expenses.

18 **Q. Does this conclude your testimony?**

19 A. Yes.  
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