

BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED³

OCT 23 2000

Missouri Public
Service Commission

In the matter of the Application of St. Joseph)
Light & Power Company for the Issuance of)
an Accounting Authority Order Relating to its)
Electrical Operations.)

Case No. EO-2000-845

**STAFF'S MOTION FOR LEAVE TO FILE REVISIONS TO THE
PRE-FILED REBUTTAL TESTIMONY OF STAFF WITNESS V. WILLIAM HARRIS**

COMES NOW the Staff of the Missouri Public Service Commission ("Staff"),
and for its Motion for Leave to File Revisions to the Pre-filed Rebuttal Testimony of Staff
Witness V. William Harris, states as follows:

1. In the pre-filed surrebuttal testimony of St. Joseph Light & Power Company (SJLP) witness Larry J. Stoll, on page 8 at lines 17 to 24, Mr. Stoll states that the correct total costs SJLP seeks to defer as of September 30, 2000 were \$3,332,931. As stated by Mr. Stoll, on page 11 at line 3 of Staff witness Harris' rebuttal testimony, Staff witness Harris shows the updated total costs SJLP seeks to defer to be \$3,893,586. This amount was based upon information provided by SJLP to the Staff in response to Staff Data Request No.7. The Staff assumed that the insurance proceeds from business interruption insurance were included in the updated amounts provided in response to Data Request No. 7. It is Staff's understanding now that the amounts provided in response to Data Request No. 7 did not reflect the approximate \$552,000 in insurance proceeds from business interruption insurance. Submitted herewith are correction pages to the rebuttal testimony of Staff witness V. William Harris revised by strikethroughs and additions in red ink to reflect agreement with the requested deferral amount identified in Mr. Stoll's surrebuttal testimony--\$ 3,332,931.

2. In the pre-filed surrebuttal testimony of St. Joseph Light & Power Company (SJLP) witness Larry J. Stoll, SJLP through Mr. Stoll identified errors made in Schedule VWH-6 attached to the pre-filed rebuttal testimony of Staff witness V. William Harris. Upon review, the Staff agrees that Schedule VWH-6 contains errors that are also reflected in the pre-filed rebuttal testimony of Staff witness V. William Harris. These errors were made when transcribing numbers from Schedule 12-1 and Schedule 21 attached to the rebuttal testimony of David P. Broadwater pre-filed in this case. The erroneous numbers are 8.14% for the cost of long-term debt and 9.09% for the midpoint Common Equity Return. The correct numbers are 8.44% for the cost of long-term debt (Broadwater Schedule 12-1) and 9.89% for the midpoint Common Equity Return (Broadwater Schedule 21). Additionally, the Staff agrees that the embedded cost of short-term debt of 7.30% as of July 31, 2000, provided by SJLP witness Stoll is more appropriate than the 6.32% figure as of December 31, 1999, the Staff relied upon in its original calculations. The impact of correcting these errors and updating the embedded cost of short-term debt results in the Staff going from a premise that SJLP is in an excess earnings situation to the position that SJLP is not in an excess earnings situation. Both the Staff's original premise and corrected positions are based on unadjusted financial results as shown in SJLP's July 31, 2000 surveillance data. As a result the Staff is withdrawing its recommendation to the Commission, that if the Commission allows SJLP to defer recognition of costs in an accounting authority order, the Commission should reduce those costs by \$800,000. It is still the Staff's position that an AAO deferral request should be denied or reduced if the Staff provides sufficient evidence to the Commission to show that existing earnings are adequate to offset all or a significant portion of the incremental costs incurred by a company due to an extraordinary event. Submitted herewith are substitute pages revised by strikethroughs and additions in red ink to reflect

revisions to the pre-filed rebuttal testimony of Staff witness V. William Harris to correct the errors identified in the pre-filed surrebuttal testimony of SJLP witness Larry J. Stoll and the resultant change in the Staff's position.

3. On page 28, lines 15-17 of the pre-filed rebuttal testimony of Staff witness Harris, he makes an incorrect response to the question posed on line 14 of page 28: "Q. What is SJLP's requested deferral period in this case?" This was caused by the transposition during editing of the answer, which appears at lines 7-13 on page 28, to the question posed on line 14. Submitted herewith are substitute pages to the pre-filed rebuttal testimony of V. William Harris revised by strikethroughs and additions in red ink to move the question appearing on line 14 to precede the answer beginning on line 7 and to delete the answer appearing on lines 15-17 all on page 28 of the Rebuttal Testimony of Staff witness Harris.

4. Certain passages designated as "highly confidential" or "proprietary" in the pre-filed rebuttal testimony of V. William Harris are not so designated in the replacement pages submitted herewith as that information is disclosed in the pre-filed surrebuttal testimony of SJLP witness Larry J. Stoll without designation as "highly confidential" or "proprietary."

WHEREFORE, the Staff requests the Commission leave to file with the Commission the above-stated revisions to the pre-filed rebuttal testimony of Staff witness V. William Harris as set forth in the substitute pages filed herewith.

Respectfully submitted,

DANA K. JOYCE
General Counsel

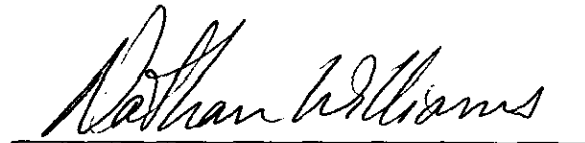


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Certificate of Service

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 23rd day of October, 2000.



Service List for
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