

Exhibit No.:
Issues: PSC Assessment
Contingency Fund
Witness: James A. Busch
Sponsoring Party: MO PSC Staff
Type of Exhibit: Surrebuttal Testimony
File No.: SR-2010-0320
Date Testimony Prepared: December 28, 2010

MISSOURI PUBLIC SERVICE COMMISSION

UTILITY OPERATIONS DIVISION

SURREBUTTAL TESTIMONY

OF

JAMES A. BUSCH

TIMBER CREEK SEWER COMPANY

FILE NO. SR-2010-0320

*Jefferson City, Missouri
December 2010*

Exhibit No. 21
Date 1-5-11 Reporter Tu
File No. SR-2010-0320

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

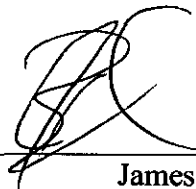
In the Matter of the Application of Timber)
Creek Sewer Company Request for a Rate)
Increase.)

Case No. SR-2010-0320

AFFIDAVIT OF JAMES A. BUSCH

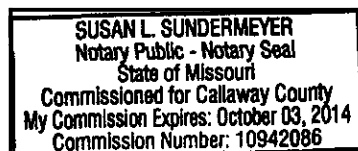
STATE OF MISSOURI)
) ss
COUNTY OF COLE)

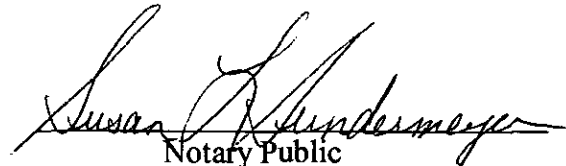
James A. Busch, of lawful age, on his oath states: that he has participated in the preparation of the following Surrebuttal Testimony in question and answer form, consisting of 2 pages of Surrebuttal Testimony to be presented in the above case, that the answers in the following Surrebuttal Testimony were given by him; that he has knowledge of the matters set forth in such answers; and that such matters are true to the best of his knowledge and belief.



James A. Busch

Subscribed and sworn to before me this 27th day of December, 2010.





Notary Public

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SURREBUTTAL TESTIMONY
OF
JAMES A. BUSCH
TIMBER CREEK SEWER COMPANY
FILE NO. SR-2010-0320

12 Q. Please state your name and business address.

13 A. My name is James A. Busch and my business address is P. O. Box 360,
14 Jefferson City, Missouri 65102.

15 Q. Are you the same James A. Busch that filed Direct and Rebuttal Testimony in
16 this proceeding?

17 A. Yes I am.

18 Q. What is the purpose of your Surrebuttal Testimony?

19 A. The purpose of my Surrebuttal Testimony is to respond to the Rebuttal
20 Testimony of Timber Creek Sewer Company (Timber Creek or Company) witness Mr. Derek
21 Sherry. Specifically, I will address Mr. Sherry's Rebuttal Testimony concerning the
22 Contingency/Emergency Repair Fund.

23 Q. What is Timber Creek's proposal for a Contingency/Emergency Fund?

24 A. In Mr. Sherry's Rebuttal Testimony, he indicates that the Company would
25 indentify certain components that are critical for the Company and establish a ceiling for the
26 amount of the fund. He then adds that this fund would be managed similar to a real estate
27 escrow fund where agreed upon guidelines between the Company and PSC would establish
28 acceptable uses for the fund, etc. (Sherry Rebuttal, page 5, lines 17 through 24).

Surrebuttal Testimony of
James A. Busch

1 Q. Are there flaws in this approach?

2 A. Yes. In, order to ensure that this type of mechanism would work properly,
3 there must be appropriate standards in place to ensure the amount of dollars that would be
4 collected, the limits to those dollars, the limits to the uses of those dollars, and the various
5 level of protections for consumers would need to be discussed and determined before any type
6 of fund could be proposed for Commission approval.

7 Q. On page 6, lines 20 through 23 of his Rebuttal Testimony, Mr. Sherry indicates
8 that Timber Creek would work with Staff to establish the parameters necessary to protect
9 consumers. Does this alleviate Staff's concerns?

10 A. No. Staff is interested in developing some sort of Contingency/Emergency
11 Repair Fund. However, there are numerous details that need to be fully fleshed out to ensure
12 that the fund is properly funded and all appropriate consumer safeguards are in place. The
13 proper forum to continue working on these details is File No. WW-2009-0386. Trying to
14 establish a fund in the days that are left before this case goes to hearing is not proper.

15 Q. Does this conclude your Surrebuttal Testimony?

16 A. Yes.