Exhibit No.: Issue(s): Witness: Type of Exhibit: Sponsoring Party: Case Number:

SPP Transmission Tracker Ted Robertson Surrebuttal Public Counsel ER-2012-0345

SURREBUTTAL TESTIMONY

OF

TED ROBERTSON

Submitted on Behalf of the Office of the Public Counsel

EMPIRE DISTRICT ELECTRIC COMPANY

Case No. ER-2012-0345

February 4, 2013

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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)

In the Matter of The Empire District Electric Company of Joplin, Missouri Tariffs Increasing Rates for Electric Service Provided to Customers in the Missouri Service Area of the Company

File No. ER-2012-0345

AFFIDAVIT OF TED ROBERTSON

STATE OF MISSOURI)) ss COUNTY OF COLE)

Ted Robertson, of lawful age and being first duly sworn, deposes and states:

1. My name is Ted Robertson. I am a Chief Public Utility Accountant for the Office of the Public Counsel.

2. Attached hereto and made a part hereof for all purposes is my surrebuttal testimony.

3. I hereby swear and affirm that my statements contained in the attached testimony are true and correct to the best of my knowledge and belief.

Ted Robertson, C.P.A. Chief Public Utility Accountant

Subscribed and sworn to me this 4th day of February 2013.



JERENE A. BUCKMAN My Commission Expires August 23, 2013 Cole County Commission #09754037

Man

Jerene A. Buckman Notary Public

My Commission expires August, 2013.

1		SURREBUTTAL TESTIMONY OF
2 3		TED ROBERTSON
4 5 6 7		EMPIRE DISTRICT ELECTRIC COMPANY CASE NO. ER-2012-0345
8		
9	I.	INTRODUCTION
10	Q.	PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.
11	А.	Ted Robertson, PO Box 2230, Jefferson City, Missouri 65102-2230.
12		
13	Q.	ARE YOU THE SAME TED ROBERTSON THAT HAS PREVIOUSLY FILED
14		DIRECT AND REBUTTAL TESTIMONY IN THIS CASE?
15	А.	Yes.
16		
17	II.	PURPOSE OF TESTIMONY
18	Q.	WHAT IS THE PURPOSE OF YOUR SURREBUTTAL TESTIMONY?
19	А.	The purpose of this testimony is to address the Company's request for a Southwest
20		Power Pool ("SPP") Transmission Tracker as presented by Company witness, Mr. W.
21		Scott Keith, beginning on page 19 of his Rebuttal Testimony.
22		
23	III.	SPP TRANSMISSION TRACKER
24	Q.	WHAT IS THE ISSUE?

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Beginning on page 20 of his Rebuttal Testimony Mr. Keith discusses how he believes 1 A. 2 that the normalized level of SPP transmission costs that the MPSC Staff has included in 3 its revenue requirement recommendation is substantially lower than the level of costs 4 Company expects to incur in calendar year 2013 because it expects that the amount will 5 increase by approximately \$3.6 million. He adds further that the MPSC Staff did not 6 take into account the SPP rate increases that will occur in 2013 as various members of 7 SPP increase their rates to recover transmission improvements or that based upon latest 8 forecast information from SPP, charges are expected to increase substantially in 2013. 9 He finishes by stating that the Staff's normalization ignores what are anticipated to be 10 substantial increases in 2013. 11 12 Q. DOES MR. KEITH PROVIDE ANY DOCUMENTATION THAT WOULD VERIFY 13 THE ACCURACY, ACCOUNTABILITY OR AUDITABILITY OF THE EXPECTED

INCREASES HE IDENTIFIES?

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A. No. The cost increases he alleges have not been incurred (and may never be at the level alleged) because calendar year 2013 has just begun, thus no documentation exists that
would accurately verify his allegations. Mr. Keith's testimony is premised on the results of activities and alleged cost increases that he <u>expects</u> or <u>anticipates</u> will occur outside of the current case test year and true-up period based on <u>forecasted</u> information from SPP.

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1		The cost increases Mr. Keith promotes do not yet exist; therefore, they are not known
2		and measurable.
3		
4	Q.	WHAT IS THE TEST YEAR AND TRUE-UP PERIOD AUTHORIZED BY THE
5		COMMISSION FOR THE CURRENT CASE?
6	A.	In its August 6, 2012 Order the Commission authorized the following:
7 8 9 10 11 12		The test year for this case is the twelve month period ending March 31, 2012, updated for known and measureable changes through June 30, 2012. The true-up period shall be through December 31, 2012.
13	Q.	IS IT THE PUBLIC COUNSEL'S POSITION THAT THE COMMISSION SHOULD
14		DENY THE COMPANY'S REQUEST FOR THE SPP TRANSMISSION TRACKER?
15	А.	Yes. Mr. Keith's allegation of cost increases expected to occur outside of the test year
16		and true-up period of the instant case have no relevance to the determination of rates in
17		this case. The end of the true-up period for the current case is December 31, 2012, not
18		sometime in calendar year 2013. For purposes of the instant case, costs that occur or
19		don't occur in 2013, or later, are nothing more than potential issues for a subsequent rate
20		case depending on when Company files such case.
21		

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1 Q. DOES THIS CONCLUDE YOUR SURREBUTTAL TESTIMONY?

2 A. Yes, it does.

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