Exhibit No.: Issues: Rate Design Witness: Anne Ross Sponsoring Party: MO PSC Staff Type of Exhibit: Direct Testimony Case No.: HR-2009-0092 Date Testimony Prepared: February 27, 2009

MISSOURI PUBLIC SERVICE COMMISSION

UTILITY OPERATIONS DIVISION

DIRECT TESTIMONY

OF

ANNE ROSS

KCP&L GREATER MISSOURI OPERATIONS COMPANY

CASE NO. HR-2009-0092

Jefferson City, Missouri February 2009

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of the Application of) KCP&L Greater Missouri Operations) Company for Approval to Make Certain) Changes in its Charges for Steam Heating) Service }

Case No. HR-2009-0092

AFFIDAVIT OF ANNE ROSS

STATE OF MISSOURI)) ss **COUNTY OF COLE**)

Anne Ross, of lawful age, on her oath states: that she has participated in the preparation of the following Direct Testimony in question and answer form, consisting of pages of Direct Testimony to be presented in the above case, that the answers in 2 the following Direct Testimony were given by her; that she has knowledge of the matters set forth in such answers; and that such matters are true to the best of her knowledge and belief.

Anne Ross

Subscribed and sworn to before me this 26^{44} day of February, 2009.



SUSAN L. SUNDERMEYER My Commission Expires September 21, 2010 Callaway County Commission #06942086

Notary Public

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10 11				
12	Q. Please state your name and business address.			
13	A. Anne E. Ross, P.O. Box 360, Jefferson City, Missouri 65102.			
14	Q. What is your present position with the Missouri Public Service			
15	Commission (Commission)?			
16	A. I am a Regulatory Economist in the Energy Department of the Utility			
17	7 Operations Division.			
18	Q. Please review your educational background and work experience.			
19	A. I graduated from the University of MO – Columbia with a Bachelor of			
20	Science – Business Administration, and a Master of Business Administration. I have			
21	worked at the Public Service Commission since 1989 in a variety of areas.			
22	Q. Have you filed testimony in prior cases?			
23	A. Yes. My previous testimony is listed in Schedule AR-1.			
24	Background			
25	Q. What is KCP&L Greater Missouri Operation Company's ("GMO")			
26	current rate structure for steam service?			
27	A. GMO provides steam service to five (5) customers. GMO serves four (4)			
28	of the five (5) customers under the terms of its Steam Service tariff. As addressed in			
29	detail on pages 55-59 of the Staff Cost of Service Report prefiled in this case February			
l				

Direct Testimony of Anne Ross

13, 2009, because of Commission-approved agreements, although GMO serves the fifth
 customer, Ag Processing, Inc. (AGP) under the terms of a special contract, for purposes
 of ratemaking, including rate design, AGP is treated as if it is served under GMO's Steam
 Service tariff.

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Q. Did the Staff do a class cost-of-service study in this case?

A. No. All of GMO's steam customers are either taking service under the
steam service tariff or are treated as if they are for purposes of ratemaking; therefore,
Staff did not perform a class cost-of-service study.

9 **Recommendation**

Q. What is Staff's rate design recommendation for Steam Service rates?

A. Staff recommends that all components of the Steam Service rates be increased by a uniform percentage, equal to the percentage increase in revenues resulting from the order in this case. Using this method will result in rates that collect the Company's revenue requirement, but keep each customer's relative revenue contribution the same as under the current rates. Additional detail is provided in the Class Cost of Service Rate Design Report.

- 17
- Q. Does this conclude your direct testimony?
- 18 A. Yes it does.

Anne E. Ross

EDUCATION

Bachelor of Science – Business Administration University of Missouri, Columbia, MO – May 1986

Master of Science – Business Administration University of Missouri, Columbia, MO – May 1989

PROFESSIONAL EXPERIENCE

Missouri Public Service Commission Regulatory Economist II September 1989 – Present

Member – Missouri Weatherization Policy Advisory Committee 2004 - Present

CASE PARTICIPATION

Case Number	Company Name	Testimony Issues
GR-90-50	Kansas Power and Light	Class Cost-of-Service
GR-90-120	Laclede Gas Company	Class Cost-of-Service
GR-90-152	Associated Natural Gas	Class Cost-of-Service
GR-90-198	Missouri Public Service	Class Cost-of-Service
GR-91-249	United Cities Gas Company	Class Cost-of-Service
GR-91-291	Kansas Power and Light	Class Cost-of-Service
GR-92-165	Laclede Gas Company	Class Cost-of-Service
GR-93-42	St. Joseph Light and Power	Class Cost-of-Service
GR-93-47	United Cities Gas Company	Class Cost-of-Service
GR-93-172	Missouri Public Service	Class Cost-of-Service
GR-93-240	Western Resources	Class Cost-of-Service
GR-94-0220	Laclede Gas Company	Class Cost-of-Service
GA-94-0127	Tartan Energy Company	Reviewed Application
GR-95-0160	United Cities Gas Company	Class Cost-of-Service
GR-96-0193	Laclede Gas Company	Class Cost-of-Service
GR-96-0285	Missouri Gas Energy	Class Cost-of-Service
GR-99-0042	St. Joseph Light and Power	Class Cost-of-Service

CASE PARTICIPATION (cont'd)

Case Number	Company Name	Testimony Issues
GR-2002-0356	Laclede Gas Company	Class Cost-of-Service, Large Customer Analysis
GR-2003-517	AmerenUE	Class Cost-of-Service, Large Customer Analysis, Low-Income Customer Assistance
GR-2004-0072	Aquila Networks	Class Cost-of-Service, Large Customer Analysis, Low-Income Customer Assistance
GR-2004-0209	Missouri Gas Energy	Class Cost-of-Service, Large Customer Analysis, Low-Income Customer Assistance
GR-2005-0284	Laclede Gas Company	Class Cost-of-Service, Large Customer Analysis, Low-Income Customer Assistance
GR-2006-0387	Atmos Energy Corporation	Large Customer Analysis, Rate Design, Customer Conservation Programs
GR-2006-0422	Missouri Gas Energy	Large Customer Analysis, Rate Design, Customer Conservation Programs
GR-2007-0003	AmerenUE	Large Customer Analysis, Rate Design, Customer Conservation Programs
GR-2007-0208	Laclede Gas Company	Large Customer Analysis, Rate Design, Low- Income Customer Assistance
GR-2008-0060	Missouri Gas Utilities	Rate Design, Low-Income Customer Assistance, Customer Conservation Programs
HR-2008-0030	Trigen – Kansas City	Large Customer Annualization