

Exhibit No.:
Issue: *Rate Case Expense,
Depreciation Expense*
Witness: *Leslie Rose*
Sponsoring Party: *MoPSC Staff*
Type of Exhibit: *Direct Testimony*
Case No.: *SR-2013-0016*
Date Testimony Prepared: *March 28, 2013*

MISSOURI PUBLIC SERVICE COMMISSION
REGULATORY REVIEW DIVISION
UTILITY SERVICES - AUDITING

DIRECT TESTIMONY
OF
LESLIE ROSE

EMERALD POINTE UTILITY COMPANY

CASE NO. SR-2013-0016

Jefferson City, Missouri
March 2013

1
2
3
4
5
6
7
8
9
10
11

**TABLE OF CONTENTS OF
DIRECT TESTIMONY
OF
LESLIE ROSE
EMERALD POINTE UTILITY COMPANY
CASE NO. SR-2013-0016**

BACKGROUND OF WITNESS 1
EXECUTIVE SUMMARY 1
RATE CASE EXPENSE 2
DEPRECIATION EXPENSE..... 2

1 **DIRECT TESTIMONY**

2 **OF**

3 **LESLIE ROSE**

4 **EMERALD POINTE UTILITY COMPANY**

5 **CASE NO. SR-2013-0016**

6 Q. Please state your name and business address.

7 A. Leslie Rose, 111 N. 7th Street, Suite 105, St. Louis, MO 63101.

8 Q. By whom are you employed and in what capacity?

9 A. I am employed by the Missouri Public Service Commission (“Commission”) as a
10 Utility Regulatory Auditor I in the Auditing Unit of the Utility Services Department, Regulatory
11 Review Division.

12 **BACKGROUND OF WITNESS**

13 Q. Please describe your educational background and work experience.

14 A. I attended Maryville University, St. Louis, Missouri, and received a Bachelor of
15 Science degree in Business Administration in 2006 and a Bachelor of Science degree in
16 Accounting in 2012. I have been employed by the Commission since June 4, 2012, within the
17 Auditing Unit.

18 Q. Have you previously filed testimony before this Commission?

19 A. No, I have not.

20 **EXECUTIVE SUMMARY**

21 Q. What is the purpose of your direct testimony in this proceeding?

1 A. My direct testimony will address two of the updates made to the Commission
2 Staff's ("Staff's") accounting schedules that were originally filed as part of the Emerald Pointe
3 Utility Company ("Company" or "Emerald Pointe") /Staff Partial Agreement Regarding
4 Disposition. The updated accounting schedules are being filed concurrently with Staff's direct
5 testimony. The updated items are: (1) Rate Case Expense; and (2) Depreciation Expense.

6 **RATE CASE EXPENSE**

7 Q. Has Staff updated the amount of rate case expense included in Staff's cost of
8 service calculation?

9 A. Yes. Based upon recently obtained invoices, Staff has updated its
10 recommendation for rate case expense to include additional amounts incurred by Emerald Pointe
11 related to its current rate case.

12 Q. What amount of rate case expense has Staff included in its updated cost
13 of service?

14 A. Based on information provided to Staff, a normalized amount of \$1,135 for each
15 of the water and sewer systems, a total of \$2,269, has been included for an ongoing annual
16 expense level related to rate case expense. This updated amount includes the cost of customer
17 notices for the local public hearing recently ordered by the Commission. As well, Staff was
18 provided with additional invoices pertaining to rate case expense from Emerald Pointe; therefore,
19 Staff updated the expense level based on this new data as well.

20 **DEPRECIATION EXPENSE**

21 Q. Has Staff updated the amount of depreciation expense included in Staff's cost of
22 service calculation?

1 A. Yes, Staff has updated its accounting schedules based upon an updated
2 depreciation schedule provided by Mr. Arthur W. Rice of Staff's Engineering and Management
3 Services Unit. The update resulted in an additional \$991 of depreciation expense being included
4 in Staff's cost of service calculation.

5 Q. Does this conclude your direct testimony?

6 A. Yes, it does.

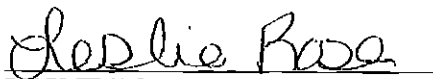
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Request for an)
Increase in Sewer Operating Revenues of) Case No. SR-2013-0016
Emerald Pointe Utility Company)
)

AFFIDAVIT OF LESLIE ROSE

STATE OF MISSOURI)
) ss.
COUNTY OF ST. LOUIS)


Leslie Rose, of lawful age, on her oath states: that she has participated in the preparation of the foregoing Direct Testimony in question and answer form, consisting of 3 pages to be presented in the above case; that the answers in the foregoing Direct Testimony were given by her; that she has knowledge of the matters set forth in such answers; and that such matters are true and correct to the best of her knowledge and belief.



LESLIE ROSE

Subscribed and sworn to before me this 27th day of March 2013.

LISA K. HANNEKEN Notary Public - Notary Seal State of Missouri Commissioned for Franklin County My Commission Expires: April 27, 2014 Commission Number: 10967138
--



Notary Public