

Exhibit No.:
Issues: *Report on Cost of Service;*
Overview of the Staff's Filing
Witness: *Kimberly K. Bolin*
Sponsoring Party: *MoPSC Staff*
Type of Exhibit: *Direct Testimony*
Case No.: *WR-2008-0311*
Date Testimony Prepared: *August 18, 2008*

MISSOURI PUBLIC SERVICE COMMISSION

UTILITY SERVICES DIVISION

DIRECT TESTIMONY

OF

KIMBERLY K. BOLIN

MISSOURI-AMERICAN WATER COMPANY

CASE NOS. WR-2008-0311 & SR-2008-0312

Jefferson City, Missouri
August, 2008

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OF
KIMBERLY K. BOLIN
MISSOURI-AMERICAN WATER COMPANY
CASE NOS. WR-2008-0311 & SR-2008-0312

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1 **DIRECT TESTIMONY**

2 **OF**

3 **KIMBERLY K. BOLIN**

4 **MISSOURI-AMERICAN WATER COMPANY**

5 **CASE NOS. WR-2008-0311 & SR-2008-0312**

6 Q. Please state your name and business address.

7 A. Kimberly K. Bolin, P.O. Box 360, Suite 440, Jefferson City, MO 65102.

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

9 A. I am a Utility Regulatory Auditor for the Missouri Public Service Commission
10 (PSC or Commission).

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

12 A. I graduated from Central Missouri State University in Warrensburg, Missouri,
13 with a Bachelor of Science in Business Administration, major emphasis in Accounting, in
14 May 1993. Before coming to work at the Commission, I was employed by the Missouri
15 Office of the Public Counsel (Public Counsel) as a Public Utility Accountant from September
16 1994 to April 2005. I commenced employment with the Commission in April 2005.

17 Q. What was the nature of your job duties when you were employed by Public
18 Counsel?

19 A. I was responsible for performing audits and examinations of the books and
20 records of public utilities operating within the State of Missouri.

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

2 A. Yes. Please refer to Appendix 1, attached to this Direct Testimony, for a list of
3 the major audits on which I have assisted and filed testimony with the Public Counsel and
4 with the Commission.

5 Q. What knowledge, skills, experience, training and education do you have in the
6 areas of which you are testifying as an expert witness?

7 A. I have received continuous training at in-house and outside seminars on
8 technical ratemaking matters both when employed by Public Counsel and since I began my
9 employment at the Commission. I have been employed by this Commission or by Public
10 Counsel as a Regulatory Auditor for over 14 years, and have submitted testimony on
11 ratemaking matters numerous times before the Commission. I have also been responsible for
12 the supervision of other Commission employees in rate cases and other regulatory
13 proceedings.

14 Q. Have you participated in the Commission Staff's (Staff) audit of
15 Missouri-American Water Company (MAWC, Missouri-American) concerning its request for
16 a rate increase in this proceeding?

17 A. Yes, I have, with the assistance of other members of the Staff.

18 **EXECUTIVE SUMMARY**

19 Q. Please summarize your direct testimony in this proceeding.

20 A. I am sponsoring the Staff's Cost of Service Report and the Staff's Accounting
21 Schedules in this proceeding that is being filed concurrently with this testimony. As was done
22 in several other recent filings by the Staff, a "report" format is being used to convey the
23 Staff's direct case findings, conclusions and recommendations to the Commission.

1 The “report” approach to the case filing is an effort to make the Staff’s filings more coherent
2 and manageable. The Staff believes that, under this approach and without sacrificing the
3 quality of the evidence presented, fewer witnesses will be required to file direct testimony and
4 the Staff’s case will be presented more clearly.

5 I will also provide in my direct testimony an overview of the Staff’s revenue
6 requirement determination. The Staff has conducted a review of all cost of service
7 components (capital structure, return on rate base, rate base, depreciation expense and
8 operating expenses) that comprise Missouri-American’s revenue requirement. My testimony
9 will provide an overview of the Staff’s work in each area.

10 Q. Please provide an overview of the organization of the Staff’s Accounting Schedules.

11 A. The Staff has filed a complete set of its accounting schedules for each of
12 Missouri-American’s operating districts (13 districts). A list of the schedules is included in
13 the Staff’s Cost of Service Report. The Staff has also filed a set of its accounting schedules to
14 reflect a combination of all of the water districts for Missouri American (10 water districts)
15 and another schedule to reflect a combination of all three of the sewer districts. Lastly, the
16 Staff filed a Total Company accounting schedule to reflect the results of Staff’s audit for the
17 whole Company (MAWC).

18 **REPORT ON COST OF SERVICE**

19 Q. Please explain the organizational format of the Staff’s Cost of Service Report
20 (Report).

21 A. The Staff’s Report has been organized by topic as follows:

22 I. Executive Summary

23 II. Background of Missouri-American

- 1 III. Test Year/Update Period
2 IV. Major Issues
3 V. Rate of Return
4 VI. Rate Base
5 VII. Allocations and Service Company Costs
6 VIII. Income Statement

7 This organizational format has been condensed for ease of explanation. The Rate
8 Base and Income Statement sections have numerous subsections which explain each specific
9 adjustment made by the Staff to the December 2007 test year. The Staff member responsible
10 for writing each subsection of the Report is identified in the write-up for that section.

11 **OVERVIEW OF STAFF'S RECOMMENDED REVENUE REQUIREMENT**

12 Q. In its audit of Missouri-American for this proceeding, Consolidated Case Nos.
13 WR-2008-0311 and SR-2008-0312, has the Staff examined all of cost of service components
14 comprising the revenue requirement for each service district within Missouri-American Water
15 Company?

16 A. Yes.

17 Q. What are the cost of service components that comprise the revenue
18 requirement for a regulated utility?

19 A. The revenue requirement for a regulated utility can be defined by the following
20 formula:

21 Revenue Requirement = Cost of Providing Utility Service

22 or

23 $RR = O + (V - D)R$ where,

24 RR = Revenue Requirement

25 O = Operating Costs (Fuel, Payroll, Maintenance, etc.), Depreciation and Taxes

1 V = Gross Valuation of Property Required for Providing Service

2 D =Accumulated Depreciation Representing Recovery of Gross Property
3 Investment.

4
5 V – D = Rate Base (Gross Property Investment less Accumulated Depreciation = Net
6 Property Investment)

7
8 (V – D)R = Return Allowed on Net Property Investment

9 The “revenue requirement” addressed by this formula is the utility’s total revenue
10 requirement. In the context of Commission rate cases, the term “revenue requirement” is
11 generally used to refer to the utility’s necessary incremental change in revenues as measured
12 using the utility’s existing rates and cost of service.

13 Q. Are there objectives that must be met during the course of an audit of a
14 regulated utility in determining the revenue requirement components identified in your last
15 answer?

16 A. Yes. The objectives required for determining the revenue requirement for a
17 regulated utility can be summarized as follows:

18 1) Selection of a test year. The test year income statement represents the
19 starting point for determining a utility’s existing annual revenues, operating costs and net
20 operating income. Net operating income represents the return on investment based upon
21 existing rates. The test year selected for this case, Case No. WR-2008-0311, is the twelve
22 months ending December 31, 2007. “Annualization” and “normalization” adjustments are
23 made to the test year results when the unadjusted results do not fairly represent the utility’s
24 most current annual level of revenues and operating costs. Examples of annualization and
25 normalization adjustments are explained more fully later in this direct testimony.

1 2) Selection of a “test year update period.” A proper determination of
2 revenue requirement is dependent upon matching the components, rate base, return on
3 investment, revenues and operating costs at the same point in time. This ratemaking principle
4 is commonly referred to as the “matching” principle. It is a standard practice in ratemaking in
5 Missouri to utilize a period beyond the established test year for a case in which to match the
6 major components of a utility’s revenue requirement. It is necessary to update test year
7 financial results to reflect information beyond the established test year in order to set rates
8 based upon the most current information that can be subjected to audit, within the period
9 allowed, for the Commission to deliberate on a utility’s request to change its rate levels.
10 The update period that was agreed to and established for this particular case is the three
11 months ending March 31, 2008. The Staff’s direct case filing represents a determination of
12 Missouri-American’s revenue requirement based upon known and measurable results for
13 major components of the Company’s operations as of March 31, 2008.

14 3) Selection of a “true-up date” or “true-up period.” A true-up date
15 generally is established when a significant change in a utility’s cost of service occurs after the
16 end of the test year update period, but prior to the operation-of-law date, and one of the parties
17 and/or the Commission has decided this significant change in cost of service should be
18 considered for cost of service recognition in the current case. In this proceeding, the Staff is
19 recommending that a true-up audit to be performed. In Missouri-American’s direct filing, the
20 Company said it was planning on placing into service approximately \$125 million of plant
21 between the end of the test year and September 30, 2008. As of March 31, 2008,
22 Missouri-American has placed approximately \$13.7 million of plant into service, above the
23 test year-ending level, thus a true-up will be necessary to capture the revenue requirement

1 impact of the remaining projected \$111 million of plant additions, which will have a
2 significant impact on the Company's cost of service.

3 4) Determination of Rate of Return. A cost of capital analysis must be
4 performed to determine a fair rate of return on investment to be allowed on
5 Missouri-American's net investment (rate base) used in the provision of utility service. Staff
6 witness Matthew Barnes of the Financial Analysis Department has performed a cost of capital
7 analysis for this case.

8 5) Determination of Rate Base. Rate Base represents the utility's net
9 investment used in providing utility service. For its direct filing, the Staff has determined
10 MAWC's rate base as of March 31, 2008, consistent with the end of the test year update
11 period established for this case.

12 6) Determination of Net Income Required. The net income required for
13 Missouri-American is calculated by multiplying the Staff's recommended rate of return by the
14 rate base established as of March 31, 2008. The result represents net income required.
15 Net income required is then compared to net income available from existing rates to
16 determine the incremental change in the Company's rate revenues required to cover its
17 operating costs and provide a fair return on investment used in providing water and/or sewer
18 service. Net income from existing rates is discussed in the next paragraph.

19 7) Net Income from Existing Rates. Determining net income from
20 existing rates is the most time consuming process involved in determining the revenue
21 requirement for a regulated utility. The starting point for determining net income from
22 existing rates is the unadjusted operating revenues, expenses, depreciation and taxes for the
23 test year which is the twelve month period ending December 31, 2007, for this case. All of the

1 utility's specific revenue and expense categories are examined to determine whether the
2 unadjusted test year results require annualization or normalization adjustments in order to
3 fairly represent the utility's most current level of operating revenues and expenses.
4 Numerous changes occur during the course of any year that will impact a utility's annual level
5 of operating revenues and expenses.

6 8) The final step in determining whether a utility's rates are insufficient to
7 cover its operating costs and a fair return on investment is the comparison of net operating
8 income required (Rate Base x Recommended Rate of Return) to net income available from
9 existing rates (Operating Revenue less Operating Costs, Depreciation and Income Taxes).
10 The result of this comparison represents the recommended increase and/or decrease in the
11 utilities net income. This change in net income is then grossed up for income tax to determine
12 the recommended increase and/or decrease in the utilities operating revenues through a rate
13 change.

14 Q. Please identify the four types of adjustments which are made to unadjusted test
15 year results in order to reflect a utility's current annual level of operating revenues and
16 expenses.

17 A. The four types of adjustments made to reflect a utility's current annual
18 operating revenues and expenses are:

19 1) Normalization adjustments. Utility rates are intended to reflect normal
20 ongoing operations. A normalization adjustment is required when the test year data reflects
21 the impact of an abnormal event. For example, main break expense can vary from year to
22 year depending upon the number of main breaks that occur, thus an average is used to develop
23 the "normal" amount of main breaks that would occur on an annual basis.

1 2) Annualization adjustments. Annualization adjustments are the most
2 common adjustment made to test year results to reflect the utility's most current annual level
3 of revenue and expenses. Annualization adjustments are required when changes have
4 occurred during the test year and/or update period, which are not fully reflected in the
5 unadjusted test year results. For example, if a 3% pay increase occurred on August 1, 2007,
6 the December 2007 test year will only reflect five months of the impact of the payroll
7 increase. An annualization adjustment is required to capture the financial impact of the
8 payroll increase for the other seven months of the year.

9 3) Disallowance adjustments. Disallowance adjustments are made to
10 eliminate costs in the test year results that are not considered appropriate for recovery from
11 ratepayers. An example in this case is certain incentive compensation costs. In the Staff's
12 view, these costs are incurred to primarily benefit shareholder interests, and it is not
13 appropriate policy to pass these costs onto customers in rates. Therefore, these costs should
14 not be included in cost of service for recovery from ratepayers and the Staff has proposed to
15 disallow them from recovery in rates.

16 4) Proforma adjustments. Proforma adjustments are made to reflect a cost
17 increase that results entirely from increasing or decreasing the utility's annual revenue as a
18 result of a rate increase or rate reduction. The most common example of a proforma
19 adjustment is the grossing up of net income deficiency for income taxes. The example on the
20 following page illustrates this proforma adjustment:

Direct Testimony of
Kimberly K. Bolin

1	Net Income Required based upon Staff's Rate Base and Rate of Return	\$ 1,000,000
2	Net Income Available based upon Existing Rates	<u>\$ 600,000</u>
3	Additional Net Income Required	\$ 400,000
4	Tax Gross Up Factor based upon a 38.39% Effective Tax Rate	<u>x 1.6231</u>
5	Recommended Revenue Requirement Increase	<u>\$ 649,240</u>

6 In this example, the utility must increase its revenues \$649,240 in order to generate an
7 additional \$400,000 in after-tax net income required to provide the return on investment
8 considered reasonable by the Staff. The example reflects \$249,240 in additional revenue to
9 pay the current income tax which applies to any increase in the utility's operating revenue.
10 Another illustration, using the same assumptions will clarify the need for this proforma
11 adjustment for additional income tax:

12	Additional Revenue Collected in Rates from Rate Increase	\$ 649,240
13	Less Income Tax Due the IRS Based Upon a 38.39% Tax Rate	\$ (249,240)
14	Additional Net Income for Return on Investment	\$ 400,000

15 The above examples represent the normal proforma factoring up for income taxes
16 associated with a Commission approved rate increase.

17 Q. Please describe the Staff's direct revenue requirement filing in this proceeding.

18 A. The results of the Staff's audit of Missouri-American's rate case request
19 can be found in the Staff's filed Accounting Schedules, and is summarized on
20 Accounting Schedule 1, Revenue Requirement. This Accounting Schedule shows the Staff's
21 recommended revenue requirement for Missouri-American in this proceeding ranges from
22 approximately \$26,083,066 to \$30,590,796 based upon a recommended rate of return range of
23 7.52% to 7.95%. Staff's recommended revenue requirement includes an estimated true-up

1 allowance of approximately \$14.3 million. The Staff based its true-up allowance on
2 information provided by the Company indicating the districts in which plant additions were to
3 occur before September 30, 2008 and the amount of plant additions for each. The Staff's
4 recommended revenue requirement at the midpoint of the rate of return range (7.773%) is
5 \$28,331,674 (including true-up allowance).

6 Q. What revenue increase did the Company request from the Commission in this
7 case?

8 A. Missouri-American requested that its annual revenues be increased by
9 approximately \$49,622,515 for water revenues and \$133,012 for sewer revenues.

10 Q. What return on equity range is the Staff recommending for Missouri-American
11 in this case?

12 A. The Staff is recommending a return on equity range of 9.60% to 10.60%, with
13 a midpoint return on equity of 10.10%, as calculated by Staff Witness Barnes. The Staff's
14 recommended capital structure for Missouri-American is 42.85% common equity, 0.32%
15 preferred stock, 3.58% short-term debt and 53.24% long-term debt, based upon the
16 Company's consolidated actual capital structure as of March 31, 2008. When
17 Missouri-American's cost of debt, cost of preferred stock and above-referenced cost of equity
18 are input into this capital structure, the Company's resulting cost of capital to apply to rate
19 base is in a range of 7.52% to 7.95%, with 7.73% the midpoint value. The Staff's
20 recommended weighted cost of capital is explained in more detail in Section V of the Staff's
21 Cost of Service Report.

1 Q. What items are included in the Staff's recommended rate base in this case?

2 A. All rate base items were determined as of the update period ending date of
3 March 31, 2008, either through a balance on Missouri-American's books as of that date or a
4 13-month average balance ending on March 31, 2008. These rate base items included:

- 5 • Plant in Service
- 6 • Accumulated Reserve for Depreciation
- 7 • Materials and Supplies
- 8 • Prepayments
- 9 • Customer Advances
- 10 • Contributions in Aid of Construction
- 11 • Prepaid Pension Asset
- 12 • FAS 87 Pension Tracking Regulatory Asset
- 13 • FAS 106 OPEBs Tracking Regulatory Asset
- 14 • Pension Liability
- 15 • OPEB Asset
- 16 • Tank Painting Tracker
- 17 • Accumulated Deferred Tax Reserve

18 Q. What are the significant income statement adjustments the Staff made in
19 determining Empire's revenue requirement for this case?

1 A. A summary of the Staff's significant income statement adjustments follows:

2 **Operating Revenues**

- 3 • Retail Revenues adjusted for customer growth and the impact of the rate
4 increase granted to Missouri-American in October 2007 in Case No.
5 WR-2007-0216.

6 **Depreciation and Amortization Expense**

- 7 • Depreciation Expense annualized based upon existing rates and plant in service
8 as of March 31, 2008.

9 **Corporate Service Company (Management) Fees**

- 10 • The Staff updated allocated Service Company payroll to reflect the
11 Service Company payroll as of March 31, 2008.

12 **Payroll and Employee Benefit Costs**

- 13 • Payroll expense annualized on that basis of employee levels and wages as of
14 March 31, 2008.
15 • Payroll taxes and payroll benefits annualized as of March 31, 2008.

16 **Maintenance Normalization Adjustments**

- 17 • Main Break Expense was normalized using a five-year average of the number
18 of main breaks and a three-year average of costs per break. This adjustment is
19 for the St. Louis District only.

- 1 • Staff is proposing to continue the tank painting tracker at the present level of
2 \$1,000,000 annually.

3 **Other Non-Labor Expenses**

- 4 • Property taxes calculated on a consistent basis with the plant in service balance
5 as of December 31, 2007.
- 6 • Bad debt expense calculated on the basis of a combination of yearly averages
7 for each district. A five-year average was used for 10 of the 13 districts, a four
8 year average was used for the St. Louis district, and a three year average was
9 used for Warren County Water and Cedar Hill sewer districts.
- 10 • Missouri-American's estimated rate case expense normalized over three years.
- 11 • Belleville lab expenses were reduced to reflect Staff's allocation of the indirect
12 lab costs charged to Missouri-American by Belleville Lab Service Company

13 Q. What reliance did you place on the work or conclusions of other Staff
14 members?

15 A. An expert determining the revenue requirement for a regulated utility must rely
16 on the work from others responsible for developing specific inputs into the cost of service
17 calculation. I, and the other assigned Staff auditors, relied on the work from numerous other
18 Staff members in calculating a revenue requirement for Missouri-American in this case.
19 Depreciation rates, normalized usage, and recommended rate of return are some examples of
20 data supplied to the Audit Department as inputs into the Staff's cost of service calculation. In
21 my opinion, the effect of these inputs on Missouri-American's revenue requirement appears to
22 be reasonable based upon my prior experience in other cases. The qualifications for all Staff
23 members not filing direct testimony who provided input to the sections to the Staff's Cost of

1 Service Report are attached as an appendix to the Report. Further, each non-testifying Staff
2 member is identified at the conclusion of each section authored and has signed affidavits that
3 are attached to the Staff's Cost of Service Report.

4 Q. What are the biggest differences which contribute to the different rate increase
5 recommendations filed by the Company and the Staff in this proceeding?

6 A. From the Staff's perspective, there are two primary differences. The first issue
7 is the return on equity component of the rate of return calculation. Missouri-American's
8 single-point return on equity recommendation is 11.25%, while the Staff's midpoint
9 ROE recommendation is 10.10%. The dollar difference between the Company and the Staff
10 on this issue is approximately \$4.4 million.

11 The second difference is the amount of plant in service. Staff has used plant in service
12 as of March 31, 2008, while the Company has used a September 30, 2008 projected plant in
13 service. The dollar impact of the difference in plant in service is approximately \$11.6 million.
14 This difference will be reduced significantly during the true-up audit procedure.

15 As a result of its audit of other areas of the Company's operations, the Staff has
16 proposed other adjustments as appropriate to either increase or decrease Missouri-American's
17 cost of service. However, these adjustments are not of the same overall magnitude as the
18 adjustments discussed above.

19 Q. Is it possible that significant differences exist between the Staff's revenue
20 requirement positions and those of other parties besides Missouri-American in this
21 proceeding?

22 A. Yes. However, the other parties are filing their direct testimony, if any,
23 concurrent with the Staff's filing. Until the Staff has a chance to examine the direct testimony

1 of other participants, it is impossible to determine what differences exist and how material
2 they may be.

3 Q. Do significant differences exist between the Staff and Missouri-American in
4 their direct filings regarding issues without a revenue requirement impact?

5 A. No.

6 Q. Please identify the Staff witness responsible for addressing each area where
7 there is a known and significant difference between the Staff and the Company that is
8 addressed in this testimony or in the Report in Section III, Major Issues.

9 A. The Staff witness for each listed issue is as follows:

<u>Issue</u>	<u>Staff Witness</u>
Return on Equity	Matthew J. Barnes
Plant in Service	Keith Foster
Revenue	JerryScheible/Kofi Boateng
Payroll	Dana E.Eaves
Insurance Other than Group	Dana E. Eaves
Hydrant Maintenance	Kimberly Bolin

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17 Q. When will the Staff be filing its customer class cost of service/rate design
18 testimony and report in this proceeding?

19 A. The Staff's direct customer class cost of service/rate design recommendations
20 will be filed on September 3, 2008.

21 Q. Does this conclude your direct testimony in this proceeding?

22 A. Yes, it does.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of Missouri-American Water)
Company's request for authority to) Case No. WR-2008-0311
implement a general rate increase for water)
and sewer service provided in Missouri)
Service Areas)

AFFIDAVIT OF KIM BOLIN

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

Kim Bolin, 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 -16 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.

Kim Bolin
Kim Bolin

Subscribed and sworn to before me this 18th day of August, 2008.

NIKKI SENN
Notary Public - Notary Seal
State of Missouri
Commissioned for Osage County
My Commission Expires: October 01, 2011
Commission Number: 07287016

Nikki Senn
Notary Public

Kimberly K. Bolin
Utility Regulatory Auditor IV

EDUCATION

Bachelors of Business Administration
Central Missouri State University, Warrensburg, MO – May 1993

PROFESSIONAL EXPERIENCE

Missouri Public Service Commission
Utility Regulatory Auditor V
January 2008-Present
Utility Regulatory Auditor IV
November 2006 – January 2008
Utility Regulatory Auditor III
March 2006 – November 2006
Accountant I
April 2005 – February 2006

Missouri Office of the Public Counsel
Public Utility Accountant
September 1994 – April 2005

Missouri Department of Revenue, Taxation
Tax Processing Technician
July 1993 – August 1994

I graduated from Central Missouri State University in Warrensburg, Missouri, with a Bachelor of Science in Business Administration, major emphasis in Accounting, in May 1993. Before coming to work at the Missouri Public Service Commission, I was employed by the Missouri Office of the Public Counsel as a Public Utility Accountant from September 1994 to April 2005. I commenced employment with the Missouri Public Service Commission in April 2005.

I am responsible for performing audits and examinations of the books and records of public utilities operating within the state of Missouri. Please refer to Schedule KKB 1, for a list of the cases in which I have filed testimony before the Missouri Public Service Commission.

**CASE PARTICIPATION
OF
KIMBERLY K. BOLIN**

<u>Company Name</u>	<u>Case Number</u>	<u>Testimony/Issues</u>	<u>Contested or Settled</u>
Missouri Gas Utility, Inc.	GR-2008-0060	<u>Report on Cost of Service</u> – Plant-in Service/Capitalization Policy, Plant-in Service/Purchase Price Valuation, Depreciation Reserve, Revenues, Uncollectible Expense	Settled
Laclede Gas Company	GR-2007-0208	<u>Direct</u> - Test Year and True-Up, Environmental costs, AAOs, Revenue, Miscellaneous Revenue, Gross receipts Tax, Gas Costs, Uncollectibles, EWCR, AMR, Acquisition Adjustment	Settled
Kansas City Power & Light Company	ER-2006-0314	<u>Direct</u> - Gross Receipts Tax, Revenues, Weather Normalization, Customer Growth/Loss Annualization, Large Customer Annualization, Other Revenue, Uncollectible (Bad Debt) Expense, Payroll, A&G Salaries Capitalization Ratio, Payroll Taxes, Employer 401 (k) Match, Other Employee Benefits <u>Surrebuttal</u> - Uncollectible (Bad Debt) Expense, Payroll, A&G Salaries Capitalization Ratio, Other Employee Benefits	Contested
Missouri Gas Energy	GR-2006-0204	<u>Direct</u> - Payroll, Incentive Compensation, Payroll Taxes, Employee Benefits, Lobbying, Customer & Governmental Relations Department, Collections Contract	Settled

WHILE EMPLOYED WITH THE OFFICE OF THE PUBLIC COUNSEL

<u>Company Name</u>	<u>Case Number</u>	<u>Testimony/Issues</u>	<u>Contested or Settled</u>
Missouri Gas Energy	GU-2005-0095	<u>Rebuttal</u> - Accounting Authority Order <u>Surrebuttal</u> - Accounting Authority Order	Contested
The Empire District Electric Company	ER-2004-0570	<u>Direct</u> - Payroll	Settled

**CASE PARTICIPATION
OF
KIMBERLY K. BOLIN**

<u>Company Name</u>	<u>Case Number</u>	<u>Testimony/Issues</u>	<u>Contested or Settled</u>
Missouri-American Water Company & Cedar Hill Utility Company, Inc.	SM-2004-0275	<u>Direct</u> - Acquisition Premium	Settled
Missouri Gas Energy	GR-2004-0209	<u>Direct</u> - Safety Line Replacement Program; Environmental Response Fund; Dues & Donations; Payroll; Customer & Governmental Relations Department Disallowance; Outside Lobbyist Costs <u>Rebuttal</u> - Customer Service; Incentive Compensation; Environmental Response Fund; Lobbying/Legislative Costs <u>True-Up</u> - Rate Case Expense	Contested
Osage Water Company	ST-2003-0562 / WT-2003-0563	<u>Direct</u> - Payroll <u>Rebuttal</u> - Payroll; Lease Payments to Affiliated Company; Alleged Legal Requirement of a Reserve	Case Dismissed
Missouri-American Water Company	WR-2003-0500	<u>Direct</u> - Acquisition Adjustment; Water Treatment Plant Excess Capacity; Retired Treatment Plan; Affiliated Transactions; Security AAO; Advertising Expense; Customer Correspondence	Settled
The Empire District Electric Company	ER-2002-424	<u>Direct</u> - Dues & Donations; Memberships; Payroll; Security Costs <u>Rebuttal</u> - Energy Traders' Commission <u>Surrebuttal</u> - Energy Traders' Commission	Settled

**CASE PARTICIPATION
OF
KIMBERLY K. BOLIN**

<u>Company Name</u>	<u>Case Number</u>	<u>Testimony/Issues</u>	<u>Contested or Settled</u>
Laclede Gas Company	GR-2002-356	<u>Direct</u> - Advertising Expense; Safety Replacement Program and the Copper Service Replacement Program; Dues & Donations; Rate Case Expense <u>Rebuttal</u> - Gas Safety Replacement Program / Deferred Income Taxes for AAOs	Settled
Missouri-American Water Company	WO-2002-273	<u>Rebuttal</u> - Accounting Authority Order <u>Cross-Surrebuttal</u> - Accounting Authority Order	Contested
Environmental Utilities, LLC	WA-2002-65	<u>Direct</u> - Water Supply Agreement <u>Rebuttal</u> - Certificate of Convenience & Necessity	Contested
Warren County Water & Sewer Company	WC-2002-160 / SC-2002-155	<u>Direct</u> - Clean Water Act Violations; DNR Violations; Customer Service; Water Storage Tank; Financial Ability; Management Issues <u>Surrebuttal</u> - Customer Complaints; Poor Management Decisions; Commingling of Regulated & Non-Related Business	Contested
Laclede Gas Company	GR-2001-629	<u>Direct</u> - Advertising Expense; Safety Replacement Program; Dues & Donations; Customer Correspondence	Settled
Gateway Pipeline Company	GM-2001-585	<u>Rebuttal</u> - Acquisition Adjustment; Affiliated Transactions; Company's Strategic Plan	Contested
The Empire District Electric Company	ER-2001-299	<u>Direct</u> - Payroll; Merger Expense <u>Rebuttal</u> - Payroll <u>Surrebuttal</u> - Payroll	Settled

**CASE PARTICIPATION
OF
KIMBERLY K. BOLIN**

<u>Company Name</u>	<u>Case Number</u>	<u>Testimony/Issues</u>	<u>Contested or Settled</u>
Osage Water Company	SR-2000-556/ WR-2000-557	<u>Direct</u> - Customer Service	Contested
St. Louis County Water Company	WR-2000-844	<u>Direct</u> - Main Incident Expense	Settled
Missouri-American Water Company	WR-2000-281/ SR-2000-282	<u>Direct</u> - Water Plant Premature Retirement; Rate Case Expense <u>Rebuttal</u> - Water Plant Premature Retirement <u>Surrebuttal</u> - Water Plant Premature Retirement	Contested
Laclede Gas Company	GR-99-315	<u>Direct</u> - Advertising Expense; Dues & Donations; Miscellaneous Expense; Items to be Trued-up	Contested
St. Joseph Light & Power Company	HR-99-245	<u>Direct</u> - Advertising Expense; Dues & Donations; Miscellaneous Expense; Items to be Trued-up <u>Rebuttal</u> - Advertising Expense <u>Surrebuttal</u> - Advertising Expense	Settled
St. Joseph Light & Power Company	ER-99-247	<u>Direct</u> - Merger Expense; Rate Case Expense; Deferral of the Automatic Mapping/Facility Management Costs <u>Rebuttal</u> - Merger Expense; Rate Case Expense; Deferral of the Automatic Mapping/Facility Management Costs <u>Surrebuttal</u> - Merger Expense; Rate Case Expense; Deferral of the Automatic Mapping/Facility Management Costs	Settled

**CASE PARTICIPATION
OF
KIMBERLY K. BOLIN**

<u>Company Name</u>	<u>Case Number</u>	<u>Testimony/Issues</u>	<u>Contested or Settled</u>
Laclede Gas Company	GR-98-374	<u>Direct</u> - Advertising Expense; Gas Safety Replacement AAO; Computer System Replacement Costs	Settled
Missouri Gas Energy	GR-98-140	<u>Direct</u> - Payroll; Advertising; Dues & Donations; Regulatory Commission Expense; Rate Case Expense	Contested
Gascony Water Company, Inc.	WA-97-510	<u>Rebuttal</u> - Rate Base; Rate Case Expense; Cash Working Capital	Settled
Union Electric Company	GR-97-393	<u>Direct</u> - Interest Rates for Customer Deposits	Settled
St. Louis County Water Company	WR-97-382	<u>Direct</u> - Interest Rates for Customer Deposits, Main Incident Expense	Settled
Associated Natural Gas Company	GR-97-272	<u>Direct</u> - Acquisition Adjustment; Interest Rates for Customer Deposits <u>Rebuttal</u> - Acquisition Adjustment; Interest Rates for Customer Deposits <u>Surrebuttal</u> - Interest Rates for Customer Deposits	Contested
Missouri-American Water Company	WA-97-45	<u>Rebuttal</u> - Waiver of Service Connection Charges	Contested
Imperial Utility Corporation	SC-96-427	<u>Direct</u> - Revenues, CIAC <u>Surrebuttal</u> - Payroll; Uncollectible Accounts Expense; Rate Case Expense, Revenues	Settled
St. Louis County Water Company	WR-96-263	<u>Direct</u> -Main Incident Repairs <u>Rebuttal</u> - Main Incident Repairs <u>Surrebuttal</u> - Main Incident Repairs	Contested

**CASE PARTICIPATION
OF
KIMBERLY K. BOLIN**

<u>Company Name</u>	<u>Case Number</u>	<u>Testimony/Issues</u>	<u>Contested or Settled</u>
Steelville Telephone Exchange, Inc.	TR-96-123	<u>Direct</u> - Depreciation Reserve Deficiency	Settled
Missouri-American Water Company	WR-95-205/ SR-95-206	<u>Direct</u> - Property Held for Future Use; Premature Retirement of Sewer Plant; Depreciation Study Expense; Deferred Maintenance <u>Rebuttal</u> - Property Held for Future Use; Premature Retirement of Sewer Plant; Deferred Maintenance <u>Surrebuttal</u> - Property Held for Future Use; Premature Retirement of Sewer Plant	Contested
St. Louis County Water Company	WR-95-145	<u>Rebuttal</u> - Tank Painting Reserve Account; Main Repair Reserve Account <u>Surrebuttal</u> - Main Repair Reserve Account	Contested