

Exhibit No.:	_____
Issue(s):	Rate Case Expense Plant/Depreciation Reserve
Witness/Type of Exhibit:	Roth/True-Up Rebuttal
Sponsoring Party:	Public Counsel
Case No.:	WR-2013-0461

TRUE-UP REBUTTAL TESTIMONY

OF

KERI ROTH

Submitted on Behalf of the Office of the Public Counsel

LAKE REGION WATER & SEWER COMPANY

CASE NO. WR-2013-0461

March 11, 2014

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

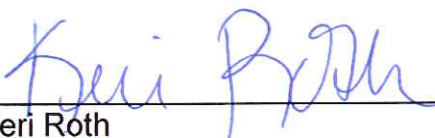
In the Matter of Lake Region Water &)
Sewer Company's Application to)
Implement a General Rate Increase) File No. WR-2013-0461
in Water and Sewer Service)

AFFIDAVIT OF KERI ROTH

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Keri Roth, of lawful age and being first duly sworn, deposes and states:

1. My name is Keri Roth. I am a Public Utility Accountant I for the Office of the Public Counsel.
2. Attached hereto and made a part hereof for all purposes is my true-up rebuttal 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.



Keri Roth
Public Utility Accountant I

Subscribed and sworn to me this 11th day of March 2014.



JERENE A. BUCKMAN
My Commission Expires
August 23, 2017
Cole County
Commission #13754037



Jerene A. Buckman
Notary Public

My Commission expires August, 2017.

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**TRUE-UP REBUTTAL TESTIMONY
OF
KERI ROTH**

**LAKE REGION WATER & SEWER COMPANY
CASE NO. WR-2013-0461**

I. INTRODUCTION

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. Keri Roth, PO Box 2230, Jefferson City, Missouri 65102-2230.

Q. ARE YOU THE SAME KERI ROTH THAT HAS PREVIOUSLY FILED REBUTTAL,
SURREBUTTAL, AND TRUE-UP DIRECT TESTIMONY IN THIS CASE?

A. Yes.

II. PURPOSE OF TESTIMONY

Q. WHAT IS THE PURPOSE OF YOUR TRUE-UP REBUTTAL TESTIMONY?

A. The purpose of this True-Up Rebuttal Testimony is to respond to the True-Up Direct
Testimony of MPSC Staff witness Ms. Erin M. Carle regarding rate case expense and
MPSC Staff witness Ms. Kimberly K. Bolin regarding plant and depreciation reserve.

III. RATE CASE EXPENSE

Q. WHAT IS THE AMOUNT OF RATE CASE EXPENSE STAFF BELIEVES SHOULD BE RECOVERED BY THE COMPANY?

A. Ms. Carle states in her True-Up Direct Testimony on page 3, lines 17 – 18:

As of March 4, 2014, Staff has been provided invoices by the Company for rate case expense totaling \$61,693.

Q. WHAT IS THE AMOUNT OF RATE CASE EXPENSE OPC BELIEVES SHOULD BE RECOVERED BY THE COMPANY?

A. OPC believes rate case expense totaling \$61,766 should be recovered in rates by the Company.

Q. WHAT IS THE DIFFERENCE BETWEEN MPSC STAFF AND OPC REGARDING THE AMOUNT OF RATE CASE EXPENSE THAT SHOULD BE RECOVERED BY THE COMPANY?

A. OPC has included an invoice for mileage that was reimbursed to Mr. John R. Summers for \$73.46. Per discussion with Mr. Summers, this expense has been erroneously recorded in account 933.00 – Transportation Expense in February 2014. This amount should be reclassified to account 981.00 – 2013 Rate Case. This rate case expense item

1 has been brought to Staff's attention, and OPC believes Staff will update this item in

2 True-Up Rebuttal Testimony.

3
4 A. HAS STAFF CHANGED THEIR TREATMENT METHODOLOGY FOR RATE
5 CASE EXPENSE?

6 Q. Yes. Ms. Carle states in her True-Up Direct Testimony on page 3, lines 2 – 5:

7 Staff is proposing a five-year normalization because the Company
8 has given no indication as to when it anticipates filing its next rate
9 case, and has not apprised Staff of any large capital improvement
10 projects that would make it necessary for the Company to file a
11 new case at a particular time in the future.
12

13 Q. DOES OPC AGREE WITH STAFF'S NEW TREATMENT OF RATE CASE
14 EXPENSE?

15 A. Yes.
16

17 **IV. PLANT/DEPRECIATION RESERVE**

18 Q. DOES OPC AGREE WITH ADJUSTMENTS MADE IN THE TRUE-UP PERIOD
19 FOR SHAWNEE BEND SEWER IN ACCOUNT 372.2 – TREATMENT AND
20 DISPOSAL EQUIPMENT?

21 A. No.
22

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1 Q. PLEASE EXPLAIN.

2 A. Staff has entered an addition to plant in account 372.2 in the amount of \$1,868 for a
3 pump replacement. Staff also made an entry for retirement of the old pump in the
4 amount of \$1,100. Also, an entry was made for salvage corrections for removal of the
5 Shawnee Bend lagoon in the amount of \$1,940. OPC believes these entries were already
6 included in account 372.2 as part of the test year and are therefore duplicative.
7

8 Q. DOES OPC AGREE WITH ADJUSTMENTS MADE IN THE TRUE-UP PERIOD
9 FOR SHAWNEE BEND SEWER IN ACCOUNT 353.2 – SERVICES TO
10 CUSTOMERS?

11 A. No. Staff has entered an addition to plant in account 353.2 in the amount of \$624 for
12 services to customers. OPC believes this entry has already been included as an expense
13 in the test year under Shawnee Bend Sewer Operating Expenses, Company general
14 ledger account 721.2. OPC believes this amount is duplicative and should be removed
15 from plant.
16

17 Q. DOES THIS CONCLUDE YOUR TRUE-UP REBUTTAL TESTIMONY?

18 A. Yes.
19