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May 7, 2002

Mr. Dale H. Roberts
Secretary/Chief Regulatory Law Judge
Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

**Re: Missouri-American Water Company
Case No. WO-2002-273**

Dear Mr. Roberts:

Enclosed for filing in the above-referenced case please find the original and eight copies **Cross-Surrebuttal Testimony of Kimberly K. Bolin (HC and NP versions)**. Please "file" stamp the extra-enclosed copy and return it to this office.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in cursive script, appearing to read "M. Ruth O'Neill".

M. Ruth O'Neill
Assistant Public Counsel

MRO:jb

cc: Counsel of Record

SERVICE LIST
CASE NO. WO-2002-273
MAY 7, 2002

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Exhibit No.: _____

Issue(s): Accounting Authority Order

Witness // Type of Exhibit: Bolin/Cross-Surrebuttal

Sponsoring Party: Public Counsel

Case No.: WO-2002-273

CROSS-SURREBUTTAL TESTIMONY

OF

KIMBERLY K. BOLIN

Submitted on Behalf of the Office of the Public Counsel

MISSOURI-AMERICAN WATER COMPANY

Case No. WO-2002-273

May 7, 2002

NP

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

In the Matter of the Joint Application)
of Missouri-American Water Company,)
St. Louis Water Company, d/b/a Missouri-)
American Water Company and Jefferson)
City Water Works, d/b/a Missouri-American)
Water Company for an accounting authority)
order relating to security costs.)

Case No. WO-2002-273

AFFIDAVIT OF KIMBERLY K. BOLIN

STATE OF MISSOURI)
) ss
COUNTY OF COLE)


Kimberly K. Bolin, of lawful age and being first duly sworn, deposes and states:

1. My name is Kimberly K. Bolin. I am a Public Utility Accountant for the Office of the Public Counsel.
2. Attached, hereto and made a part hereof for all purposes, is my cross-surrebuttal testimony consisting of pages 1 through 3 and Schedule KKB-2.
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.


Kimberly K. Bolin

Subscribed and sworn to me this 7th day of May, 2002.

KATHLEEN HARRISON
Notary Public - State of Missouri
County of Cole
My Commission Expires Jan. 31, 2006


Kathleen Harrison, Notary Public

My Commission expires January 31, 2006.

CROSS-SURREBUTTAL TESTIMONY

OF

KIMBERLY K. BOLIN

MISSOURI-AMERICAN WATER COMPANY

CASE NO. WO-2002-273

Q. PLEASE STATE YOUR NAME AND ADDRESS.

A. Kimberly K. Bolin, P.O. Box 7800, Jefferson City, Missouri 65102.

**Q. ARE YOU THE SAME KIMBERLY K. BOLIN WHO FILED REBUTTAL
TESTIMONY IN THIS CASE?**

A. Yes.

Q. WHAT IS THE PURPOSE OF YOUR CROSS-SURREBUTTAL TESTIMONY?

A. The purpose of my cross-surrebuttal testimony is to explain the difference between the expense figures used by Missouri Public Service Commission Staff (Staff) witness Janice Fischer's rebuttal testimony and to update my rebuttal testimony to point out an additional concern about the Company's request for an AAO.

**Q. ON PAGE 8, LINES 11-14 OF STAFF WITNESS JANICE FISCHER'S
REBUTTAL TESTIMONY WHAT ARE THE COSTS SHE LISTS?**

1 A. Ms. Fischer lists the following costs:

<u>Description of Expenditure</u>	<u>Amount</u>	
** _____ **	** _____ **	
** _____ **	** _____ **	(Heightened alert status)
** _____ **	** _____ **	(Heightened alert status)

6 Q. DOES COMPANY WITNESS FRANK KARTMANN USE THE SAME COST AMOUNTS
7 IN HIS DIRECT TESTIMONY?

8 A. Yes. On Schedule FLK-3 he uses the same amounts.

9 Q. WHAT AMOUNTS DID YOU USE IN YOUR REBUTTAL TESTIMONY?

10 A. I used the following amounts for heightened status:

<u>Description of Expenditure</u>	<u>Amount</u>	
** _____ **	** _____ **	
** _____ **	** _____ **	(Heightened alert status)
** _____ **	** _____ **	(Heightened alert status)

15 Q. WHY DID YOU USE THESE FIGURES INSTEAD OF THE FIGURES THAT MR.
16 KARTMANN AND MS. FISCHER USED?

17 A. I used these figures because they were provided in staff data request number 1014 (See Attached
18 Schedule KKB-2) as an update to Schedule FLK-3.

19 Q. DID THE COMPANY PROVIDE A REASON AS TO WHY THE AMOUNTS
20 CHANGED FOR MONTHLY ON-GOING EXPENSES BY ** _____ ** ON AN
21 ANNUAL BASIS?

1 A. Yes, the Company stated in Staff Data Request number 1014, **“ _____

2 _____

3 _____

4 _____.” **

5 Q. IN YOUR ATTACHED SCHEDULE KKB-2.5, ONE OF THE DEFERRED ONE-
6 TIME EXPENDITURES IS LISTED AS ** _____ **.

7 WHAT ARE ** _____ **?

8 A. The Company has defined ** _____

9 _____

10 _____.” **

11 Q. SHOULD THE COMPANY BE ALLOWED TO RECOVER THESE COSTS THROUGH
12 AN ACCOUNTING AUTHORITY ORDER IF INCLUDED IN THESE COSTS ARE
13 THE COSTS OF ORDINARY CUSTOMER DISCONNECTIONS?

14 A. No. Customer disconnections are a normal, on-going expense that the Company and that are
15 provided for in the cost of service during a rate case. Public Counsel is further investigating this
16 matter to see if customer disconnections are included in the Company’s AAO request.

17 Q. DOES THIS CONCLUDE YOUR CROSS-SURREBUTTAL TESTIMONY?

18 A. Yes.

SCHEDULE KKB-2
HAS BEEN DEEMED
HIGHLY CONFIDENTIAL
IN ITS ENTIRETY.