

Exhibit No:  
Issue: Public Hearing Comments  
Witness: Dan A. Watkins  
Type of Exhibit: Rebuttal Testimony  
Sponsoring Party: City of Rolla  
Case No.: EA-2000-308  
Date Testimony Prepared: November 30, 2000

PREPARED  
REBUTTAL TESTIMONY

OF

DAN A. WATKINS

on behalf of

CITY OF ROLLA / ROLLA MUNICIPAL UTILITIES

FILED<sup>3</sup>  
NOV 30 2000  
Missouri Public  
Service Commission

November 30, 2000

### **Prepared Rebuttal Testimony of Dan A. Watkins**

1 Q. Please state your name for the record.

2 A. Dan A. Watkins.

3 Q. Are you the same Dan A. Watkins that caused to be filed prepared direct and surrebuttal  
4 testimony in ~~this~~ proceeding?

5 A. Yes.

6 Q. What is the purpose of this rebuttal testimony?

7 A. There was a public hearing held in this case in Rolla on the evening of October 24, 2000.  
8 It is my understanding that the Regulatory Law Judge ruled at that hearing that we would  
9 be able to file prepared rebuttal to the public comments. (See Transcript p. 27 lines 24-25  
10 and p. 28, lines 1 through 3) I have been out of the state for several weeks and have just  
11 been able to review the transcript of the hearing.

12 Q. How is your rebuttal testimony organized?

13 A. I have organized it by witness at the public hearing.

14 Q. Do you have any comments on the testimony of Gustov Mauller?

15 A. Yes, a couple. On page 14 at lines 14 through 21, Mr. Mauller talks about a conversation  
16 he had with me. It comes as no surprise to me that Mr. Mauller's rendition of my  
17 conversation with him is twisted from the way I remember it. He was trying to convince  
18 me that the City should somehow support the formation of a water and sewer district and  
19 that there should be some entity that would require the City and a water district to work  
20 together for the good of the district. My comment to him was that I wasn't aware of any  
21 entity that would step in and require the City to do that.

1           On page 15 at lines 7 through 9, Mr. Mauller alleges that the City "brought in  
2           Union Electric's lawyers." Mr. Mauler is grossly misinformed if he thinks that "Union  
3           Electric's lawyers" assisted the City regarding the formation of Public Water Supply  
4           District #3 or the annexation process. Union Electric was not involved at any time.

5       Q.    Do you have any comments on the testimony of Julian Harrison?

6       A.    Yes. On page 21 at lines 1 through 3 of the transcript, I believe Mr. Harrison is referring  
7           to the verbiage in the City's annexation plan of intent that states that the residents in the  
8           Southside annexation area will remain customers of Intercounty Electric Cooperative  
9           Association (IECA) after the annexation. Clearly that was the City's intent at the time.  
10          The City's intent at that time was also based on the understanding that several of us  
11          associated with the City had at that time that IECA would make a payment in lieu of tax  
12          (PILOT) and provide services to the City comparable to those now being provided to the  
13          City by Rolla Municipal Utilities. After the annexation, however, IECA made it clear to  
14          the City that they had no intention of doing that. At that point, the City decided to pursue  
15          relief under the provisions of RSMO 386.800. This situation is similar to this example.  
16          One friend calls another and they agree to meet in ten minutes. One of them begins the  
17          journey and is involved in an accident and is unable to meet at the agreed upon place.  
18          The other having waited well beyond the agreed time is upset and believes she has been  
19          misled. Clearly the intent was to meet at the agreed time, however the circumstances  
20          changed and prevented the meeting from happening.

21       Q.    Do you have any comments on the testimony of Don Priest?

22       A.    On page 32 of the transcript, Mr. Priest is discussing a survey. From his comments at  
23           lines 22 through 24, it is apparent that the "survey" that was conducted was apparently

1 done so at IECA's request. Also, the information that IECA provided to Rolla regarding  
2 its list of meters and customers was originally classified by IECA as "Highly  
3 Confidential" under the protective order, and then subsequently reclassified at our request  
4 as "Proprietary" so we didn't have to hire an outside expert just to determine who the  
5 customers were, where they were, and how much they paid for the twelve month period.  
6 Apparently this same list of customers was quickly provided by IECA to the petition  
7 signature collectors without such a requirement to protect it from public disclosure.

8 On page 34 of the transcript at lines 18 through 23, Mr. Priest makes reference to  
9 the turnout at the public hearing. I think it is presumptuous for Mr. Priest to assume that  
10 everyone that attended the public hearing was there only to assert that they wanted the  
11 Commission to deny Rolla's request for exclusive service territory in the Southside  
12 Annexation area. It is clear to me from the questions that I received prior to the formal  
13 public hearing, that at least some of the people came just to obtain information.

14 Q. Do you have any comments on the testimony of Harry Harnes?

15 A. Yes. With regard to his testimony on page 38 of the transcript at lines 5 through 14, I  
16 would like to point out that Mr. Harnes refers to Mr. Priest representing "the whole  
17 group" and that he "has represented us all very well in the last few years in this battle  
18 against Intercounty--pardon me--against RMU and against Southside annexation." This  
19 clearly shows that the people that opposed the Southside Annexation are largely the same  
20 people that are opposed to the Commission assigning the area to RMU as its exclusive  
21 electric service territory. Their complaints now are just further representative of their  
22 frustration at the City's successful annexation process.

23 Q. Do you have any comments on the testimony of Virginia Hays Priest?

1 A. Yes. I think her testimony about signature gathering on page 43, at lines 12 through 14  
2 are further evidence that the survey was conducted at IECA's behest.

3 Q. Do you have any comments on the testimony of Diana Henry?

4 A. Yes. On page 54 at lines 8 through 15, she makes the same sort of comment that Mr.  
5 Harrison did regarding the City's previous intent to allow IECA to remain. Rather than  
6 repeat my comments about that again, I would refer you back to my comments above  
7 regarding Mr. Harrison's testimony.

8 In addition, Ms. Henry testifies at length about issues related to water and sewer  
9 service with the City. The relevance of this to electric service isn't clear to me, but I  
10 would like to point out that Ms. Henry scheduled a meeting with the Rolla Board of  
11 Public Works (RMU's governing board) on two different occasions to discuss issues  
12 related to water service and the required capping of her well, and she failed to show up  
13 either time.

14 Q. Do you have any comments on the testimony of Edward Tenes?

15 A. Yes. Mr. Tenes does not have property in the Southside annexation area and therefore is  
16 unaffected by the outcome of this filing.

17 Q. Do you have any comments on the testimony of Tim Brandenburger?

18 A. Yes, but they are the same as I made regarding the testimony of Julian Harrison so I  
19 won't repeat them.

20 Q. Do you have any comments on the testimony of Bill Hamilton?

21 A. Mr. Hamilton does not have property in the Southside annexation area, and is therefore  
22 unaffected by the outcome of this filing.

23 Q. Does this conclude your testimony in rebuttal to the public comments at the hearing on

1           October 24, 2000?

2       A.     Yes.

AFFIDAVIT

STATE OF MISSOURI     )  
                                      )ss  
COUNTY OF COLE     )

Dan A. Watkins, being of lawful age and being first duly sworn, states that he has participated in the preparation of the foregoing written testimony in question and answer form to be presented in the referenced proceeding; that the answers were given by him; that he has knowledge of the matters set forth in such answers, and that such matters are true to the best of his knowledge and belief.

Dan A. Watkins  
Dan A. Watkins

Subscribed and sworn to before me this 30<sup>th</sup> day of November, 2000.

My commission expires: Robbin Henley Griffith  
12-28-01

