

Exhibit No.:
Issues: Maintenance Contract
Witness: David W. Elliott
Sponsoring Party: MoPSC
Type of Exhibit: Rebuttal Testimony
Case No.: ER-2001-299
Date Testimony Prepared: May 3, 2001

MISSOURI PUBLIC SERVICE COMMISSION

UTILITY OPERATIONS DIVISION

REBUTTAL TESTIMONY

OF

DAVID W. ELLIOTT

THE EMPIRE DISTRICT ELECTRIC COMPANY

CASE NO. ER-2001-299

**Jefferson City, Missouri
May, 2001**

Exhibit No. 79
Date 5/29/01 Case No. ER-2001-299
Reporter KR

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OF

DAVID W. ELLIOTT

THE EMPIRE DISTRICT ELECTRIC COMPANY

CASE NO. ER-2001-299

Q. Please state your name.

A. David W. Elliott.

Q. Are you the same David W. Elliott who has previously filed direct testimony in this case?

A. Yes, I am.

Q. What is the purpose of your rebuttal testimony?

A. The purpose of my rebuttal testimony is to respond to the direct testimony of Empire witness Gary L. Groninger regarding a contract for maintenance at the State Line Combined Cycle Unit, and State Line Unit No. 1.

Q. Did you review the direct testimony of Mr. Gary L. Groninger?

A. Yes.

Q. Does his direct testimony include an analysis of the costs savings for a long-term maintenance contract for the State Line Combined Cycle Unit, and State Line Unit No. 1?

A. Yes; however, Staff was informed that the contract had not yet been executed.

Q. Has Empire updated Staff on the status of the maintenance contract?

Rebuttal Testimony of
David W. Elliott

1 A. Staff has been informed by Empire that there are now two contracts under
2 consideration. One contract is for maintenance of the State Line Combined Cycle Unit,
3 and the other is for maintenance of State Line Unit No. 1 and Energy Center Units Nos. 1
4 and 2.

5 Q. Did Empire indicate when it expected these contracts would be executed?

6 A. No.

7 Q. If the contracts have been executed and provided to the Staff in time for
8 the Staff to review them before the true-up filings, will the Staff consider these contracts
9 as a basis for maintenance expenses in the context of this rate case?

10 A. Yes.

11 Q. Will the Staff automatically include this level of maintenance expense if it
12 receives the contracts and supporting documentation prior to the true-up hearings?

13 A. No. Staff will first review the contracts, including all supporting
14 documentation and economic analyses performed by the Company, to determine if the
15 actual costs associated with the contracts are cost effective relative to paying for
16 maintenance as it occurs.

17 Q. Does this conclude your rebuttal testimony?

18 A. Yes, it does.

IN THE MATTER OF THE)
APPLICATION OF THE EMPIRE)
DISTRICT ELECTRIC COMPANY FOR)
A GENERAL RATE INCREASE)

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

David Elliott
David Elliott

Subscribed and sworn to before me this 2nd day of May, 2001.

DAVID L. HAKE
Notary Public - State of Missouri
County of Cole
My commission expires Jan 9, 2005

David L. Hake
Notary Public