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Service Commission

# Exhibit No. 107

Staff – Exhibit 107 Foster Rebuttal File No. WR-2023-0344

Exhibit No.:

Issue(s): Revenue Requirement Witness: Keith D. Foster Sponsoring Party: MoPSC Staff
Type of Exhibit: Rebuttal Testimony

Case No.: WR-2023-0344

Date Testimony Prepared: October 24, 2023

# MISSOURI PUBLIC SERVICE COMMISSION FINANCIAL & BUSINESS ANALYSIS DIVISION **AUDITING DEPARTMENT**

#### **REBUTTAL TESTIMONY**

**OF** 

KEITH D. FOSTER

THE RAYTOWN WATER COMPANY

**CASE NO. WR-2023-0344** 

Jefferson City, Missouri October 2023

1		REBUTTAL TESTIMONY OF	
2		KEITH D. FOSTER	
3		THE RAYTOWN WATER COMPANY	
4		CASE NO. WR-2023-0344	
5	Q.	Please state your name and business address.	
6	A.	Keith D. Foster, 200 Madison Street, Suite 440, Jefferson City, MO 65101.	
7	Q.	By whom are you employed and in what capacity?	
8	A.	I am a Utility Regulatory Audit Supervisor for the Missouri Public Service	
9	Commission ("Commission"), a member of Commission Staff ("Staff").		
10	Q.	Are you the same Keith D. Foster who filed direct testimony in this case on	
11	October 10, 2023?		
12	A.	Yes, I am.	
13	Q.	What is the purpose of your rebuttal testimony in this proceeding?	
14	A.	The purpose of my testimony is to provide a general overview of Staff's audit	
15	of The Raytown Water Company ("RWC") in support of its request for an increase in rates.		
16	Q.	Did Staff conduct a full investigation of RWC in response to its rate increase	
17	request applications?		
18	A.	Yes. As part of Staff's investigation, Staff met with RWC and provided both	
19	RWC and the Office of the Public Counsel ("OPC") the results of its investigation. After		
20	discussions between the parties, Staff and RWC reached a non-unanimous disposition		
21	agreement regarding the resolution of RWC's water rate increase request filed on April 4, 2023.		
22	The resulting Non-Unanimous Agreement Regarding Disposition of Small Utility Company		
23	Revenue Increase Request ("Agreement") was filed on September 13, 2023. Staff's Auditing		

Unit Recommendation Memorandum ("Memorandum") and its associated attachments were 1 2 included as schedules to my direct testimony. 3 Q. Briefly, what steps did Staff perform to determine a revenue requirement for this case? 4 Staff conducted a review of RWC's books and records. For purposes of its 5 A. 6 audit, Staff utilized a test year of twelve-months ending December 31, 2022, updated through 7 June 30, 2023, for known and measurable changes. Staff reviewed all capital investments, 8 revenues, and expenses for the period January 1, 2020, through June 30, 2023, for purposes of 9 conducting its review in this rate case proceeding. 10 Q. In Staff's review of RWC's books and records, did Staff identify any significant 11 concerns that need to be brought to the Commission's attention? A. 12 No we did not. 13 Q. Has the revenue requirement increase Staff recommended in this case changed 14 since your direct testimony? 15 A. Not at this time. However, there will be some adjustments to be made for Depreciation Reserve and Rate Case Expense as addressed in Angela Niemeier's and 16 Sherrye Lesmes' rebuttal testimonies. 17 18 Does this conclude your rebuttal testimony? Q. 19 A. Yes it does.

## BEFORE THE PUBLIC SERVICE COMMISSION

## OF THE STATE OF MISSOURI

In the Matter of the Application of a Rate Increase of Raytown Water Company	) Case No. WR-2023-0344
AFFIDAVIT O	F KEITH D. FOSTER
STATE OF MISSOURI ) ) ss. COUNTY OF COLE )	
	nd on his oath declares that he is of sound mind and bing <i>Rebuttal Testimony of Keith D. Foster</i> ; and that best knowledge and belief.
Further the Affiant sayeth not.	KEITH D. FOSTER
	JURAT  constituted and authorized Notary Public, in and for y office in Jefferson City, on this/8th day
D. SUZIE MANKIN Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: April 04, 2025 Commission Number: 12412070	Auszellankin Notary Public