



Liberty Utilities (Missouri Water) LLC. d.b.a. Liberty
Case No. WR-2024-0104
Office Public Counsel Data Request - 8507

Data Request Received: 2024-08-12

Response Date: 2024-09-03

Request No. 8507

Witness/Respondent: Dane Watson

Submitted by: John Robinett, John.Robinett@opc.mo.gov

REQUEST:

At Page 16 of Schedule DAW-2, Mr. Watson's depreciation study states the following: "None of the accounts have sufficient history to perform actuarial analysis. Over time, the Company will maintain detailed property records that will eventually allow actuarial analysis to be incorporated in future depreciation studies". Please confirm or deny that this is true for all water and sewer accounts. If not, please list all accounts that this statement is not accurate for by water and sewer separately.

RESPONSE:

Confirmed. At this point, the current amount of data lacks statistical validity (except for two short-lived accounts), rendering any resulting analysis of no real value. Going forward, data will be accumulated for all plant accounts, water and sewer. In the process of performing depreciation studies in the future, the same depreciation study process (as described in Schedule DAW-2, pages 21-23) will occur. Where sufficient data exists, future studies will incorporate actuarial analysis in the evaluation process, which also incorporates interviews with Company subject matter experts. The two short-lived accounts with some statistical validity due to their shorter life cycles (3251 – submersible pumps and 3460 - meters) had changes in operational characteristics that rendered the results less meaningful. This is discussed in the report for the two accounts.