

FILED
June 8, 2020
Data Center
Missouri Public
Service Commission

Exhibit No.: **Exhibit 302**
Issue(s): *Infrastructure System
Replacement Surcharge*
Witness: *Ali Arabian*
Sponsoring Party: *MoPSC Staff*
Type of Exhibit: *Direct Testimony*
Case No.: *WO-2020-0190*
Date Testimony Prepared: *May 22, 2020*

MISSOURI PUBLIC SERVICE COMMISSION
FINANCIAL AND BUSINESS ANALYSIS DIVISION
AUDITING DEPARTMENT

DIRECT TESTIMONY

OF

ALI ARABIAN

MISSOURI-AMERICAN WATER COMPANY

CASE NO. WO-2020-0190

Jefferson City, Missouri
May 2020

1 **DIRECT TESTIMONY**

2 **OF**

3 **ALI ARABIAN**

4 **MISSOURI-AMERICAN WATER COMPANY**

5 **CASE NO. WO-2020-0190**

6 Q. Please state your name and business address.

7 A. Ali Arabian, P.O. Box 360, Suite 440, Jefferson City, MO 65102.

8 Q. By whom are you employed and in what capacity?

9 A. I am employed by the Missouri Public Service Commission (“Commission”) as
10 a Utility Regulatory Auditor II.

11 Q. Please describe your educational background and work experience.

12 A. I graduated from Lincoln University in Jefferson City, Missouri, with a Bachelor
13 of Science in Accounting, in May 2004. I graduated with a Masters of Business Administration
14 (“MBA”) with an emphasis in Accounting from Lincoln University in Jefferson City, MO
15 in May 2007. I have previously worked in various jobs in the areas of accounting and auditing.
16 I began my employment with the Commission in September 2017.

17 Q. Have you previously filed testimony before this Commission?

18 A. Yes. I have filed testimony in Case No. WR-2017-0285, Case No.
19 GO-2018-0310, and Case No. ER-2019-0374.

20 Q. What is the purpose of your testimony in this case?

21 A. I am sponsoring Auditing Staff’s recommendation for Missouri American
22 Water’s Infrastructure System Replacement Surcharge (“ISRS”) application for Case No.
23 WO-2020-0190 filed on May 1, 2020.

Direct Testimony of
Ali Arabian

1 Q. Are you the same Ali Arabian who contributed to the Memorandum attached to
2 the Staff Recommendation filed on May 1, 2020, in Case No. WO-2020-0190?

3 A. Yes.

4 Q. What is staff's recommended ISRS revenue requirement in this case?

5 A. Staff's recommended ISRS revenue requirement for MAWC in this petition
6 is \$9,725,687.

7 Q. Is the information contained in the Auditing Staff's Recommendation true and
8 accurate to the best of your knowledge?

9 A. Yes

10 Q. Does this conclude your direct testimony in this proceeding?

11 A. Yes, it does.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Petition of Missouri-)
American Water Company for Approval to)
Change an Infrastructure System Replacement)
Surcharge (ISRS))
Case No. WO-2020-0190

AFFIDAVIT OF ALI ARABIAN

STATE OF MISSOURI)
)
COUNTY OF COLE) ss.

COME NOW Ali Arabian and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Direct Testimony*; and that the same is true and correct according to his best knowledge and belief, under penalty of perjury.

Further the Affiant sayeth not.

/s/ Ali Arabian
Ali Arabian

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Petition of Missouri-)
American Water Company for Approval to) Case No. WO-2020-0190
Change an Infrastructure System Replacement)
Surcharge (ISRS))

AFFIDAVIT OF ALI ARABIAN

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COME NOW Ali Arabian and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Direct Testimony*; and that the same is true and correct according to his best knowledge and belief, under penalty of perjury.

Further the Affiant sayeth not.

/s/ *Ali Arabian* _____
Ali Arabian

Ali Arabian

Educational, Employment Background and Credentials

I am a Utility Regulatory Auditor II in the Auditing Department for the Missouri Public Service Commission. I was hired by the Commission in September 2017. Prior to joining the Commission, I was employed the Missouri Department of Corrections from 2013 to 2017 as an Auditor. Also, I have worked for the Missouri State Auditor's office as a Staff Auditor.

I earned a Bachelor of Science degree in Accounting from Lincoln University in Jefferson City, MO in May 2004. I earned a Masters of Business Administration (MBA) with an emphasis in Accounting from Lincoln University in Jefferson City, MO in May 2007.

Case Participation

Company Name	Case Number(s)	Testimony/Issues
Missouri American Water Company	WR-2017-0285	Dues and Donations, Other Rate Base items, Postage Expense, PSC Assessment, Leases
Middle Fork Water Company	WR-2018-0328	PSC Assessment, Maintenance Expense, Chemical Expense, Utility Expense, Permits, fees, and testing, Office Supplies Expense, Insurance Expense, Outside Services, Telephone Expense, Materials & Supplies expense
Spire Missouri - West	GO-2018-0310	ISRS
Rogue Creek Sewer Company	WM-2019-0018 SM-2019-0019	Depreciation Expense and CIAC
S.K. & M Water and Sewer Company	SR-2019-0157	Dues and Fees, Payroll and Payroll Taxes, Miscellaneous Expense, Property Taxes, Rate Case Expense, Bad Debt Expense, Water and Sewer Revenue annualization
Missouri American Water Company	WO-2019-0389	ISRS
The Empire District Electric Company	ER-2019-0374	Payroll and Payroll Tax, Employee Benefits, Injuries & Damages, Insurance Expense, Worker's compensation, O&M percentage