Exhibit No.:

Issue: Maintenance Expense Witness: Amanda C. McMellen

Sponsoring Party: MoPSC Staff
Type of Exhibit: Rebuttal Testimony

Case No.: ER-2001-672

Date Testimony Prepared: January 8, 2002

MISSOURI PUBLIC SERVICE COMMISSION UTILITY SERVICES DIVISION

REBUTTAL TESTIMONY

OF

AMANDA C. McMELLEN

Service Commission

UTILICORP UNITED INC. d/b/a MISSOURI PUBLIC SERVICE

CASE NO. ER-2001-672

Jefferson City, Missouri January 2002

1	REBUTTAL TESTIMONY
2	OF
3	AMANDA C. McMELLEN
4	UTILICORP UNITED INC.
5	d/b/a MISSOURI PUBLIC SERVICE
6	CASE NO. ER-2001-672
7	Q. Please state your name and business address.
8	A. Amanda C. McMellen, P.O. Box 360, Suite 440, Jefferson City, MO
9	65102.
10	Q. By whom are you employed and in what capacity?
11	A. I am a Regulatory Auditor for the Missouri Public Service Commission.
12	Q. Are you the same Amanda C. McMellen that has previously filed direct
13	testimony in this case?
14	A. Yes, I am.
15	Q. What is the purpose of this testimony?
16	A. The purpose of this testimony is to provide information regarding the
17	current status of the Staff's recommendations as to an appropriate rate allowance for
18	maintenance expense as a result of changes made as a result of the prehearing in this case
19	for Missouri Public Service (MPS or Company), a division of UtiliCorp United Inc.
20	Q. What is the current status of maintenance expense?
21	A. Maintenance expense was updated by the Staff to reduce the accrual for
22	turbine overhaul maintenance. During the prehearing, the Company reminded the Staff
23	that MPS has changed from a five-year maintenance schedule to a seven-year
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Rebuttal Testimony of Amanda C. McMellen

maintenance schedule. Reflecting this change in the Staff's recommended level of maintenance expense resulted in increases to the Staff's adjustments to the production maintenance accounts, totaling \$143,000. The Staff has updated its maintenance adjustments to reflect the new seven-year maintenance schedule.

- Q. Please explain which adjustments were updated.
- A. Income Statement adjustments S-20.2, S-21.2, S-22.2, S-23.2, S-24.2, S-30.2, S-31.2, S-32.2 and S-33.4 were updated based on the new information. Please reference Schedule 1 attached to this testimony for the updated calculations.
 - Q. Does this complete your rebuttal testimony?
 - A. Yes, it does.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of the Application of the Tariff Filing of Missouri Public Service (MPS) A Division of UtiliCorp United Inc., to Implement a General Rate Increase for Retail Electric Service Provided to Customers in the Missouri Service Area of MPS))))	Case No. ER-2001-672
AFFIDAVIT OF V. AMAND	OA C. Mo	EMELLEN
STATE OF MISSOURI)		
COUNTY OF COLE) ss.		
Amanda C. McMellen, being of lawful ag participated in the preparation of the foregoing answer form, consisting of pages to be answers in the foregoing Rebuttal Testimony wer of the matters set forth in such answers; and that best of her knowledge and belief.	Rebutta presente e given l	al Testimony in question and ed in the above case; that the by her; that she has knowledge
Qu.	ion de	cmmelh
		. McMELLEN

Subscribed and sworn to before me this 2 day of January 2002.

TONI M. CHARLTON NOTARY PUBLIC STATE OF MISSOURI COUNTY OF COLE My Commission Expires December 28, 2004



Prepared By: Amanda C. McMellen

Utilicorp/ Missouri Public Service Case No. ER-01-672 Calculation of Normalized Maintenance Expense For the Year 2000

Production	Maintenance	Evnense
Flourcion	Maintenance	Expense

Account	1998	1999	2000[37	'ear Total	٨٨١	iustment*	8 41: 44
510	\$1,230,815						
		\$1,038,169	\$1,075,122	\$3,344,106	L\$	(28,680)	S- 20.2
511	\$656,281	\$1,007,459	\$1,191,507	\$2,855,247	\ <u>\$</u>	(31,785)	S-21.2
512	\$4,023,879	\$4,747,666	\$5,078,777	\$13,850,322		(135,482)	
513	\$2,860,174	\$2,942,519	\$2,476,731	\$8,279,424		(66,070)	
514	\$35,597	\$93,733	\$158,664	\$287,994			S- 24.2
551	\$919	\$36	\$1,955	\$2,910	_		S- 30.2
552	\$53,762	\$91,780	\$56,095	\$201,637	_		S- 31.2
553	\$459,495	\$469,489	\$370,697	\$1,299,681			S- 32.2
554	\$1,653	\$316	\$12,627	\$14,596			S-33.4
Total Production	\$9,322,575	\$10,391,167	\$10,422,175	\$30,135,917	一		
Less Payroll	(\$2,862,531)	(\$3,131,478)	(\$3,359,773)	(\$9,353,782)	İ		
Less Overhaul Accrual	(\$500,000)	(\$500,000)	(\$500,000)	(\$1,500,000)	ì		
Net Production	\$5,960,044	\$6,759,689	\$6,562,402	\$19,282,135	1		
3 Year Average Production Maintenance Expense				\$6,427,378	ĺ		
Staff Adjustment \$6,427,378 - (\$10,422,175 (2000 Books) - \$3,359,773 (Payroll) - \$357,000 (Overhaul Accrual))			Overhaul Accrual))	(\$278,024)	1		

Transmission Maintenance Expense							
Account	1998	1999	2000 3Y	ear Total	Adiu	stment*	Adi#
568	\$45,799	\$64,060	\$48,299	\$158,158			S-45.2
569	\$75,795	\$34,868	\$29,882	\$140,545			S- 46.5
570	\$368,849	\$550,710	\$405,460	\$1,325,019	\$ (S- 47.5
571	\$574,299	\$967,618	\$1,106,976	\$2,648,893	\$ (1	13.731)	S-48.5
572	\$6,996	\$33	\$97	\$7,126			
573	\$149,307	\$145,489	\$112,839	\$407,635	\$ ((11,603)	S- 49.5
Total Transmission	\$1,221,045	\$1,762,778	\$1,703,553	\$4,687,376			
Less Payroll	(\$319,980)	(\$372,278)	(\$295,236)	(\$987,494)	1		
Net Transmission	\$901,065	\$1,390,500	\$1,408,317	\$3,699,882	1		
3 Year Average Transmission Maintenance Expense				\$1,233,294	1		
Staff Adjustment \$1,233,294- (\$1,703	3,553 (2000 Books) - \$295,	236 (Payroll))		(\$175,023)	i		

Distribution	Maintenance	Expense

Account	1998	1999	2000 3Yes	ar Total	Adi	iustment*	Adj#
590	\$302,792	\$42,271	\$26,471	\$371,534	_		S- 60.2
591	\$31,920	\$20,635	\$52,759	\$105,314	_	(3,630)	
592	\$617,176	\$554,952	\$581,186	\$1,753,314	\$	(39,991)	
593	\$5,124,631	\$5,237,918	\$5,775,400	\$16,137,949	\$	(397,402)	
594	\$280,420	\$521,957	\$738,289	\$1,540,666		(50,801)	
595	\$47,616	\$40,721	\$33,560	\$121,897	\$	(2,309)	S- 65.2
596	\$348,544	\$297,654	\$356,531	\$1,002,729	\$	(24,533)	S- 66.2
597	\$85,910	\$68,844	\$23,618	\$178,372	\$		S- 67.5
598	\$729,066	\$787,020	\$868,069	\$2,384,155	\$	(59,731)	S- 68.5
Total Distribution	\$7,568,075	\$7,571,972	\$8,455,883	\$23,595,930			<u>'</u>
Less Payroll	(\$2,713,921)	(\$2,435,913)	(\$2,588,010)	(\$7,737,844)	1		
Net Distribution	\$4,854,154	\$5,136,059	\$5,867,873	\$15,858,086	1		
3 Year Average Distribution Maintena				\$5,286,029	1		
Staff Adjustment \$5,286,029 - (\$8,455,883 (2000 Books) - \$2,588,010 (Payroll))				(\$581,844)	1		

^{*} Allocated based on 2000 information

(\$1,034,891)