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Missouri Public Service Commission

Exhibit No.:

Issues:

Fuel Expenses

Witness:

David W. Elliott

Sponsoring Party: MO PSC Staff

Type of Exhibit: Rebuttal Testimony

Case No.:

ER-2004-0034

& HR-2004-024

Date Testimony Prepared:

January 26, 2004

MISSOURI PUBLIC SERVICE COMMISSION UTILITY OPERATIONS DIVISION

REBUTTAL TESTIMONY

OF

DAVID W. ELLIOTT

AQUILA, INC. D/B/A AQUILA NETWORKS L&P AND AGUILA NETWORKS MPS

CASE NO. ER-2004-0034

Jefferson City, Missouri January 2004

Denotes Highly Confidential Information

Exhibit No. Case No(s). ER-2004-0031 Date 6193164

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In The Matter Of Aquilo, Inc Networks L&P And Aquila To Implement A General R Electricity	Networks MPS) Case No. ER-2 HR-2004-0024	1904-0034 & 4 (Consolidated)	
AFFIDAVIT OF DAVID W. ELLIOTT				
STATE OF MISSOURI)			
COUNTY OF COLE) 55 }			
David W. Ellion, of lawful age, on his oath states: that he has participated in the preparation of the following written testimony in question and answer form, consisting of 3 pages of testimony to be presented in the above case, that the answers in the attached written testimony were given by him; that he has knowledge of the matters ser forth in such answers; and that such matters are true to the best of his knowledge and belief.				
			David W. Ellion	
Subscribed and sworn to before me this				
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My commission expires	Metary Post	Copie of Absorber and Code Incomes Jan 9, 2005	Notary Public	

1		REBUTTAL TESTIMONY	
2		OF	
3		DAVID W. ELLIOTT	
4		AQUILA, INC.	
5		D/B/A AQUILA NETWORKS-MPS	
6	;	AND AQUILA NETWORKS-L&P	
7		CASE NOS. ER-2004-0034 and HR-2004-0024	
8		(CONSOLIDATED)	
9			
10	Q.	Please state your name.	
11	A.	David W. Elliott.	
12	Q.	Are you the same David W. Elliott who has previously filed direct	
13	testimony in this case?		
14	A.	Yes, I am.	
15	Q.	What is the purpose of your rebuttal testimony?	
16	A.	The purpose of my rebuttal testimony is to provide the Staff's revised	
17	production co	est simulation results reflecting three changes made by the Staff following	
18	the pre-hearin	g conference, and to explain why those changes were made.	
19	Q.	What are the results of the revised production cost simulations?	
20	A.	The results of the revised electric and steam production cost simulations	
21	are shown in	Schedule 1. These results indicate that the appropriate level of annual fuel	
22	and purchase	d power cost for Aquila, Inc. (Aquila) is ** HC ** for electric	
23	joint dispatch	and ** HC ** for steam sales. When allocated as described in my	
- 11	ii e		

	Rebuttal Testimony of David W. Elliott
1	direct testimony, the annual fuel expense for Aquila Networks-MPS is ** HC **
2	and for Aquila Networks-L&P is ** HC **.
3	Q. What was the first change made to the production cost simulation results?
4	A. The first change was made in order to correct an error in the available
5	capacity of the Aries contract in the simulation. This increased fuel costs by
6	** HC ** for electric joint dispatch, and ** HC ** for steam sales.
7	Q. Why was this change made?
8	A. During the pre-hearing meetings with Aquila, it was determined that the
9	available capacity for the months of January through March was incorrect. Staff reduced
10	the amount of capacity for those months and re-ran the simulation.
11	Q. What was the second change made?
12	A. The Aquila Networks-MPS net system loads increased. This resulted in
13	an increase in fuel costs of ** HC ** for electric joint dispatch, and
14	** HC ** for steam sales. Staff witness Richard Campbell provided these new loads
15	and explains how the loads changed in his rebuttal testimony. Staff witness Amanda
16	McMellen explains why the loads changed in her rebuttal testimony.
17	Q. What was the third change made?
18	A. The coal price supplied by Staff witness Graham Vesely for Jeffrey
19	Energy Center increased. This increased fuel costs by ** HC ** for electric joint
20	dispatch, and ** HC ** for steam sales. Mr. Vesely explains the reason for the increase
21	in the Jeffrey Energy Center coal price in his rebuttal testimony.
22	Q. Did any party raise any other issues regarding fuel modeling during the
23	prehearing conference?

Rebuttal Testimony of David W. Elliott

1

A. No.

2

Q. Does this conclude your rebuttal testimony?

3

A. Yes, it does.

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Schedule 1 Has Been Deemed
Highly Confidential
In Its Entirety