Exhibit No.:

Issues: Interim Energy

Charge

Witness:

David W. Elliott

Sponsoring Party:

MO PSC Staff

Type of Exhibit:

Surrebuttal Testimony

Case No.:

ER-2004-0034 &

HR-2

HR-2004-0024 (Consolidated)

Date Testimony Prepared:

February 20, 2004

## MISSOURI PUBLIC SERVICE COMMISSION UTILITY OPERATIONS DIVISION SURREBUTTAL TESTIMONY

APR 2 9 2004

Missouri Public Service Commission

**OF** 

**DAVID W. ELLIOTT** 

AQUILA, INC.

D/B/A AQUILA NETWORKS -- MPS

AND AQUILA NETWORKS -- L&P

CASE NOS. ER-2004-0034 & HR-2004-0024 (CONSOLIDATED)

Jefferson City, Missouri February 2004

Exhibit No. 18

Case No(s). Exposure Octor

Date | 93|64 | Rptr | XF

## BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In The Matter Of Aquila, Inc. D/B/A Aquila Networks L&P And Aquila Networks MPS To Implement A General Rate Increase In Electricity	) Case No. FR-2004-0034 &								
AFFIDAVIT OF DAVID W. ELLIOTT									
STATE OF MISSOURI ) ) ss COUNTY OF COLE )									
David W. Elliott, 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 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 set forth in such answers; and that such matters are true to the best of his knowledge and belief.									
Subscribed and sworn to before me this	Notary Public								
My commission expires County	of Cole Thotal y Public Expires Lan 9, 2005								

1		SURREBUTTAL 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 and					
13	rebuttal testim	ony in this case?					
14	A.	Yes, I am.					
15	Q.	What is the purpose of your surrebuttal testimony?					
16	A.	The purpose of my surrebuttal testimony is to present the range of fuel					
17	model results	that are shown on Schedule 1 and referred to in the testimony of Staff					
18	witness James	C. Watkins.					
19	Q.	What fuel model results are on Schedule 1?					
20	Α.	Schedule 1 shows the range of results for various scenarios based on a					
21	range of natur	al gas prices, and purchased power prices and availability that were used in					
22	developing th	e Staff's position on the Interim Energy Charge. All other inputs into the					
23	model were th	ne same as I presented in my direct and rebuttal testimony. For comparison,					

Surrebuttal Testimony of David W. Elliott

- the column labeled "Staff Gas Prices, Staff Purchased Power" shows the results of the runs supporting the Staff's position on Fuel and Purchased power costs from my rebuttal testimony.
  - Q. Does this conclude your surrebuttal testimony?
  - A. Yes, it does.

4

5

## SUMMARY OF MODEL RUNS

	\$5.64 Aquila Gas Prices Aquila Purchased Power	\$5.64 Aquila Gas Prices Staff Purchased Power	\$4.00 Aquila Gas Prices Aquila Purchased Power	\$4.00 Aquila Gas Prices Staff Purchased Power	Staff Gas Prices Staff Purchased Power	\$3.5 Aquila Gas Prices Staff Purchased Power
JOINT DISPATCH \$ \$/MWH	\$135,693,397 \$17,523	\$126,480,142 \$16.332	\$117,762,165 \$15.205	\$117,203,807 \$15.133	\$117,794,402 \$15.208	\$111,768,524 \$14.433
MPS DIVISION STAND ALONE \$/MWH	\$121,857,059 \$20.966	\$110,457,397 \$18.994	\$102,068,295 \$17.558	\$101,470,613 \$17.456	\$101,875,217 \$17.520	\$96,906,275 \$16.672
L&P DIVISION STAND ALONE \$ \$/MWH	\$28,335,305 \$14.661	\$26,105,593 \$13.502	\$25,600,331 \$13.245	\$23,406,854 \$12.108	\$25,167,762 \$13.018	\$24,705,251 \$12.779
MPS DIVISION ALLOCATED \$	\$110,093,468 \$18.942	\$102,302,002 \$17.592	\$94,148,294 \$16.195	\$95,235,293 \$16.383	\$94,458,823 \$16.244	\$89,062,868 \$15.322
L&P DIVISION ALLOCATED \$ \$/MWH	\$25,599,929 \$13.246	\$24,178,140 \$12.505	\$23,613,871 \$12.218	\$21,968,514 \$11.364	\$23,335,579 \$12.071	\$22,705,656 \$11.745
STEAM \$ \$/mmBTU	\$6,577,882 \$3.514	\$6,057,674 \$3.236	\$5,003,995 \$2.673	\$4,744,722 \$2.535	\$4,864,401 \$2.599	\$4,374,480 \$2.337