

Exhibit No.:
Issues: Cost of Removal/Salvage
Witness: Cary G. Featherstone
Sponsoring Party: MoPSC Staff
Type of Exhibit: Direct Testimony
Case No.: GR-2004-0072
Date Testimony Prepared: January 6, 2004

**MISSOURI PUBLIC SERVICE COMMISSION
UTILITY SERVICES DIVISION**

**DIRECT TESTIMONY
OF
CARY G. FEATHERSTONE**

FILED³

JUN 21 2004

Missouri Public
Service Commission

**AQUILA, INC.
D/B/A AQUILA NETWORKS - MPS NATURAL GAS
AND AQUILA NETWORKS - L&P NATURAL GAS
CASE NO. GR-2004-0072**

*Jefferson City, Missouri
January 2004*

EXHIBIT NO. 31
DATE 3-30-04 Case No. GR-2004-0072
REPORTER KF

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of Aquila, Inc. d/b/a Aquila)
Networks-MPS and Aquila Networks-L&P,)
Natural Gas General Rate Increase)

Case No. GR-2004-0072

AFFIDAVIT OF CARY G. FEATHERSTONE

STATE OF MISSOURI)
)
COUNTY OF COLE) ss.

Cary G. Featherstone, being of lawful age, on his oath states: that he has participated in the preparation of the following Direct Testimony in question and answer form, consisting of 12 pages to be presented in the above case; that the answers in the following Direct Testimony were given by him; that he has knowledge of the matters set forth in such answers; and that such matters are true and correct to the best of his knowledge and belief.


Cary G. Featherstone

Subscribed and sworn to before me this 5th day of January 2004.


Notary



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

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DIRECT TESTIMONY
OF
CARY G. FEATHERSTONE
AQUILA, INC.
d/b/a AQUILA NETWORKS-MPS NATURAL GAS
AND AQUILA NETWORKS - L&P - NATURAL GAS
CASE NO. GR-2004-0072

Q. Please state your name and business address.

A. Cary G. Featherstone, 3675 Noland Road, Independence, Missouri.

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

A. I am a Regulatory Auditor with the Missouri Public Service Commission
(Commission).

Q. Please describe your educational background.

A. I graduated from the University of Missouri at Kansas City in December 1978
with a Bachelor of Arts degree in Economics. My course work also included study in the
field of Accounting.

Q. What has been the nature of your duties while in the employ of this
Commission?

A. I have assisted, conducted and supervised audits and examinations of the books
and records of public utility companies operating within the state of Missouri. I have
participated in examinations of electric, industrial steam, natural gas, water, sewer and
telecommunication companies. I have been involved in cases concerning proposed rate

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1 increases, earnings investigations and complaint cases as well as cases relating to mergers and
2 acquisitions and certification cases.

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

4 A. Yes, I have. Schedule 1 to this testimony is a summary of rate cases in which I
5 have submitted testimony. In addition, Schedule 1 also identifies other cases where I directly
6 supervised and assisted in audits of several public utilities, but where I did not file testimony.

7 Q. With reference to Case No. GR-2004-0072, have you examined and studied the
8 books and records of Aquila Inc. (Aquila or Company) and its Missouri natural gas divisions,
9 Aquila Networks - MPS (MPS) and Aquila Networks- L & P (Light & Power or L & P)?

10 A. Yes, with the assistance other members of the Commission Staff (Staff).

11 Q. What is the purpose of your direct testimony?

12 A. I will provide testimony that supports Staff's positions on the rate treatment
13 cost of removal/ salvage.

14 Q. How did you perform the audit of Aquila?

15 A. I reviewed data request answers provided by the Company and had discussions
16 with Aquila personnel. I reviewed the Board of Directors minutes, Annual Reports to the
17 Shareholders and SEC Forms 10-K and 10-Qs.

18 Q. What knowledge, skill, experience, training or education do you have in these
19 matters?

20 A. I have acquired general knowledge of these topics through my experience and
21 analyses in prior rate cases, complaint cases, merger cases and certificate cases before the
22 Commission. I have participated in several Aquila rate cases, complaint cases, merger cases
23 and certificate cases and filed testimony on a variety of topics. I have also acquired

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1 knowledge of these topics through review of Staff work papers for prior rate cases brought
2 before this Commission relating to Aquila. I have reviewed the Company's testimony, work
3 papers and responses to data requests addressing these topics. I participated in interviews of
4 Company personnel relating to the Aries issue. In addition, my college coursework primarily
5 included accounting, auditing and economics classes.

6 Q. Please identify which adjustments you are sponsoring.

7 A. For the Aquila Networks - MPS natural gas operations, I am sponsoring
8 adjustments S-76.1 for the north and south system, S-76.1 for the eastern system for Cost of
9 Removal/Salvage. For the Aquila Networks - Light & Power natural gas operations, I am
10 sponsoring S-74.1 for Cost of Removal/Salvage. These adjustments appear on Accounting
11 Schedule 10, Adjustments to Income Statement.

12 Q. What caused Staff's review in this case?

13 A. On August 1, 2003, Aquila filed for a \$5.6 million increase or a 11.1%
14 increase in rates for the natural gas operations of Aquila's MPS division and \$800,000
15 increase or a 13.9% increase in rates for the natural gas operations of Aquila's L&P division
16 in the state of Missouri.

17 Q. What test year is being used in this case?

18 A. The test year authorized by the Commission in its October 9, 2003 Order was
19 the calendar year ending 2002 with an update for known and measurable period through
20 September 30, 2003.

21 Staff witness Phillip K. Williams describes the test year utilized in this case and the
22 period to update the test year for known and measurable changes in his direct testimony.

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1 Q. Will your testimony relate to both Aquila Networks – MPS and Aquila
2 Networks – L & P?

3 A. Yes. References in this testimony to MPS refer to the Missouri jurisdictional
4 natural gas operations of Aquila. References in this testimony to Light & Power or L & P
5 refer to the Missouri jurisdictional natural gas operations of Aquila in and about St. Joseph.

6 Q. How are Aquila's natural gas operations organized in the state of Missouri?

7 A. Aquila has three natural gas systems: MPS – North and South System, MPS –
8 Eastern System and Light & Power System. Staff witness Williams describes in his direct
9 testimony the creation of the Eastern System by Aquila. The Light & Power System is the
10 result of the merger of Aquila and the former St. Joseph Light & Power Company on
11 December 31, 2000, as approved by the Commission's Order in Case No. EM-2000-292.

12 Q. Has the revenue requirement calculation been combined to reflect all three
13 natural gas systems?

14 A. No. Staff witness Williams explains in his direct testimony the need to
15 separate the three natural gas systems. Staff has presented its case based on three individual
16 revenue requirement calculations for MPS – North and South System, MPS – Eastern System
17 and Light & Power System. These three systems has separate tariffs, separate natural gas
18 supplies and are not interconnected together, as such, they are not integrated systems. In
19 addition, Aquila and Union Electric (d/b/a AmerenUE) have recently filed a joint application
20 asking the Commission to approve Union Electric's acquisition of Aquila's Eastern System.
21 This case is designated as Case No. GM-2004-0244. If the Commission approves this sale of
22 the Eastern System, the rates resulting from this case will need to be separated from those of
23 Aquila's other natural gas systems.

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1 Q. Does Aquila have any other rate cases pending before the Commission?

2 A. Yes. Aquila's MPS and L & P divisions, in addition to providing regulated
3 natural gas services, also provides electric and steam services to the state of Missouri. On
4 July 3, 2003, Aquila filed for a \$65 million increase in its Missouri electric retail rates,
5 exclusive of franchise and occupational taxes for its Aquila Networks—MPS division (MPS),
6 generally referred to as MPS or Missouri Public Service. This represents an overall 19.2%
7 increase to existing rates. Aquila also filed on July 3, 2003, for an increase in electric rates
8 for its Aquila Networks—L & P division (Light & Power- electric or L & P- electric). This
9 proposed increase for \$14.6 million represents a 15.5% overall increase over existing rates. In
10 addition, Aquila filed for a \$1.3 million increase, or a 19.2% increase, in steam rates for its
11 Light & Power's six commercial steam customers. These cases are docketed as Case
12 Nos. ER-2004-0034 and HR-2004-0024. The procedural schedule in these cases required the
13 direct filing for the electric and steam cases on December 9, 2003. The natural gas revenue
14 requirements determined for Case No. GR-2004-0072 does not reflect any impacts for the
15 electric and steam operations of Aquila.

16 Q. Please give a brief history of Aquila's utility operations in Missouri?

17 A. Aquila began as a Missouri corporation that provided utility service within
18 what is now the service area of Aquila Networks—MPS in 1917 doing business as Missouri
19 Public Service Company. By the 1980's that entity was named UtiliCorp United, Inc.
20 (UtiliCorp) and reorganized itself as a Delaware corporation. In March 2002, UtiliCorp
21 became Aquila, Inc. The Commission approved this name change early in 2002.

22 Q. Does Aquila currently provide utility services within the state of Missouri?

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1 A. Yes. Aquila is an investor-owned electric and natural gas utility that is
2 engaged in the generation, purchase, transmission, distribution and sale of electricity on a
3 regulated basis to approximately 438,000 customers in three states, Missouri, Kansas and
4 Colorado (page iv of UtiliCorp 2002 Annual Report.). The Company also serves 891,000
5 natural gas customers on a regulated basis in seven states: Missouri, Kansas, Colorado,
6 Nebraska, Iowa, Michigan and Minnesota. The Company continues to provide trading and
7 marketing of wholesale services on a limited basis as it winds down its non-regulated
8 operations for natural gas, electricity, broadband capacity and other commodities.

9 Aquila provides retail electric utility service to electric customers in the western and
10 central part of the state of Missouri through its operating divisions, MPS and Light & Power,
11 from its electric generation, transmission and distribution facilities. MPS provides electricity
12 on a wholesale basis through tariffs approved by the Federal Energy Regulatory Commission
13 (FERC). MPS and Light & Power also provide natural gas utility service to customers in
14 Missouri. In addition, Light & Power provides industrial steam to six customers in
15 St. Joseph, Missouri, from its Lake Road generating facility. Between MPS and Light &
16 Power, Aquila serves 338,000 electric and natural gas customers in Missouri. Aquila serves a
17 total of 1.3 million customers through its regulated domestic utility operations in the states of
18 Kansas, Colorado, Michigan, Minnesota, Iowa, Nebraska and Missouri.

19 Aquila also currently owns utility property in Canada (Aquila is attempting to sell its
20 interest in Canada), and recently sold its interest in United Kingdom, New Zealand and
21 Australia through its international subsidiaries and partnerships.

22 As of the end of 2002, Aquila had non-regulated power generation operations, owning
23 or controlling approximately 3,626 megawatts of non-regulated capacity.

1 Finally, Aquila has a 96% ownership of Everest Communications. Everest provides
2 local and long-distance telephone, cable television, high-speed internet and data services to
3 areas of Greater Kansas City. This service was started in 2001.

4 Q. Did Aquila recently acquire its Light & Power division?

5 A. Yes. On December 31, 2000, Aquila merged with the St. Joseph Light &
6 Power Company. The Commission approved this merger in Case No. EM-2000-292. The
7 Commission's decision was appealed by parties to the case, and subsequent to the
8 Commission's approval the Supreme Court of Missouri issued an opinion in Case Number
9 SC85352 on October 28, 2003. The Supreme Court's opinion required the circuit court to
10 remand the case back to the Commission "to consider and decide the issue of recoupment of
11 the acquisition premium in conjunction with the other issues raised by PSC staff and
12 intervenors in making its determination of whether the merger is detrimental to the public."
13 [Source: page 3, Section 4 of the Supreme Court's decision in Case Number SC85352]

14 **COST OF REMOVAL AND SALVAGE**

15 Q. Please explain adjustment S-76.1 in the MPS natural gas case—North and
16 South System, S- 76.1 in the MPS natural gas case—Eastern System and S-74.1 in the Light
17 & Power natural gas case.

18 A. These adjustments reflect cost of removal and salvage to be included in the
19 cost of service expense levels for each of these natural gas systems operated by Aquila in the
20 cases filed by the Company.

21 Q. What is cost of removal and salvage?

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1 A. Cost of removal is incurred when utility property is retired and removed from
2 service. Generally, removing property from service causes the utility to incur costs to
3 abandon, physically dismantle, tear down or otherwise removes the property from its site.

4 Salvage is the proceeds received from the residual value or scrap value that some
5 property has when it is dismantled and removed from utility service. After a piece of property
6 is dismantled or removed from service, utilities can in some instances sell or receive some
7 value for the displaced property. Utilities track the removal costs and salvage value on an
8 ongoing annual basis.

9 Typically, removal costs exceed salvage value, resulting in a net expense to the utility.
10 The net effect of cost of removal and salvage was included in Staff's determination of the
11 overall revenue requirement for MPS.

12 Q. Why is this adjustment necessary?

13 A. This adjustment is necessary to include an annual normalized level of cost of
14 removal and salvage proceeds in MPS's cost of service. Cost of removal expenditures, like
15 other expenses (maintenance, payroll, fuel expense, etc.), are on-going costs incurred by the
16 utility to provide service to its customers. Therefore, like these other costs, Staff has
17 determined a normalized level for annual cost of removal, netted against any normalized
18 salvage proceeds received by the Company.

19 Q. How did Staff determine the appropriate normalized level of cost of removal
20 and salvage amounts to include in this case?

21 A. Staff reviewed the cost of removal expenditures and amounts received from
22 salvage values by year for both MPS' North and South System and Eastern System for the
23 period of time from 1990 to 2002. Information for cost of removal and salvage for the same

1 period of time was examined for Light & Power's natural gas system. Based on this
2 information, Staff calculated cost of removal and salvage values using a five-year average for
3 the period 1998 through 2002. Use of the five-year average reflected that MPS incurred a net
4 cost of removal amount over this period of time that represents a cost to MPS. This amount
5 was included in Accounting Schedule 9, Income Statement, on a Missouri jurisdictional basis.

6 Q. What were the cost of removal expenditures and salvage amounts for the five-
7 year period?

8 A. The cost of removal and salvage amounts for the five-year period between
9 1998 and 2002 for each of the three natural gas systems are:

10 **Missouri Public Service – North and South System:**

<u>Year</u>	<u>Cost of Removal</u>	<u>Salvage</u>	<u>Net Salvage</u>
1998	\$ 27,516	(\$ 75)	\$ 27,441
1999	5,433	0	5,433
2000	127,637	(373)	127,264
2001	92,479	(2,232)	90,247
2002	<u>91,853</u>	<u>(880)</u>	<u>90,973</u>
5-year average	\$ 68,984	(\$ 712)	\$ 68,272

18 **Missouri Public Service – Eastern System:**

<u>Year</u>	<u>Cost of Removal</u>	<u>Salvage</u>	<u>Net Salvage</u>
1998	\$ 0	\$ 0	\$ 0
1999	807	0	807
2000	7,414	0	7,414
2001	3,235	0	3,235
2002	<u>2,331</u>	<u>0</u>	<u>2,331</u>
4-year average	\$ 3,447	0	\$ 3,447

26 **Light & Power System:**

<u>Year</u>	<u>Cost of Removal</u>	<u>Salvage</u>	<u>Net Salvage</u>
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1	1998	\$ 25,058	--0--	\$ 25,058
2	1999	51,403	(1,455)	49,948
3	2000	21,053	(430)	20,623
4	2001	14,425	--0--	14,425
5	2002	<u>6,400</u>	<u>(6,998)</u>	<u>(598)</u>
6	5-year average	\$ 23,668	(\$1,777)	\$ 21,891

7 [Source: Data Request No. 72]

8 Q. Why did Staff use a five-year average to determine the level of cost of removal
9 and salvage value to include in the revenue requirement?

10 A. A five-year average was used for the north and south system and the L & P
11 system because the costs of removal and salvage amounts fluctuated from year to year during
12 the period examined. A four-year average was used for the eastern system because 1999 was
13 the first year in which Aquila experienced any cost of removal for that system. Using either a
14 five-year or four-year average for fluctuating costs removes or smoothes out the differences
15 from one year to the next. Averaging costs to mitigate the impact of fluctuations is commonly
16 used in the ratemaking process and is consistent with how other costs have been treated in this
17 case. The average over the last five years is the most representative of the annual normal on-
18 going level of expense for this case.

19 Q. Have cost of removal and salvage value been treated this way in prior Aquila
20 rate cases?

21 A. Yes. This was the method that Staff used in the last Aquila (then known as
22 UtiliCorp United) general rate case, Case No. ER-2001-672. It is also the same methodology
23 used in the current electric and steam cases -- Case Nos. ER-2004-0034 and HR-2004-0024.

24 Q. Has Staff treated cost of removal and salvage amounts in other rate cases
25 consistent with the way that they have been treated in this case?

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1 A. Yes. This approach has been used by Staff the last several years in many rate
2 cases filed with the Commission. The cases that cost of removal has been treated as an
3 expense item netted against any salvage amounts are:

<u>Company</u>	<u>Case No.</u>	<u>Case Status</u>
Ameren/Union Electric Company	Case No. GR-2000-512	stipulated
Ameren/Union Electric Company	Case No. EC-2002-1	stipulated
Ameren/Union Electric Company	Case No. GR-2003-517	stipulated
Citizens Electric Company	Case No. ER-2002-217	stipulated
Laclede Gas Company	Case No. GR-2001-629	stipulated
Laclede Gas Company	Case No. GR-2002-356	stipulated
St. Louis County Water Company	Case No. WR-2000-844	rejected
Missouri American Water Company	Case Nos. WR-2003-500 and WC-2004-0168	pending
Empire District Electric Company	Case No. ER-2001-299	Ordered
Empire District Electric Company	Case No. ER-2002-424	stipulated
Missouri Gas Energy	Case No. GR-2001-292	stipulated
UtiliCorp United, Inc. (Aquila Inc)	Case No. ER-2001-672	stipulated
Aquila, Inc.	Case No. ER-2004-0034 Case No. HR-2004-0024	pending
<u>Telephone Cases:</u>		
Green Hills Telephone	Case No. TT-2001-115	stipulated
Iamo Telephone Co.	Case No. TT-2001-116	stipulated
Ozark Telephone Company	Case Nos. TT-201-117 & TC-2001-402 (consolidated)	stipulated

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1	Peace Valley Telephone Co.	Case No. TT-2001-118	stipulated
2	Holway Telephone Company	Case No. TT-2001-119	stipulated
3	KLM Telephone Company	Case No. TT-2001-120	stipulated
4	Northeast Missouri Rural Telephone	Case No. TR-2001-344	Ordered
5	Oregon Farmers Mutual Telephone	Case No. TT-2001-328	stipulated
6	BPS Telephone Company	Case No. TC-2002-1076	pending

7 In addition, the Commission accepted the actual cost of removal and salvage
8 methodology in the 1999 Laclede Gas case—Case No. GR-99-315, treating it as part of the
9 depreciation rate.

10 Q. Does this conclude your direct testimony?

11 A. Yes, it does.

Cary G. Featherstone

SUMMARY OF RATE CASE INVOLVEMENT

<u>Year</u>	<u>Case No.</u>	<u>Utility</u>	<u>Type of Testimony</u>	<u>Case</u>
1980	Case No. ER-80-53	St. Joseph Light & Power Company (electric)	Direct	Stipulated
1980	Case No. OR-80-54	St. Joseph Light & Power Company (transit)	Direct	Stipulated
1980	Case No. HR-80-55	St. Joseph Light & Power Company (industrial steam)	Direct	Stipulated
1980	Case No. GR-80-173	The Gas Service Company (natural gas)	Direct	Stipulated
1980	Case No. GR-80-249	Rich Hill-Hume Gas Company (natural gas)	No Testimony filed	Stipulated
1980	Case No. TR-80-235	United Telephone Company of Missouri (telephone)	Direct Rebuttal	Contested
1981	Case No. ER-81-42	Kansas City Power & Light Company (electric)	Direct Rebuttal	Contested
1981	Case No. TR-81-208	Southwestern Bell Telephone Company (telephone)	Direct Rebuttal Surrebuttal	Contested
1981	Case No. TR-81-302	United Telephone Company of Missouri (telephone)	Direct	Stipulated
1981	Case No. TO-82-3	Investigation of Equal Life Group and Remaining Life Depreciation Rates (telephone-- depreciation case)	Direct	Contested
1982	Case Nos. ER-82-66 and HR-82-67	Kansas City Power & Light Company (electric & district steam heating)	Direct Rebuttal Surrebuttal	Contested

1982	Case No. TR-82-199	Southwestern Bell Telephone Company (telephone)	Direct	Contested
1983	Case No. EO-83-9	Investigation and Audit of Forecasted Fuel Expense of Kansas City Power & Light Company (electric-- forecasted fuel true-up)	Direct	Contested
1983	Case No. ER-83-49	Kansas City Power & Light Company (electric)	Direct Rebuttal Surrebuttal	Contested
1983	Case No. TR-83-253	Southwestern Bell Telephone Company (telephone)	Direct	Contested
1984	Case No. EO-84-4	Investigation and Audit of Forecasted Fuel Expense of Kansas City Power & Light Company (electric-- forecasted fuel true-up)	Direct	Contested
1985	Case Nos. ER-85-128 and EO-85-185	Kansas City Power & Light Company (electric)	Direct	Contested
1987	Case No. HO-86-139	Kansas City Power & Light Company (district steam heating-- discontinuance of public utility)	Direct Rebuttal Surrebuttal	Contested
1988	Case No. TC-89-14	Southwestern Bell Telephone Company (telephone-- complaint case)	Direct Surrebuttal	Contested
1989	Case No. TR-89-182	GTE North, Incorporated (telephone)	Direct Rebuttal Surrebuttal	Contested
1990	Case No. GR-90-50	Kansas Power & Light - Gas Service Division (natural gas)	Direct	Stipulated

1990	Case No. ER-90-101	UtiliCorp United Inc., Missouri Public Service Division (electric)	Direct Surrebuttal	Contested
1990	Case No. GR-90-198	UtiliCorp United, Inc., Missouri Public Service Division (natural gas)	Direct	Stipulated
1990	Case No. GR-90-152	Associated Natural Gas Company (natural gas)	Rebuttal	Stipulated
1991	Case No. EM-91-213	Kansas Power & Light - Gas Service Division (natural gas-- acquisition/merger case)	Rebuttal	Contested
1991	Case Nos. EO-91-358 and EO-91-360	UtiliCorp United Inc., Missouri Public Service Division (electric-- accounting authority orders)	Rebuttal	Contested
1991	Case No. GO-91-359	UtiliCorp United Inc., Missouri Public Service Division (natural gas)	Memorandum Recommendation	Stipulated
1993	Case Nos. TC-93-224 and TO-93-192	Southwestern Bell Telephone Company (telephone-- complaint case)	Direct Rebuttal Surrebuttal	Contested
1993	Case No. TR-93-181	United Telephone Company of Missouri (telephone)	Direct Surrebuttal	Contested
1993	Case No. GM-94-40	Western Resources, Inc. and Southern Union Company (natural gas-- sale of Missouri property)	Rebuttal	Stipulated
1994	Case No. GM-94-252	UtiliCorp United Inc., acquisition of Missouri Gas Company and Missouri Pipeline Company (natural gas--acquisition case)	Rebuttal	Contested
1994	Case No. GA-94-325	UtiliCorp United Inc., expansion of natural gas to City of Rolla, MO (natural gas-- certificate case)	Rebuttal	Contested

1995	Case No. GR-95-160	United Cities Gas Company (natural gas)	Direct	Contested
1995	Case No. ER-95-279	Empire District Electric Company (electric)	Direct	Stipulated
1996	Case No. GA-96-130	UtiliCorp United, Inc./Missouri Pipeline Company (natural gas-- certificate case)	Rebuttal	Contested
1996	Case No. EM-96-149	Union Electric Company merger with CIPSCO Incorporated (electric and natural gas-- acquisition/merger case)	Rebuttal	Stipulated -
1996	Case No. GR-96-285	Missouri Gas Energy Division of Southern Union Company (natural gas)	Direct Rebuttal Surrebuttal	Contested
1996	Case No. ER-97-82	Empire District Electric Company (electric-- interim rate case)	Rebuttal	Contested
1997	Case No. EO-97-144	UtiliCorp United Inc./Missouri Public Service Company (electric)	Verified Statement	Commission Denied Motion
1997	Case No. GA-97-132	UtiliCorp United Inc./Missouri Public Service Company (natural gas—certificate case)	Rebuttal	Contested
1997	Case No. GA-97-133	Missouri Gas Company (natural gas—certificate case)	Rebuttal	Contested
1997	Case Nos. EC-97-362 and EO-97-144	UtiliCorp United Inc./Missouri Public Service (electric)	Direct	Contested
1997	Case Nos. ER-97-394 and EC-98-126	UtiliCorp United Inc./Missouri Public Service (electric)	Direct Rebuttal Surrebuttal	Contested
1997	Case No. EM-97-395	UtiliCorp United Inc./Missouri Public Service (electric-application to spin-off generating assets to EWG subsidiary)	Rebuttal	Withdrawn

1998	Case No. GR-98-140	Missouri Gas Energy Division of Southern Union Company (natural gas)	Testimony in Support of Stipulation And Agreement	Contested
1999	Case No. EM-97-515	Kansas City Power & Light Company merger with Western Resources, Inc. (electric acquisition/ merger case)	Rebuttal	Stipulated (Merger eventually terminated)
2000	Case No. EM-2000-292	UtiliCorp United Inc. merger with St. Joseph Light & Power Company (electric, natural gas and industrial steam acquisition/ merger case)	Rebuttal	Contested
2000	Case No. EM-2000-369	UtiliCorp United Inc. merger with Empire District Electric Company (electric acquisition/ merger case)	Rebuttal	Contested (Merger eventually terminated)
2001	Case No. ER-2001-299	Empire District Electric Company (electric)	Direct Surrebuttal True-Up Direct	Contested
2001	Case Nos. ER-2001-672 and EC-2002-265	UtiliCorp United Inc./Missouri Public Service Company (electric)	Verified Statement Direct Rebuttal Surrebuttal	Stipulated
2002	Case No. ER-2002-424	Empire District Electric Company (electric)	Direct	Stipulated
2003	Case Nos. ER-2004-0034 and HR-2004-0024 (Consolidated)	Aquila, Inc., d/b/a Aquila Networks-MPS and Aquila Networks-L&P	Direct	Pending

AUDITS WHICH WERE SUPERVISED AND ASSISTED:

<u>Year</u>	<u>Case No.</u>	<u>Utility</u>	<u>Type of Testimony</u>	<u>Case Disposition</u>
1986	Case No. TR-86-14 (telephone)	ALLTEL Missouri, Inc.		Stipulated
1986	Case No. TR-86-55 (telephone)	Continental Telephone Company of Missouri		Stipulated
1986	Case No. TR-86-63 (telephone)	Webster County Telephone Company		Stipulated
1986	Case No. GR-86-76 (natural gas)	KPL-Gas Service Company		Withdrawn
1986	Case No. TR-86-117 (telephone)	United Telephone Company of Missouri		Withdrawn
1988	Case No. GR-88-115 (natural gas)	St. Joseph Light & Power Company	Deposition	Stipulated
1988	Case No. GR-88-116 (industrial steam)	St. Joseph Light & Power Company	Deposition	Stipulated