

FILED
September 1, 2023
Data Center
Missouri Public
Service Commission

Exhibit No. 200

OPC – Exhibit 200
Robinette Direct
File No. WR-2023-0006

Exhibit No.:
Issue(s):
Witness/Type of Exhibit:
Sponsoring Party:
Case No.:

Depreciation
Robinett/Direct
Public Counsel
WR-2023-0006

DIRECT TESTIMONY

OF

JOHN A. ROBINETT

Submitted on Behalf of the Office of the Public Counsel

**CONFLUENCE RIVERS UTILITY
OPERATING COMPANY, INC.**

CASE NO. WR-2023-0006

**

Denotes Confidential Information that has been redacted

May 26, 2023

PUBLIC

**DIRECT TESTIMONY
OF
JOHN A. ROBINETT
CONFLUENCE RIVERS UTILITY OPERATING COMPANY, INC.**

CASE No. WR-2023-0006

1 **Q. What is your name and what is your business address?**

2 A. John A. Robinett, PO Box 2230, Jefferson City, Missouri 65102.

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

4 A. I am employed by the Missouri Office of the Public Counsel (“OPC”) as a Utility Engineering
5 Specialist.

6 **Q. Have you previously provided testimony before the Missouri Public Service
7 Commission?**

8 A. Yes. Both as a former member of Commission Staff and on behalf of the OPC.

9 **Q. What is your work and educational background?**

10 A. A copy of my work and educational experience is attached to this testimony as Schedule
11 JAR-D-1.

12 **Q. What is the purpose of your direct testimony?**

13 A. In this testimony, I will discuss Confluence Rivers Utility Operating Company, Inc.’s
14 (“Confluence”) need for a depreciation study and the importance of RFPs.

15 **Q. Are water and wastewater utilities in Missouri required by Commission rule to perform
16 depreciation studies of their assets similar to the electric and natural gas companies?**

17 A. No.

18 **Q. Do any water and wastewater utilities in the State perform depreciation studies?**

19 A. Yes. Missouri American Water Company files a depreciation study on similar time frames
20 as the investor owned electric and natural gas utilities are required to.

1 **Q. Did Confluence issue a Request for Proposal for depreciation services for purposes of**
2 **this case?**

3 A. No. This has been confirmed by Confluence's response to OPC data request number 8500
4 attached as Schedule JAR-D-2.

5 **Q. Do you have concerns that Confluence did not seek bids for the completion of a**
6 **depreciation study?**

7 A. Yes. While I do not inherently have a problem with Confluence's selected depreciation
8 service provider (Gannett Fleming), which is a familiar outside consultant appearing
9 regularly before this Commission, it is not the only depreciation service provider that could
10 have developed a depreciation study for Confluence. There are other outside consultants
11 that either have been or are currently being used by other utilities in this State, and these
12 other depreciation service providers may have been a much cheaper option. However,
13 because Confluence failed to perform proper due diligence in soliciting and selecting a
14 depreciation consultant, there is no way to know whether one of these other consultants
15 would have been a better choice. The Commission is thus left guessing whether the
16 depreciation study performed by Gannett Fleming on behalf of Confluence is the best and
17 most cost effective study. Unfortunately that is a question that cannot be determined
18 (because of Confluence's lack of due diligence) and rate payers should consequently not
19 shoulder the cost of this depreciation study.

20 **Q. If the Commission were to nevertheless permit recovery of the cost of the depreciation**
21 **study, over what time period should the cost of the depreciation study be recovered?**

22 A. As discussed above, a depreciation study is not required by the Missouri Public Service
23 Commission rules and regulations for a water and waste water utility. However, if the

1 Commission determines it will allow for the recovery of the depreciation study regardless,
2 it should allow for recovery over five years, which is consistent with how electric and
3 natural gas utilities are required to provide studies every five years.

4 **Q. What are rate payers getting for this depreciation study?**

5 A. Essentially nothing.

6 **Q. Why do you say that rate payers are not getting anything from this depreciation study?**

7 A. My conclusion is based on data request responses provided by Confluence in response to
8 OPC data request number 8506 attached as Schedule JAR-D-3. In its response Confluence
9 confirms that none of the accounts recorded in Confluence's books had sufficient data
10 available to perform a traditional statistical service life and net salvage analyses. This
11 means Confluence has insufficient data on which to perform a statistically valid life
12 analyses to determine average service lives for its assets.

13 **Q. Why might Confluence have insufficient data?**

14 A. Confluence has acquired multiple regulated and non-regulated systems most of which are
15 smaller and have varying level of sophistication and record keeping practices. The
16 historical data from each of these acquisitions may or may not have been given to
17 Confluence.

18 **Q. At the time of direct testimony, how much has Confluence been charged for the purpose
19 of providing the depreciation study?**

20 A. Based on the Confluence's response to OPC data request 8503, to date Confluence has
21 been billed **_____**.

1 **Q. What takeaways do you have from the depreciation study provided by Confluence in**
2 **this case?**

3 A. Current data is not sufficient to perform a statistically valid depreciation study. The
4 Commission should order Confluence to maintain data by account consistent with
5 Commission rules 20 CSR 4240-3.160, 20 CSR 4240-3.175, or 20 CSR 4240-40.090.

6 **Q. What is your ultimate recommendation related to depreciation in this case?**

7 A. I recommend the Commission disallow recovery of the cost of the depreciation study for
8 reasons stated above. Secondly the Commission should order Confluence to begin
9 maintaining data by account as described in Commission rules 20 CSR 4240-3.160, 20
10 CSR 4240-3.175, or 20 CSR 4240-40.090.

11 **Q. Does this conclude your direct testimony?**

12 A. Yes, it does.

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


In the Matter of Confluence Rivers Utility)
Operating Company, Inc.'s Request for)
Authority to Implement a General Rate Increase) Case No. WR-2023-0006
for Water Service and Sewer Service Provided in)
Missouri Service Areas)

AFFIDAVIT OF JOHN A. ROBINETT

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

John A. Robinett, of lawful age and being first duly sworn, deposes and states:

1. My name is John A. Robinett. I am a Utility Engineering Specialist for the Office of the Public Counsel.
2. Attached hereto and made a part hereof for all purposes is my direct testimony.
3. I hereby swear and affirm that my statements contained in the attached testimony are true and correct to the best of my knowledge and belief.



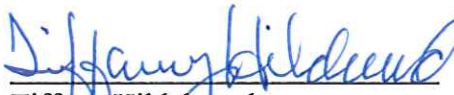
John A. Robinett
Utility Engineering Specialist

Subscribed and sworn to me this 25th day of May 2023.



TIFFANY HILDEBRAND
My Commission Expires
August 8, 2023
Cole County
Commission #16037121

My Commission expires August 8, 2023.



Tiffany Hildebrand
Notary Public

John A. Robinett

I am employed as a Utility Engineering Specialist for The Missouri Office of the Public Counsel (OPC). I began employment with OPC in August of 2016. In May of 2008, I graduated from the University of Missouri-Rolla (now Missouri University of Science and Technology) with a Bachelor of Science degree in Mechanical Engineering.

During my time as an undergraduate, I was employed as an engineering intern for the Missouri Department of Transportation (MoDOT) in their Central Laboratory located in Jefferson City, Missouri for three consecutive summers. During my time with MoDOT, I performed various qualification tests on materials for the Soil, Aggregate, and General Materials sections. A list of duties and tests performed are below:

- Compressive strength testing of 4” and 6” concrete cylinders and fracture analysis
- Graduations of soil, aggregate, and reflective glass beads
- Sample preparations of soil, aggregate, concrete, and steel
- Flat and elongated testing of aggregate
- Micro-deval and LA testing of aggregate
- Bend testing of welded wire and rebar
- Tensile testing of welded, braided cable, and rebar
- Hardness testing of fasteners (plain black and galvanized washers, nuts, and bolts)
- Proof loading and tensile testing of bolts
- Sample collection from active road constructions sites
- Set up and performed the initial testing on a new piece of equipment called a Linear Traverse / Image Analysis
- Wrote operators manual for the Linear Traverse / Image Analysis Machine
- Trained a fulltime employee on how to operate the machine prior to my return to school
- Assisted in batching concrete mixes for testing, mixing the concrete, slump cone testing, percent air testing, and specimen molding of cylinders and beams

Upon graduation, I accepted a position as an Engineer I in the Product Evaluation Group for Hughes Christensen Company, a division of Baker Hughes, Inc. (Baker), an oil field service company. During my employment with Baker, I performed failure analysis on oil field drill bits as well as composed findings reports which were forwarded to the field engineers in order for them to report to the company the conclusions of the failure causes.

I previously was employed as a Utility Engineering Specialist I, II, III for the Missouri Public Service Commission (Commission). My employment with the Commission spanned from April of 2010 to August of 2016. My duties involved analyzing depreciation rates and studies for utility companies and presenting expert testimony in rate cases before the Commission.

JOHN A. ROBINETT
SUMMARY OF CASE PARTICIPATION

Listed below are the cases in which I have supplied testimony, comments, and/or depreciation rates accompanied by a signed affidavit.

Company	Case Number	Issues	Party
Ameren Missouri	ER-2022-0337	Rebuttal Testimony Depreciation	Office of the Public Counsel (OPC)
Missouri American Water Company	WR-2022-0303	Direct, Rebuttal, Surrebuttal Testimony Line Extensions, Discrete Adjustments and Deferral Mechanisms	OPC
Spire Missouri	GR-2022-0179	Direct and Rebuttal Testimony Ultrasonic Meters	OPC
Evergy Missouri West	EF-2022-0155	Rebuttal and Live Testimony Timeline of Memorandums	OPC
Missouri American Water Company	WA-2022-0229	Memorandum on Rate Base and Customer notice for acquisition of Monsees Lake Estates Subdivision	OPC
Evergy Missouri Metro Evergy Missouri West	ER-2022-0129 ER-2022-0130	Direct, Rebuttal, Surrebuttal , and Live Testimony Depreciation, AMI, Sibley, and One CIS/CFP	OPC
Liberty Empire District Gas Company	EO-2022-0040	Surrebuttal and Live Testimony Riverton Disallowance	OPC
Liberty Empire District Gas Company	EO-2022-0193	Rebuttal and Live Testimony Asbury Securitization	OPC
Liberty Empire District Gas Company	GR-2021-0320	Rebuttal Testimony Depreciation	OPC
Liberty Empire District Electric Company	ER-2021-0312	Direct, Rebuttal, and Surrebuttal Testimony Asbury, Storm Uri, General Plant Amortization	OPC
Ameren Missouri	ER-2021-0240 GR-2021-0241	Rebuttal and Surrebuttal Testimony Depreciation	OPC
Ameren Missouri	EO-2022-0054	IRP Special issues	OPC
Empire District Electric Company	EO-2022-0057	IRP Special issues	OPC
Evergy Missouri West Evergy Missouri Metro	EO-2022-0056 EO-2022-0055	IRP Special issues	OPC
Spire Missouri	GR-2021-0108	Direct, Rebuttal, Surrebuttal, and Live Testimony Depreciation, Grow Missouri Program and Smart Meters	OPC
Missouri American Water Company	WR-2020-0344	Rebuttal, Surrebuttal Testimony Depreciation Expense	OPC
Ameren Missouri	EO-2021— 0069	IRP Special issues	OPC
Empire District Electric Company	EO-2021-0066	IRP Special issues	OPC
Evergy Missouri West Evergy Missouri Metro	EO-2021-0067 EO-2021-0068	IRP Special issues	OPC
Evergy Missouri West	EO-2020-0281	Integrated Resource Plan Comments	OPC
Evergy Missouri Metro	EO-2020-0280	Integrated Resource Plan Comments	OPC
Spire Missouri	GO-2020-0416	Depreciation Authority Order	OPC
Empire District Electric Company	EO-2020-0284	Integrated Resource Plan Comments	OPC

JOHN A. ROBINETT
SUMMARY OF CASE PARTICIPATION

Company	Case Number	Issues	Party
Spire Missouri East Spire Missouri West	GO-2018-0309 GO-2018-0310	On Remand Direct and Rebuttal Testimony ISRS Refund	OPC
Empire District Electric Company	ER-2019-0374	Direct, Rebuttal, Surrebuttal, and True-up Direct Testimony Depreciation, Operations and Maintenance Expense	OPC
Ameren Missouri	ER-2019-0355	Direct Testimony Depreciation	OPC
Summit Natural Gas of Missouri	GE-2020-0009	Depreciation Study Waiver	OPC
Spire Missouri East Spire Missouri West	GO-2019-0356 GO-2019-0357	Direct and Live Rebuttal Testimony ISRS	OPC
Ameren Missouri Gas Company	GR-2019-0077	Rebuttal Testimony Depreciation and General Plant Amortization	OPC
Spire Missouri East Spire Missouri West	GO-2019-0115 GO-2019-0116	Direct and Live Rebuttal Testimony ISRS	OPC
Empire District Electric Company	EA-2019-0010	Rebuttal, Surrebuttal, and Live Testimony CCN Application	OPC
Kansas City Power & Light Company Greater Missouri Operations	EU-2019-0197 EC-2019-0200	Affidavit for an Accounting Order for plant retirement	OPC
Ameren Missouri	EA-2018-0202	Surrebuttal Testimony Depreciation Life	OPC
Spire Missouri East Spire Missouri West	GO-2018-0309 GO-2018-0310	Direct and Live Rebuttal Testimony ISRS	OPC
Kansas City Power & Light Company	ER-2018-0145	Direct and Rebuttal, Surrebuttal, and True-up direct Testimony, Depreciation and O&M expense related to retired generation units, ONE CIS Allocation	OPC
Kansas City Power & Light Company Greater Missouri Operations	ER-2018-0146	Direct and Rebuttal, Surrebuttal, and True-up direct Testimony, Depreciation and O&M expense related to retired generation units, ONE CIS Allocation, Removal of Additional Amortization	OPC
Empire District Electric Company	EO-2018-0092	Rebuttal, Surrebuttal, Affidavit in Opposition, additional Affidavit and Live Testimony	OPC
Liberty Utilities (Midstates Natural Gas) Corp. d/b/a Liberty Utilities	GR-2018-0013	Rebuttal and Surrebuttal Testimony depreciation, general plant amortization	OPC
Laclede Gas Company Missouri Gas Energy Spire Missouri East Spire Missouri West	GO-2016-0332 GO-2016-0333 GO-2017-0201 GO-2017-0202 GR-2017-0215 GR-2017-0216	ISRS Over collection of depreciation expense and ROE based on Western District Opinion Docket No. WD80544	OPC
Gascony Water Company, Inc.	WR-2017-0343	Rebuttal, Surrebuttal, and Live Testimony rate base, depreciation NARUC USoA Class designation	OPC
Missouri American Water Company	WR-2017-0285	Direct, Rebuttal, Surrebuttal, and Live Testimony depreciation, ami, negative reserve, Lead Line	OPC
Indian Hills Utility Operating Company, Inc.	WR-2017-0259	Direct, Rebuttal, Surrebuttal, and Live Testimony Rate Base (extension of electric service, leak repairs)	OPC

JOHN A. ROBINETT
SUMMARY OF CASE PARTICIPATION

Company	Case Number	Issues	Party
Laclede Gas Company Missouri Gas Energy	GR-2017-0215 GR-2017-0216	Direct, Rebuttal, Surrebuttal, True-up Rebuttal, and Live Testimony depreciation, retirement work in progress, combined heat and power, ISRS	OPC
Empire District Electric Company	EO-2018-0048	IRP Special issues	OPC
Kansas City Power & Light Company	EO-2018-0046	IRP Special issues	OPC
Kansas City Power & Light Company Greater Missouri Operations	EO-2018-0045	IRP Special issues	OPC
Kansas City Power & Light Company Greater Missouri Operations	EO-2017-0230	2017 IRP annual update comments	OPC
Empire District Electric Company	EO-2017-0065	Direct, Rebuttal, Surrebuttal, and Live Testimony FAC Prudence Review Heat Rate	OPC
Ameren Missouri	ER-2016-0179	Direct, Rebuttal, Testimony Heat Rate Testing & Depreciation	OPC
Kansas City Power & Light Company	ER-2016-0285	Direct, Rebuttal, Surrebuttal, and Live Testimony Heat Rate Testing & Depreciation	OPC
Empire District Electric Company Merger with Liberty	EM-2016-0213	Rebuttal Testimony	Missouri Public Service Commission (MOPSC)
Empire District Electric Company	ER-2016-0023	Depreciation Study, Direct, Rebuttal, and Surrebuttal Testimony	MOPSC
Hillcrest Utility Operating Company, Inc.	SR-2016-0065	Depreciation Review	MOPSC
Hillcrest Utility Operating Company, Inc.	WR-2016-0064	Depreciation Review	MOPSC
Missouri American Water Company	WR-2015-0301	Depreciation Study, Direct, Rebuttal, and Surrebuttal Testimony	MOPSC
Bilyeu Ridge Water Company, LLC Midland Water Company, Inc. Moore Bend Water Utility, LLC Riverfork Water Company Taney County Water, LLC Valley Woods Utility, LLC(Water) Valley Woods Utility, LLC(Sewer) Consolidated into Ozark International, Inc.	WR-2015-0192 WR-2015-0193 WR-2015-0194 WR-2015-0195 WR-2015-0196 WR-2015-0197 SR-2015-0198 Consolidated into WR-2015-0192	Depreciation Review *filed depreciation rates not accompanied by signed affidavit	MOPSC
I. H. Utilities, Inc. sale to Indian Hills Utility Operating Company, Inc.	WO-2016-0045	Depreciation Rate Adoption CCN	MOPSC
Missouri American Water Company CCN City of Arnold	SA-2015-0150	Depreciation Rate Adoption CCN	MOPSC
Empire District Electric Company	ER-2014-0351	Direct, Rebuttal, and Surrebuttal Testimony	MOPSC
West 16th Street Sewer Company, W.P.C. Sewer Company, Village Water and Sewer Company, Inc. and Raccoon Creek Utility Operating Company, Inc.	SM-2015-0014	Depreciation Rate Adoption	MOPSC
Brandco Investments LLC and Hillcrest Utility Operating Company, Inc.	WO-2014-0340	Depreciation Rate Adoption, Rebuttal Testimony	MOPSC

JOHN A. ROBINETT
SUMMARY OF CASE PARTICIPATION

Company	Case Number	Issues	Party
Liberty Utilities (Midstates Natural Gas) Corp. d/b/a Liberty Utilities	GR-2014-0152	Direct, Rebuttal, Surrebuttal and Live Testimony	MOPSC
Summit Natural Gas of Missouri, Inc	GR-2014-0086	Depreciation Study, Direct and Rebuttal Testimony	MOPSC
P.C.B., Inc.	SR-2014-0068	Depreciation Review	MOPSC
M.P.B., Inc.	SR-2014-0067	Depreciation Review	MOPSC
Roy-L Utilities	WR-2013-0543	Depreciation Review	MOPSC
Roy-L Utilities	SR-2013-0544	Depreciation Review	MOPSC
Missouri Gas Energy Division of Laclede Gas Company	GR-2014-0007	Depreciation Study, Direct and Rebuttal Testimony	MOPSC
Central Rivers Wastewater Utility, Inc.	SA-2014-00005	Depreciation Rate Adoption	MOPSC
Empire District Electric Company	ER-2012-0345	Depreciation Study, Direct, Rebuttal, and Surrebuttal Testimony	MOPSC
Empire District Electric Company	WR-2012-0300	Depreciation Review	MOPSC
Laclede Gas Company	GO-2012-0363	Depreciation Authority Order Rebuttal, Surrebuttal and Live Testimony	MOPSC
Moore Bend Water Company, Inc. sale to Moore Bend Water Utility, LLC (Water)	WM-2012-0335	Depreciation Rate Adoption	MOPSC
Oakbrier Water Company, Inc.	WR-2012-0267	Depreciation Review	MOPSC
Lakeland Heights Water Co., Inc.	WR-2012-0266	Depreciation Review	MOPSC
R.D. Sewer Co., L.L.C.	SR-2012-0263	Depreciation Review	MOPSC
Canyon Treatment Facility, LLC	SA-2010-0219	Depreciation Rate Adoption- CCN	MOPSC
Taney County Water, LLC	WR-2012-0163	Depreciation Review	MOPSC
Sale of Saddlebrooke Water and Sewer Infrastructure, LLC to Missouri American Water Company (Sewer)	SA-2012-0067	Rebuttal Testimony	MOPSC
Sale of Saddlebrooke Water and Sewer Infrastructure, LLC to Missouri American Water Company (Water)	WA-2012-0066	Rebuttal Testimony	MOPSC
Midland Water Company, Inc.	WR-2012-0031	Depreciation Review	MOPSC
Sale of KMB Utility Corporation to Algonquin Water Resources of Missouri, LLC, d/b/a Liberty Water (Sewer)	SO-2011-0351	Depreciation Rate Adoption	MOPSC
Sale of KMB Utility Corporation to Algonquin Water Resources of Missouri, LLC, d/b/a Liberty Water (Water)	WO-2011-0350	Depreciation Rate Adoption	MOPSC
Sale of Noel Water Company, Inc. to Algonquin Water Resources of Missouri, LLC, d/b/a Liberty Water (Water)	WO-2011-0328	Depreciation Rate Adoption	MOPSC
Sale of Taney County Utilities Corporation to Taney County Water, LLC (Water)	WM-2011-0143	Depreciation Rate Adoption	MOPSC
Empire District Electric Company	ER-2011-0004	Depreciation Study, Direct, Rebuttal, and Surrebuttal Testimony	MOPSC

**JOHN A. ROBINETT
SUMMARY OF CASE PARTICIPATION**

Company	Case Number	Issues	Party
Rex Deffenderfer Enterprises, Inc.	WR-2011-0056	Depreciation Review	MOPSC
Tri-States Utility, Inc	WR-2011-0037	Depreciation Review	MOPSC
Southern Missouri Gas Company, L.P.	GE-2011-0096	Depreciation Study Waiver	MOPSC
Southern Missouri Gas Company, L.P.	GR-2010-0347	Depreciation Review	MOPSC
KMB Utility Corporation (Sewer)	SR-2010-0346	Depreciation Review	MOPSC
KMB Utility Corporation (Water)	WR-2010-0345	Depreciation Review	MOPSC
Middlefork Water Company	WR-2010-0309	Depreciation Review	MOPSC

DATA INFORMATION REQUEST
Confluence Rivers Utility Operating Company, Inc.
WR-2023-0006
General Rate Case

Requested From: Confluence Rivers

Date Requested: March 31, 2023

Information Requested:

Did Confluence issue any Requests for Proposal (RFPs) or otherwise seek competitive bids to retain an expert to perform, or otherwise testify in regard to, a depreciation study? If so, please provide a copy of the RFP or request for bids issued, all bids received, and a detailed response providing the rationale for any selections made by the utility. If not, please provide a detailed explanation as to why not.

Requested By: John Robinett

Information Provided:

No, the Company only sought a bid from Gannett Fleming to perform depreciation study.

Responsible Witness: Aaron Silas

DATA INFORMATION REQUEST
Confluence Rivers Utility Operating Company, Inc.
WR-2023-0006
General Rate Case

Requested From: Confluence Rivers

Date Requested: March 31, 2023

Information Requested:

Please provide a listing of each account, and/or sub-account, where Mr. Allis found, or believed, there was adequate historical data to perform a depreciation analysis.

Requested By: John Robinett

Information Provided:

As was discussed on page 5 lines 1-8 in Mr. Allis' Direct Testimony, for each account the available data were not sufficient for traditional statistical service life and net salvage analyses. However, Mr. Allis did review and incorporate available data, including the ages of the Company's assets, and performed field reviews. Each of these factors influenced his recommended estimates.

Responsible Witness: Aaron Silas