

Exhibit No.: 114
Issues: Company Accounting Schedules and
Minimum Filing Requirements
Witness: Donald J. Petry
Exhibit Type: First Supplement to Direct Testimony
Sponsoring Party: Missouri-American Water Company
Case No.: WR-2010-0131
SR-2010-0135
Date: December 17, 2009

MISSOURI PUBLIC SERVICE COMMISSION

**CASE NO. WR-2010-0131
CASE NO. SR-2010-0135**

FIRST SUPPLEMENT TO DIRECT TESTIMONY

OF

DONALD J. PETRY

ON BEHALF OF

MISSOURI-AMERICAN WATER COMPANY

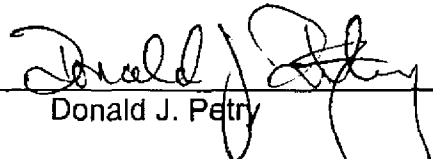
MAWC Exhibit No. 114
Date 5-17-10 Reporter KF
File No. WR-2010-0131

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

IN THE MATTER OF MISSOURI-AMERICAN)	
WATER COMPANY FOR AUTHORITY TO)	
FILE TARIFFS REFLECTING INCREASED)	CASE NO. WR-2010-0131
RATES FOR WATER AND SEWER)	CASE NO. SR-2010-0135
SERVICE)	

AFFIDAVIT OF DONALD J. PETRY

Donald J. Petry, being first duly sworn, deposes and says that he is the witness who sponsors the accompanying testimony entitled "First Supplement to Direct Testimony of Donald J. Petry"; that said testimony and schedules were prepared by him and/or under his direction and supervision; that if inquires were made as to the facts in said testimony and schedules, he would respond as therein set forth; and that the aforesaid testimony and schedules are true and correct to the best of his knowledge.



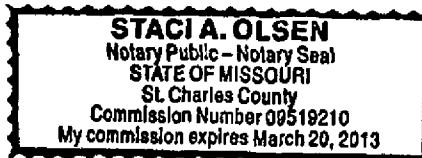
Donald J. Petry

State of Missouri
County of St. Louis
SUBSCRIBED and sworn to
Before me this 16th day of December 2009.



Notary Public

My commission expires:



FIRST SUPPLEMENT TO DIRECT TESTIMONY

DONALD J. PETRY

I. WITNESS INTRODUCTION

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 **A. Donald J. Petry, 727 Craig Road, St. Louis, Missouri 63141.**

3

4 **Q. ARE YOU THE SAME DONALD J. PETRY THAT PREVIOUSLY FILED**
5 **DIRECT TESTIMONY IN THIS PROCEEDING?**

6 **A. Yes, I am.**

7

8 **Q. WHAT IS THE PURPOSE OF YOUR FIRST SUPPLEMENT TO DIRECT**
9 **TESTIMONY IN THIS PROCEEDING?**

10 **A. In my direct testimony, I sponsored the Company Accounting Schedules**
11 **("CAS") and Minimum Filing Requirements ("MFR"). As a result of a**
12 **revision to the cost of service allocation study detailed in First Supplement**
13 **to Direct Testimony of Paul R. Herbert, I am revising portions of the**
14 **Company Accounting Schedules and Minimum Filing Requirements. The**
15 **revisions are submitted as Appendix 'A' (MFR) Item 1, p 2 of 2 Revised;**
16 **Appendix 'A' (MFR) Item 4, p 6 of 13 Revised; Schedule CAS-13-SJO,**
17 **Revised; and Schedule CAS-14-SJO, Revised.**

18

19 **Q. WERE THESE SCHEDULES PREPARED BY YOU OR UNDER YOUR**
20 **SUPERVISION?**

1 A. Yes, they were.

2

3 **Q. HAVE YOU READ THE FIRST SUPPLEMENT TO DIRECT TESTIMONY**
4 **OF COMPANY WITNESS PAUL R. HERBERT?**

5 A. Yes, I have.

6

7 **Q. BRIEFLY DESCRIBE THE CHANGES TO THE SCHEDULES.**

8 A. These changes apply only to the St Joseph District. Appendix 'A' (MFR) Item
9 1 p. 2 of 2, Revised, revises the Aggregate Annual Increase for the St.
10 Joseph District; Appendix 'A' (MFR) Item 4 p. 6 of 13, Revised, revises the
11 Average Increase By Customer Classification for the St. Joseph District;
12 Schedule CAS-13-SJO Revised, and Schedule CAS-14-SJO Revised, revise
13 the Test Year Operating Revenues at Present vs. Proposed Rates.

14

15 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

16 A. Yes, it does.

Appendix 'A' (MFR)

Missouri-American Water Company
For the Test Year Ended June 30, 2009
Case No. WR-2010-0131
Case No. SR-2010-0135

Item #1 - Aggregate Annual Increase

St Joseph District

The aggregate annual increase over current revenues which the tariffs propose is \$5,256,087
which is an overall increase to the customer of 26.19% on a Pro Forma Basis.

St Louis Metro

The aggregate annual increase over current revenues which the tariffs propose is \$35,600,426
which is an overall increase to the customer of 22.52% on a Pro Forma Basis.

Warren County Water

The aggregate annual increase over current revenues which the tariffs propose is \$61,442
which is an overall increase to the customer of 26.27% on a Pro Forma Basis.

Warrensburg District

The aggregate annual increase over current revenues which the tariffs propose is \$432,039
which is an overall increase to the customer of 11.65% on a Pro Forma Basis.

Parkville Sewer District

The aggregate annual increase over current revenues which the tariffs propose is \$15,612
which is an overall increase to the customer of 24.35% on a Pro Forma Basis.

Warren County Sewer District

The aggregate annual increase over current revenues which the tariffs propose is \$49,876
which is an overall increase to the customer of 26.20% on a Pro Forma Basis.

Cedar Hill Sewer District

The aggregate annual increase over current revenues which the tariffs propose is \$78,182
which is an overall increase to the customer of 26.18% on a Pro Forma Basis.

Appendix 'A' (MFR)

Missouri-American Water Company
For the Test Year Ended June 30, 2009
Case No. WR-2010-0131
Case No. SR-2010-0135

Item #4 - Average Increase by Customer Classifications

The average increase in dollars and the percentage over the current rate for all customer classifications based on 2007 projected sales are as follows:

St Joseph District

<u>Classification</u>	<u>Pro Forma Revenue at Current Rates</u>	<u>Pro Forma Revenue at New Rates</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Residential	\$10,070,185	\$13,071,743	\$3,001,558	29.81%
Commercial	3,755,412	4,455,413	700,001	18.64%
Industrial	3,424,845	4,267,243	842,398	24.60%
Other Public Authority	670,067	816,659	146,592	21.88%
Other Water Utility	1,900,568	2,393,067	492,499	25.91%
Fire Protection	250,593	323,632	73,039	29.15%
Miscellaneous Sales	0	0	0	0.00%
<u>Total</u>	<u>\$20,071,670</u>	<u>\$25,327,757</u>	<u>\$5,256,087</u>	<u>26.19%</u>

**Test Year Operating Revenues at Present Rates vs Proposed Rates
For the Test Year Ended June 30, 2009**

Missouri Public Service Commission
Company: Missouri-American Water Company

Case No. WR-2010-0131
Schedule CAS-13-SJO
Revised
Page 1 of 1

District: St. Joseph

Line #	Class/ Description	Present Pro Forma Rates		Proposed Pro Forma Rates		Dollar Change	Percentage Change
		Sales ('000 Gal)	Total Revenue	Sales ('000 Gal)	Total Revenue		
1							
2	Monthly Billing:						
3							
4	Residential	1,672,406	\$10,070,185	1,672,406	\$13,071,743	\$3,001,558	29.81%
5	Commercial	864,913	3,755,412	864,913	4,455,413	700,001	18.64%
6	Industrial	2,042,813	3,424,845	2,042,813	4,267,243	842,398	24.60%
8	Other Public Authority	171,949	670,067	171,949	816,659	146,592	21.88%
9	Other Water Utilities	803,053	1,900,568	803,053	2,393,067	492,499	25.91%
10	Miscellaneous	0	0	0	0	0	0.00%
11	Private Fire	0	250,593	0	323,632	73,039	29.15%
12	Public Fire	0	0	0	0	0	0.00%
13	Total	<u>5,555,133</u>	<u>20,071,670</u>	<u>5,555,133</u>	<u>25,327,757</u>	<u>\$5,256,087</u>	<u>26.19%</u>
14							
15							
16	Miscellaneous Revenues:						
17							
18	Reconnect Charges		11,860		40,740	28,880	243.51%
19	Returned Check Charge		6,696		6,696	0	0.00%
20	Application Fee		0		31,235	31,235	0.00%
21	Miscellaneous Other Revenue		223,158		223,158	0	0.00%
22	Rents from Water Property		15,003		15,003	0	0.00%
23	Misc Sales		-		0	0	0.00%
24							
25			<u>\$20,328,387</u>		<u>\$25,644,589</u>	<u>5,316,202</u>	<u>26.15%</u>
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