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**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a Session of the Public Service  
Commission held at its office  
in Jefferson City on the 25th  
day of November, 1997.

In the Matter of Missouri Public        )  
Service, a Division of UtiliCorp        )  
United Inc.'s Tariff Designed to        )  
Increase Rates for Electric Service    )  
to Customers in the Missouri Service    )  
Area of the Company.                    )

**Case No. ER-97-394**

**ORDER DENYING MOTION TO STRIKE**

On October 31, 1997, the Staff of the Commission (Staff) filed a motion to strike portions of the rebuttal testimony of UtiliCorp United, Inc. (UtiliCorp) witness Beth Armstrong. The Staff states, in essence, that the objectionable portions of the UtiliCorp witness's testimony involve an effort by UtiliCorp to propose an adjustment to "other pension expense benefits" (OPEB or FAS 106 Expense) in rebuttal testimony and, therefore, in contravention of the Commission's procedural rules. The Staff points out that, in its direct testimony, UtiliCorp proposed no adjustment to OPEB benefits and raised the proposed adjustment only after the Staff filed its direct testimony in the consolidated complaint case. The Staff concludes that UtiliCorp is now prohibited from proposing the adjustment as, to do so, would not allow the Staff fair notice.

UtiliCorp responded to the Staff motion on November 7 stating that the issue involving FAS 106 was first raised by the Staff as the result of a proposed adjustment in the Staff's direct testimony filed in the complaint case. UtiliCorp states that, as a result of the proposed Staff adjustment, it is appropriate to now consider the entire FAS 106

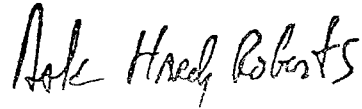
expense issue and consider all events which have occurred since the original rate case filing. Staff filed a response to UtiliCorp's reply on November 20. In that response the Staff states that its proposed adjustment in its complaint case filing does not, in and of itself, permit UtiliCorp to supplement its direct case.

The Commission finds that the motion should be denied. The UtiliCorp testimony in question is appropriate rebuttal to an issue originally raised by the Staff in its direct testimony and not in contravention of the Commission's rules. The Staff does not appear to be unduly prejudiced by allowing the rebuttal of UtiliCorp while striking the requested testimony might conceivably prejudice UtiliCorp. Therefore, the Staff motion is denied.

**IT IS THEREFORE ORDERED:**

1. That the motion to strike of the Staff is denied for the reasons as set out above.
2. That this order shall become effective on November 25, 1997.

**BY THE COMMISSION**



**Dale Hardy Roberts**  
**Secretary/Chief Regulatory Law Judge**

(S E A L)

Lumpe, Ch., Crumpton, Murray,  
and Drainer, CC., concur.

Derque, Regulatory Law Judge