

Exhibit No.: _____
Issue(s): Depreciation/Isolated Adjustments/
Stranded Assets-Non-AMI Meters/AAO Request
Witness/Type of Exhibit: Robinett/Rebuttal
Sponsoring Party: Public Counsel
Case No.: ER-2024-0261

REBUTTAL TESTIMONY

OF

JOHN A. ROBINETT

Submitted on Behalf of the Office of the Public Counsel

**THE EMPIRE DISTRICT ELECTRIC COMPANY
D/B/A LIBERTY**

FILE NO. ER-2024-0261

**** _____ ****
Denotes Confidential Information that has been redacted

Redacted information is either information Empire designated to be confidential or based on information Empire designated to be confidential (Rule 20 CSR 4240-2.135(9))

August 18, 2025

PUBLIC

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REBUTTAL TESTIMONY
OF
JOHN A. ROBINETT
THE EMPIRE DISTRICT ELECTRIC COMPANY D/B/A LIBERTY UTILITIES
CASE NO. ER-2024-0261

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

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

Q. Are you the same John A. Robinett who filed direct testimony on behalf of the Missouri Office of the Public Counsel (“OPC”) in this proceeding?

A. Yes.

Q. What is the purpose of your rebuttal testimony?

A. The purpose of this testimony is to respond to the direct testimonies of Liberty witness Mr. Aaron Doll for an accounting authority order for Riverton Units 13 and 14 and Staff witness Mr. Matthew Young’s recommendation for Plant in Service accounting treatment for Riverton Unit 10 and 11. I will discuss Staff’s recommended depreciation rate for account 370.1 advanced metering infrastructure-meters (“AMI meters”). Additionally, I will rebut the direct testimony of Staff witness Mr. Brodrick Niemeier related to his discussion of the Riverton units. I will discuss needed isolated adjustments for needed asset retirements that exceed the approved amortization periods for general plant. Finally, I will discuss recommendations related to the stranded asset that exists for non-AMI meters.

Riverton 10 and 11

Q. Do you agree with Staff witness Mr. Brodrick Niemeier where he testifies at page 4 lines 8 through 14 of his direct testimony that Liberty is not seeking to recover the Riverton unit 10 repair costs in this case?

A. No.

1 **Q. Does Mr. Niemeier provide any support for his claim?**

2 A. No, not in his testimony. Mr. Niemeier simply states at page 4 of his direct testimony lines
3 12 through 14:

4 Empire has not included any such testimony, and Empire has confirmed that
5 repair costs have not been proposed to be added to rate base in this case.

6 Mr. Niemeier provides no data request responses that corroborate his statement of Empire
7 confirming they are not proposing the repair costs of Riverton Unit 10 being placed into
8 rate base.

9 **Q. Do you have any evidence to the contrary?**

10 A. Yes. As I provided in my direct testimony in this case, Liberty's confidential response to
11 OPC data request number 8507 is that the **
12 _____ ** Liberty's
13 response to OPC data request number 8507 is attached as Schedule JAR-R-1C.

14 **Depreciation rate for account 370.1 AMI-Meters**

15 **Q. What depreciation rate is Staff recommending for AMI meters in this case?**

16 A. Staff witness Mr. Malachi Bowman is recommending a 5% depreciation rate which is a
17 20-year life with 0.00% net salvage for the account based on the depreciation study filed
18 in Liberty's last rate case, Case No. ER-2021-0312.

19 **Q. Do you have concerns with Staff's AMI meters depreciation rate?**

20 A. No. Staff's recommendation is consistent with previous depreciation authority cases that
21 have been before the Commission when a utility has sought to change the type of meters it
22 is using; my understanding is that the life estimate for these meters is tied to the expected
23 battery life of the meters.

Accounting Treatment for Riverton units 13 and 14

Q. What accounting treatment do Liberty witnesses Mr. Aaron Doll and Ms. Charlotte T. Emery request related to the future construction and in-service of Riverton units 13 and 14?

A. Liberty is seeking an accounting authority order to allow it to defer depreciation expense and return on investment for Riverton units 13 and 14 when it places them into service. In her direct testimony at pages 54 through 56 Ms. Emery discusses the specifics of the request by Liberty. Ms. Emery provides the following five terms Liberty is requesting.

I. If the PISA statute is amended so that it applies to the Riverton Units or any other statute applies to the Units that results in deferral and recovery of return on and of investments from the in-service date to the effective date of new rates, then no Constructive¹ Accounting will be applied.

II. A WACC approved by the Commission for purposes of PISA within this docket.

III. The Company will provide surveillance reporting, consistent with its current practices, during the Construction Accounting Period;

IV. Once these projects are reflected in new base rates, no additional dollars will be added to the Construction accounting balance; and

V. This Regulatory Asset will be offset with Missouri's allocated portion of SPP revenue that it receives from selling the natural gas generation power to SPP.

Q. How do you respond to Liberty's request and proposed treatment of SPP revenues from the units for testing and operating power generated before these Riverton units are included in rate base?

A. Liberty's requested AAO is no longer necessary as Senate Bill 4 will become law on August 28, 2025, granting electric utilities the ability to defer 85% of depreciation expense

¹ I assume this is a typographical error and she means "construction accounting," not "constructive accounting."

1 and return on the investment of new gas generating facilities until the assets are placed into
2 rate base in a future rate case.

3 As for the revenues generated from the units for testing purposes and until placed
4 into rate base in a future proceeding, I recommend that the revenues be booked to
5 accumulated depreciation reserves to offset the capital investment in the new units as
6 opposed to Liberty's requested method as an offset to the AAO asset value.

7 **Q. What accounting treatment has Staff witness Mr. Matthew R. Young recommended**
8 **related to the construction and placing of Riverton units 13 and 14 in service?**

9 A. While I am a bit confused by Mr. Young's testimony as to whether he is discussing the
10 repairs to Riverton units 10 and 11 or the replacement of Riverton units 10 and 11 with
11 units 13 and 14; it is my understanding that Mr. Young is requesting that the dollars
12 associated with either be tracked separately, or otherwise be made identifiable from other
13 investments that qualify for plant in service accounting. I am interpreting Mr. Young's
14 direct testimony to say that Senate Bill 4 that was approved by the Missouri Legislature
15 and signed by the Governor which becomes effective August 28, 2025, just 10 days after
16 the filing of this rebuttal testimony to be the recommendation of Staff for treatment related
17 to the replacement of Riverton units 10 and 11.

18 **Q. Again, what is your recommendation in response to the special accounting treatment**
19 **that Liberty has requested to Riverton units 13 and 14?**

20 A. The requested AAO treatment for Riverton units 13 and 14 is not needed as Senate bill 4
21 becomes law on August 28, 2025, allowing for PISA deferral for new gas generating units
22 such as Riverton units 13 and 14.

General Plant Amortization Retirements

Q. Does Liberty have plant-in-service that will exceed the general plant amortization periods that the Commission ordered in Liberty's last general rate proceeding?

A. Yes.

Q. Have Staff or Liberty proposed retirements of the plant that will exceed these amortization periods as part of their cases through the effective date of new rates?

A. No.

Q. Have you identified plant that needs to be retired before the effective date of new rates?

A. Yes. The following table provides the number of asset lines per the FERC account and the total value per account that needs to be retired as an isolated adjustment through December 31, 2025. I recommend that the Commission order Liberty to retire the following amounts for assets that will exceed the ordered amortization periods before the effective date of new rates.

Account Number	Account Description	Assets Lines to Retire	Dollars to Retire
391	Office Furniture and Equipment	8	\$ 15,235.03
393	Stores Equipment	1	\$ 8,259.67
394	Tools, Shop and Garage Equipment	0	\$ -
395	Laboratory Equipment	4	\$ 23,704.08
397	Communication Equipment	11	\$ 127,816.62
398	Miscellaneous Equipment	0	\$ -

Non-AMI Meter Stranded Asset

Q. When did the accumulated depreciation reserve for non-AMI meters go negative?

A. Liberty's response to OPC data request number 8512 is that the accumulated depreciation reserve for account 370 meters went negative in December of 2020.

1 **Q. What is the current value of the stranded asset for non-AMI meters?**

2 A. Staff's direct accounting schedules have a total company value of negative \$11,195,207
3 with a Missouri Jurisdictional value of negative \$9,631,988 as of September 30, 2024.

4 **Q. Do you have concerns related to Liberty's non-AMI meters account?**

5 A. Yes. As of September 30, 2024, Staff's accounting schedules still have a plant-in-service
6 balance for account 370 of \$10,506,056 total company and \$9,039,074 Missouri
7 Jurisdictional. When this information is paired with Liberty's responses to OPC data
8 requests 8516 and 8517² it seems as if there is a large plant-in-service balance remaining
9 in-service for a small number of non-AMI meters. With OPC data request 8516 I asked if
10 Liberty had completed the conversion of meters to AMI meters for all meters that it
11 intended to switch. Liberty's response is that it still has 14 meters that require a complete
12 meter base upgrade to install each new meter and that this will likely take until 2027 to
13 complete due to the need of extensive coordination between the utility and the customers.
14 Liberty's response to OPC data request number 8517 indicates that 270 meters will not be
15 converted to AMI.

16 **Q. What is your recommendation related to the non-AMI meters stranded assets?**

17 A. Consistent with my recent recommendations in the Missouri American Water and Spire
18 Missouri general rate cases, I recommend that Liberty should be granted a non-rate base
19 asset for the reserve deficiency for the non-AMI meters FERC account 370. This means
20 Liberty will be allowed to collect for the original cost of the meters, but not be allowed to
21 earn a return on its investment. I recommend an amortization period of 5-years based on

² Liberty's response to OPC data requests 8516 and 8517 are attached as Schedule JAR-R-2

1 the current balances discussed above, not knowing how much more plant has been and will
2 be retired since September 30, 2024, and until the effective date of new rates in this case.

3 **Q. Does this conclude your rebuttal testimony?**

4 A. Yes, it does.

In the Matter of the Request of The)
 Empire District Electric Company d/b/a)
 Liberty for Authority to File Tariffs) Case No. ER-2024-0261
 Increasing Rates for Electric Service)
 Provided to Customers in Its Missouri)
 Service Area)

STATE OF MISSOURI)
) SS
COUNTY OF COLE)

1. My name is John A. Robinett. I am a Utility Engineering Specialist for the Office of the Public Counsel.

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.

Subscribed and sworn to me this 14th day of August 2025.



My Commission expires August 8, 2027.