

**FILED<sup>3</sup>**  
**APR 20 2007**  
**Missouri Public  
Service Commission**

*Exhibit No.:*

*Issues: Income Taxes, Accumulated  
Deferred Income Taxes In Rate  
Base, Taum Sauk Generating  
Plant, Pinckneyville and  
Kinmundy Generating Plants*

*Witness: Stephen M. Rackers*

*Sponsoring Party: MOPSC*

*Type of Exhibit: Direct Testimony*

*Case Nos.: ER-2007-0002*

*Date Testimony Prepared: December 15, 2006*

**MISSOURI PUBLIC SERVICE COMMISSION**

**UTILITY SERVICES DIVISION**

**DIRECT TESTIMONY**

**OF**

**STEPHEN M. RACKERS**

**UNION ELECTRIC COMPANY  
d/b/a AMERENUE**

**CASE NO. ER-2007-0002**

*Jefferson City, Missouri  
December 2006*

*STW*  
**Exhibit No. 230**  
**Case No(s) ER-2007-0002**  
**Date 3/29/07 Rptr**

**EXHIBIT**

**tabbies**

**230**

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

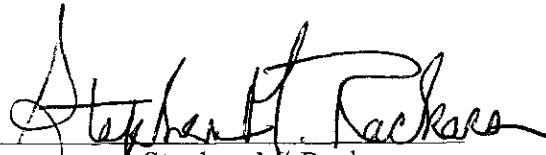
In the Matter of Union Electric Company d/b/a )  
AmerenUE for Authority to File Tariffs Increasing )  
Rates for Electric Service Provided to Customers in )  
the Company's Missouri Service Area. )

Case No. ER-2007-0002

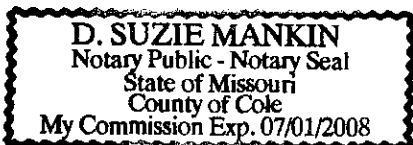
**AFFIDAVIT OF STEPHEN M. RACKERS**

STATE OF MISSOURI       )  
                                  )  
COUNTY OF COLE       )       ss.

Stephen M. Rackers, of lawful age, on his oath states: that he has participated in the preparation of the foregoing Direct Testimony in question and answer form, consisting of 14 pages to be presented in the above case; that the answers in the foregoing 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.

  
Stephen M. Rackers

Subscribed and sworn to before me this 15<sup>th</sup> day of December 2006.



  
Notary Public

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**DIRECT TESTIMONY OF**

**STEPHEN M. RACKERS**

**UNION ELECTRIC COMPANY**

**d/b/a AMERENUE**

**CASE NO. ER-2007-0002**

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1 Q. With reference to Case No. ER-2007-0002, have you made an investigation of  
2 the books and records of Union Electric Company d/b/a AmerenUE (AmerenUE or  
3 Company)?

4 A. Yes, with the assistance of other members of the Commission Staff (Staff).  
5 I reviewed Company workpapers and testimony, Company responses to Staff data requests as  
6 well as to various data request responses provided to other parties participating in this rate  
7 case, Ameren's most recent Annual Report to Shareholders and workpapers from the  
8 Company's outside auditors. I obtained information from Company personnel during various  
9 meetings as well as from the websites of the Company and the Federal Energy Regulatory  
10 Commission. I also examined the Stipulation and Agreement as well as the Commission's  
11 Report and Order from the most recent rate proceeding involving AmerenUE as part of Case  
12 No. EC-2002-1.

13 **EXECUTIVE SUMMARY**

14 Q. Please discuss the areas you are responsible for in this case.

15 A. I am responsible for the Staff's calculation of income tax expense, the deferred  
16 income tax balance included in rate base, Staff's treatment of costs related to the Taum Sauk  
17 catastrophic failure and Staff's determination of the appropriate transfer price for the  
18 Pinckneyville and Kinmundy combustion turbine generating units. I will also discuss the  
19 Staff's true-up.

20 Q. What adjustments to the plant in service and the depreciation reserve are you  
21 sponsoring?

1           A.     I am sponsoring the following adjustments in Accounting Schedule 4,  
2 Adjustments To Plant In Service and Accounting Schedule 6, Adjustments To Depreciation  
3 Reserve:

4                     Pinckneyville and Kinmundy                     P-87.1

5                     Pinckneyville and Kinmundy                     R-87.1

6           Q.     What Accounting Adjustments to the Income Statement are you sponsoring?

7           A.     I am sponsoring the Staff's expense adjustments in Accounting Schedule 10,  
8 Adjustments To Income Statement for:

9                     Taum Sauk Generating Plant Expenses                 S-6.7, S-12.6, S-17.8

10                    Current Income Tax Expense                     S-34.1

11                    Deferred Income Tax Expense                     S-35.1

12                    Deferred Investment Tax Credit                     S-36.1

13          Q.     What Rate Base balances and Accounting Schedules are you sponsoring?

14          A.     I am sponsoring the accumulated deferred income tax balance in Accounting  
15 Schedule 2 – Rate Base. I am also sponsoring Accounting Schedule 11 – Income Tax.

16       **TEST YEAR AND TRUE-UP AUDIT**

17          Q.     What test year has the Staff utilized in this case?

18          A.     The Staff has used a test year ending June 30, 2006.

19          Q.     Is the Staff proposing a true-up audit in this case?

20          A.     Yes. The parties have agreed to and the Commission has ordered a true-up  
21 audit for the period ending January 1, 2007. At a minimum the parties have agreed that the  
22 following items, listed by category below, are anticipated true-up items. In addition, other  
23 significant items that maintain a proper matching of revenues, expenses and rate base may be  
24 subject to review, as events warrant.

1       **Rate Base:** Plant-in-service, depreciation reserve, contributions in aid of construction,  
2 customer advances for construction, deferred income taxes, and related items.

3       **Income Statement:** Revenues, storm related costs, off-system sales margins, payroll,  
4 customer growth, depreciation expense, fuel and transportation prices, purchased power costs,  
5 income taxes and related items.

6       To be included in the true-up audit, all items must be known, evidenced by  
7 documentation (i.e., inspection, monthly operating reports, invoices, Company ledgers, etc.)  
8 and the effect must be measurable.

9       Q.     Have you included an estimate of the value of true-up?

10      A.     Yes. The value of truing-up the change in coal contract prices is included in the  
11 Staff's calculation of its adjustments to fuel expense, which are shown on Accounting  
12 Schedule 10, Adjustments To Income Statement. The additional estimated value of the  
13 revenue requirement associated with true-up is shown as a line item on the bottom of  
14 Accounting Schedule 1, Revenue Requirement. The following discussion is an explanation of  
15 the items included in this line item. The Staff has included its calculation of the January 1,  
16 2007 non-union payroll increase and the estimated customer growth through the end of the  
17 year. The Staff has also included the revenue requirement associated with the return on rate  
18 base, applicable income taxes and depreciation expense on the estimated plant additions from  
19 June 30, 2006 through the end of the year. In addition, the Staff has included the revenue  
20 requirement associated with the return on rate base and applicable income taxes, for the  
21 estimated change in the depreciation reserve and accumulated deferred income taxes from  
22 June 30, 2006 through the end of the year. The actual amounts incurred and the value of true-

1 up will be determined based on the examination discussed above during the Staff's true-up  
2 audit.

3 **INCOME TAXES**

4 Q. Please discuss Accounting Schedule 11 – Income Taxes.

5 A. This schedule shows the calculation of current income taxes, based on the  
6 Staff's adjusted net income for the test year from Accounting Schedule 10 - Income  
7 Statement. Income taxes are computed for the adjusted test year and based on the low, mid  
8 and high points of the range of the Staff's recommended rate of return.

9 Q. What adjustments were made to the net income from Accounting Schedule 10  
10 to determine taxable income?

11 A. I adjusted the amount of net income from Accounting Schedule 10 to add back  
12 any income tax expense to determine the net income before income taxes. From net income  
13 before income taxes, I added back annualized depreciation expense and deducted tax straight-  
14 line depreciation, incurred cost of removal, interest expense and the Domestic Production  
15 Activities Deduction. For simplification of the tax calculation, the Staff has not included a  
16 deduction associated with the difference between accelerated depreciation and tax straight-  
17 line depreciation. This deduction would have no effect on the total income tax expense, since  
18 the reduction in current income taxes would be offset by an equal amount of increase in the  
19 deferred income taxes.

20 Q. Explain the Staff's add-back of annualized depreciation expense and deduction  
21 of tax straight-line depreciation expense.

22 A. Book depreciation is calculated by multiplying the depreciation rates, approved  
23 by the Commission, by the plant-in-service balances. A portion of this amount is reflected in



1 the income statement as an expense and a reduction to net income. A portion of the amount is  
2 also capitalized as part of the cost of construction. The total amount of book depreciation  
3 calculated is accumulated in the depreciation reserve, which is a reduction to the rate base.  
4 As long as the plant remains in service, depreciation expense associated with the plant will  
5 continue to be calculated.

6 For the purpose of calculating income taxes, however, the book depreciation is  
7 generally reduced to reflect tax straight-line depreciation. This reduction is necessary to  
8 reflect the fact that the plant balances for book depreciation (book bases) are larger than the  
9 plant balances for tax depreciation (tax bases). The difference in book and tax bases exists  
10 because certain costs are treated differently for book purposes than for tax purposes. An  
11 example of this is the fact that some items were capitalized for book purposes, but were  
12 deducted in the year incurred for tax purposes. The annualized depreciation expense also  
13 includes a component for net salvage, which for the calculation of income tax, is only  
14 deductible when incurred. To account for the difference in book and tax straight-line  
15 depreciation, I have added back annualized depreciation and deducted tax straight-line  
16 depreciation.

17 Q. How has the Staff calculated tax straight-line depreciation?

18 A. The Staff recalculated its annualized depreciation expense to remove the  
19 component associated with net salvage, which is only deductible for income taxes when  
20 incurred. I then developed a percentage based on the relationship of the tax basis to the book  
21 basis of plant in service. This percentage multiplied by the annualized depreciation expense,  
22 less the net salvage, equals tax straight-line depreciation.

23 Q. How did the Staff determine the net salvage deduction?

1           A.     The Staff's determination of net salvage is based on the actual amount  
2     estimated to be incurred in 2006.

3           Q.     Explain the Staff's deduction for interest expense.

4           A.     The deduction for interest expense equals Staff's weighted cost of debt  
5     multiplied by the rate base. This methodology synchronizes the tax deduction for interest  
6     expense with the interest the ratepayer is required to provide the Company in rates.

7           Q.     Explain the Staff's deduction for Domestic Production Activities (DPA).

8           A.     The DPA deduction became available to certain types of companies in 2005 as  
9     a result of changes in the Internal Revenue Code. For electric utilities, this change allows a  
10    deduction based on the net income, revenues less expenses, associated with the production of  
11    electricity. For 2005 and 2006 income taxes, the DPA deduction was equal to 3% of the  
12    qualifying production net income. Effective in 2007 the rate for the deduction increases to  
13    6%. With assistance from the Company, I calculated the production net income based on  
14    Staff's determination of revenue requirement and production related revenues and expenses.  
15    Staff multiplied its calculation of the production related net income by 6% to determine the  
16    DPA deduction.

17          Q.     What tax rates were applied to taxable income?

18          A.     The Staff used the applicable Federal, Missouri and St. Louis City income tax  
19    rates to calculate current income taxes. The difference between the test year current income  
20    taxes and the amount calculated on Schedule 11 appears in Schedule 10 – Adjustments To  
21    Income Statement in adjustment S-34.1.

22          Q.     Please explain the Staff's Adjustments for deferred income taxes, S-35.1.

1           A.     This adjustment recognizes the reduction in deferred income tax expense  
2 associated with the difference between current tax rates and higher historical tax rates.

3           Q.     Please explain the Staff's Adjustments to deferred income taxes associated  
4 with Investment Tax Credit (ITC), S-36.1.

5           A.     This adjustment reduces deferred income taxes for the amortization of the ITC  
6 utilized by the Company to reduce income tax in prior years.

7           **ACCUMULATED DEFERRED INCOME TAXES**

8           Q.     What level of accumulated deferred income taxes has the Staff included as a  
9 reduction to rate base?

10          A.     The Staff started with the Company's June 30, 2006 balance and then made  
11 adjustments based on the Staff's traditional positions or on the ratemaking the Missouri  
12 Commission has adopted.

13          Q.     Please list and explain the adjustments the Staff made to the deferred tax  
14 balance.

15          A.     The Staff eliminated the deferred taxes associated with asset retirement  
16 obligations. Financial Accounting Standard (FAS) 143 requires the recognition of potential  
17 future retirement obligations as a cost of plant-in-service for financial reporting. However,  
18 the balances recognized by the Staff in its plant-in-service do not include this additional cost.  
19 Therefore, the associated deferred taxes have been eliminated.

20          The Staff has also removed the deferred taxes associated with the difference between  
21 amounts accrued by the Company and amounts actually incurred for uncollectible accounts,  
22 injuries and damages, environmental expenses and legal expenses. These deferred taxes exist  
23 because such expenses are only deductible when actually incurred, rather than when accrued.

1 The Staff has traditionally included only the amounts actually incurred for these expenses.  
2 Therefore, recognition of these deferred taxes would be inconsistent with the Staff's historical  
3 regulatory treatment of these items.

4 The Staff is eliminating the deferred taxes associated with the difference between the  
5 amount of Other Post-retirement Employee Benefits (OPEBs) expensed, as calculated  
6 according to FAS 106, and the amount actually funded. According to statute and past  
7 regulation in Missouri, OPEB costs recognized in rates are required to be funded. Therefore,  
8 no difference associated with expensing and funding for FAS 106 should be recognized in  
9 rates.

10 Similar to OPEBs, the Staff is also eliminating the deferred taxes associated with the  
11 difference between the amount of pension expense, as calculated according to FAS 87, and  
12 the amount actually funded. These deferred income taxes indicate that AmerenUE has  
13 expensed more than it has contributed for pensions. As a result, the Company currently has a  
14 pension liability. The Staff does not believe it would be appropriate to recognize the deferred  
15 tax balance as an increase to rate base without also recognizing a decrease to rate base  
16 associated with the pension liability.

17 The Staff is also eliminating the deferred tax balance associated with the over-accrual  
18 of other taxes. The Staff has not traditionally included accrued taxes in it's cost of service in  
19 excess of what is actually paid. Therefore, deferred taxes associated with these accruals should  
20 not be included in the Staff's rate base.

21 The final adjustment made by the Staff to the deferred tax balance eliminates the  
22 amount associated with the Purchased Gas Adjustment Clause (PGA). Since PGA gas is

1 eliminated from the cost of service, the associated deferred taxes should not be recognized in  
2 rate base.

3 **TAUM SAUK GENERATING PLANT**

4 Q. Please briefly describe the circumstances causing the Staff to make  
5 adjustments associated with the Taum Sauk Generating Plant (Taum Sauk).

6 A. In December of 2005, a breach occurred in the mountain top reservoir of Taum  
7 Sauk. This breach allowed a flood of water which damaged an area below the plant including  
8 the Johnson's Shut-Ins State Park. AmerenUE has taken responsibility for this catastrophic  
9 failure, which will require rebuilding the Proffit Mountain plant and restoring the surrounding  
10 area.

11 Q. How is the Staff proposing to treat the costs of this catastrophic failure and the  
12 loss of the Taum Sauk generating capacity?

13 A. The Staff is proposing to disallow any expenses associated with the Taum  
14 Sauk failure included in the test year and is including the plant as a generating resource, as  
15 though the catastrophe had not occurred.

16 Q. Please explain the adjustments you are sponsoring related to the Taum Sauk  
17 catastrophe.

18 A. During the test year, the Company incurred various expenses associated with  
19 the catastrophic failure and also changed an accrual to expense as an estimate of potential  
20 additional cost. A portion of this cost was for payroll allocated to AmerenUE by its service  
21 company Ameren Services Company (AMS). The total non-payroll costs, including the  
22 accrual, and a portion of the payroll costs have been eliminated from the test year expenses.

1 Q. Why have only a portion of the payroll expenses associated with the Taum  
2 Sauk catastrophe been eliminated?

3 A. Since Taum Sauk is an AmerenUE facility, the payroll cost associated with this  
4 project would be charged 100% to the Company. However, on average approximately 39%  
5 of AMS costs are charged to AmerenUE. The Staff realizes that if not for the Taum Sauk  
6 catastrophic, 39% of this payroll cost could have been charged to AmerenUE, rather than  
7 100% of the cost. Therefore, the Staff has eliminated only the incremental AMS payroll, in  
8 excess of the average amount charged to AmerenUE. For a further discussion of AMS costs  
9 and amounts charged to AmerenUE, please refer to the testimony of Staff witness Lisa  
10 Hanneken.

11 Q. Is the Staff continuing to examine accounting information related to Taum  
12 Sauk?

13 A. Yes. The Staff is monitoring open work orders related to Taum Sauk and will  
14 verify that depreciation expense is continuing to be properly accumulated.

15 **PINCKNEYVILLE AND KINMUNDY GENERATING PLANTS**

16 Q. Please explain the Staff's adjustment respecting the cost of the Pinckneyville  
17 and Kinmundy generating plants (Pinckneyville and Kinmundy).

18 A. Pinckneyville and Kinmundy are combustion turbine generating facilities  
19 located in Illinois and now owned by AmerenUE. These units were built and owned in 2000  
20 and 2001, by AmerenEnergy Generating Company (AEG), a subsidiary of Ameren  
21 Corporation and an affiliate of AmerenUE. In May of 2005, Pinckneyville and Kinmundy  
22 were transferred to AmerenUE at net book value, original cost less accumulated depreciation  
23 expense.

1 Q. Was the cost of these plants required to be determined by AmerenUE in a  
2 particular manner?

3 A. Yes. According to the Commission's Electric Affiliate Transaction  
4 Rules (ATR), 4 CSR 240-20.015 Affiliate Transactions, purchases from affiliates should  
5 reflect the lower of cost or market. Therefore, the Company's cost of Pinckneyville and  
6 Kinmundy should reflect the lower of the cost AmerenUE would have incurred to build these  
7 facilities or the cost to purchase these facilities from an unaffiliated third party.

8 Q. Does the Staff believe that the transfer price used by the Company to  
9 determine the value of these plants meets the requirements of the ATR?

10 A. No. The Staff believes the transfer price used by the Company for these  
11 facilities is in excess of the requirements of the ATR. Therefore, the Staff is proposing to  
12 reduce the cost for these facilities included in plant-in-service. Staff has also reduced the  
13 accumulated depreciation reserve to recognize the depreciation expense that has accumulated  
14 since May of 2005.

15 Q. Please explain the process the Staff followed to determined the appropriate  
16 cost for the Pinckneyville and Kinmundy units.

17 A. The Staff has examined data regarding the cost of combustion turbine facilities  
18 that were available for purchase and the cost of combustion turbines built by AmerenUE and  
19 others from 2000 through 2006. The Staff examined Federal Energy Regulatory Commission  
20 filings and Missouri Public Service Commission filings

21 Q. What are the Staff's conclusions as a result of this examination?

22 A. The Staff believes that the Company was able to build similar facilities at a  
23 cost that is less than the transfer price AmerenUE used for the Pinckneyville and Kinmundy

1 units. Also, in response to its request, AEG, an affiliate of AmerenUE, received an offer from  
2 an independent third party to sell combustion turbine generation in 2002. The Company later  
3 purchased these very units in 2006, at a price significantly less than the amount originally  
4 offered. The Staff believes that this offer received by AEG in 2002 should be used to  
5 establish the transfer price for the Pinckneyville and Kinmundy units.

6 Q. What was the transfer price the Company used for the Pinckneyville and  
7 Kinmundy units?

8 A. Based on the 2005 Securities and Exchange Commission Form 10-K, the  
9 transfer price for the Pinckneyville and Kinmundy units was approximately \$241 million. This  
10 price equals 439.8/KW for 548,000 KW of generating capacity at the actual transfer price used  
11 by AmerenUE for these units.

12 Q. Please discuss examples of how the Company has been able to build and buy  
13 combustion turbine capacity at prices less than the actual transfer price used by AmerenUE  
14 for the Pinckneyville and Kinmundy units.

15 A. From 2002 through 2005 the Company added approximately 500,000 KW of  
16 combustion turbine capacity at its Venice plant at an average price of approximately  
17 \$337/KW. In addition, the Company purchased combustion turbine capacity in 2006 of  
18 approximately 1,425,000 KW at a price of \$203.7/KW.

19 Q. Please describe the offer to sell generation received by AEG?

20 A. In a letter dated August 15, 2002 NRG Energy, Inc. made an offer to sell to  
21 AEG the 640,000 KW combustion turbine Audrain Plant located in Vandalia, Missouri  
22 (Audrain). In the letter NRG presented a proposal to sell Audrain for \$200 million. This



1 price equals \$312.5/KW. On February 5, 2003 AEG and AmerenUE filed an application with  
2 the FERC to transfer the Pinckneyville and Kimmundy units.

3 Q. What adjustment is Staff proposing for this case?

4 A. The Staff proposes to reduce the transfer cost of the Pinckneyville and  
5 Kimmundy units based on the offer to sell Audrain. Repricing the 548,000 KW of  
6 Pinckneyville and Kimmundy capacity at the \$312.5/KW price of Audrain, results in a revised  
7 total transfer cost of \$171,250,000. Subtracting the actual transfer cost of the Pinckneyville  
8 and Kimmundy units from the revised transfer cost results in a reduction of \$69,750,000 from  
9 plant-in-service. I have also reduced the depreciation reserve by \$3,255,000 to account for  
10 the lower depreciation expense that would have been recorded on the lower plant value.

11 Q. Does this conclude your direct testimony?

12 A. Yes, it does.

Regulatory Case Proceeding Participation

**Stephen M. Rackers**

Data Base					
Date Filed	Issue	Utility Type	Case Number	Exhibit	Case Name
7/2/2001	Pension Liability	Electric	EC20021	Direct	Union Electric Co. d/b/a AmerenUE
7/2/2001	Income Tax Expense	Electric	EC20021	Direct	Union Electric Co. d/b/a AmerenUE
7/2/2001	Deferred Income Taxes	Electric	EC20021	Direct	Union Electric Co. d/b/a AmerenUE
3/1/2002	Income Tax Expense	Electric	EC20021	Direct	Union Electric Co. d/b/a AmerenUE
3/1/2002	Deferred Income Taxes - Rate Base Offset	Electric	EC20021	Direct	Union Electric Co. d/b/a AmerenUE
3/1/2002	Pension Liability	Electric	EC20021	Direct	Union Electric Co. d/b/a AmerenUE
6/24/2002	Income Taxes	Electric	EC20021	Surrebuttal	Union Electric Co. d/b/a AmerenUE
6/24/2002	Territorial Agreements	Electric	EC20021	Surrebuttal	Union Electric Co. d/b/a AmerenUE
4/12/2002	Income Taxes	Electric	EC20021025	Direct	Union Electric Co. d/b/a AmerenUE
4/12/2002	Pension Liability	Electric	EC20021025	Direct	Union Electric Co. d/b/a AmerenUE
2/23/1999	Income Tax	Electric	EM96149	Direct	Union Electric Company
2/23/1999	Territorial Agreements	Electric	EM96149	Direct	Union Electric Company
2/23/1999	Overview	Electric	EM96149	Direct	Union Electric Company
4/19/1999	Income Taxes	Electric	EM96149	Surrebuttal	Union Electric Company
4/19/1999	Territorial Agreements	Electric	EM96149	Surrebuttal	Union Electric Company
4/19/1999	Alternative Regulation Plan and Agreements	Electric	EM96149	Surrebuttal	Union Electric Company
5/30/2000	Territorial Agreements	Electric	EM96149	Direct	Union Electric Company
4/15/2002	Income Taxes	Electric	EM96149	Direct	Union Electric Co. d/b/a AmerenUE
4/15/2002	Pension Liability	Electric	EM96149	Direct	Union Electric Co. d/b/a AmerenUE
2/23/1999	Overview	Electric	EO9614	Direct	Union Electric Company
2/23/1999	Income Tax	Electric	EO9614	Direct	Union Electric Company
2/23/1999	Territorial Agreements	Electric	EO9614	Direct	Union Electric Company
4/19/1999	Alternative Regulation Plan	Electric	EO9614	Surrebuttal	Union Electric

# Regulatory Case Proceeding Participation

**Stephen M. Rackers**

Data Base					
Date Filed	Issue	Utility Type	Case Number	Exhibit	Case Name
	and Agreements				Company
4/19/1999	Income Taxes	Electric	EO9614	Surrebuttal	Union Electric Company
4/19/1999	Territorial Agreements	Electric	EO9614	Surrebuttal	Union Electric Company
8/27/1999	Territorial Agreements	Electric	EO99599	Rebuttal	Union Electric Company / Ozark Border Electric Cooperative
4/29/2002	Purchase Power	Electric	ER2002217	Direct	Citizens Electric Corporation
5/17/2001	Application Recommendation	Gas	GM2001342	Rebuttal	Laclede Gas Company
4/26/2004	ISRS Income Taxes	Gas	GO20040443	Direct	Laclede Gas Company
10/11/2001	Incentive Compensation	Gas	GR2001629	Direct	Laclede Gas Company
10/11/2001	Post-Retirement Benefits Other than Pensions	Gas	GR2001629	Direct	Laclede Gas Company
10/11/2001	Prepaid Pension Assets	Gas	GR2001629	Direct	Laclede Gas Company
10/11/2001	Pensions	Gas	GR2001629	Direct	Laclede Gas Company
6/20/2002	Copper Surveys	Gas	GR2002356	Direct	Laclede Gas Company
6/20/2002	Net Salvage Expense	Gas	GR2002356	Direct	Laclede Gas Company
6/20/2002	Environmental Cost	Gas	GR2002356	Direct	Laclede Gas Company
6/20/2002	Test Year & True Up	Gas	GR2002356	Direct	Laclede Gas Company
6/20/2002	Accounting Authority Orders	Gas	GR2002356	Direct	Laclede Gas Company
8/2/2002	Laclede Pipeline	Gas	GR2002356	Rebuttal	Laclede Gas Company
8/2/2002	Safety and Copper Service Replacement Programs	Gas	GR2002356	Rebuttal	Laclede Gas Company
9/13/2006	True-Up	Gas	GR20060387	Direct	Atmos Energy Corporation
9/13/2006	Other Rate Base Items	Gas	GR20060387	Direct	Atmos Energy Corporation
9/13/2006	MGP Sites	Gas	GR20060387	Direct	Atmos Energy Corporation
9/13/2006	Income Taxes	Gas	GR20060387	Direct	Atmos Energy Corporation
6/28/1999	Safety Deferral	Gas	GR99315	Direct	Laclede Gas Company
6/28/1999	FAS 87	Gas	GR99315	Direct	Laclede Gas Company
6/28/1999	FAS 88	Gas	GR99315	Direct	Laclede Gas Company
6/28/1999	FAS 106	Gas	GR99315	Direct	Laclede Gas Company
6/28/1999	Prepaid Pension Asset	Gas	GR99315	Direct	Laclede Gas Company
6/28/1999	Environmental Cost	Gas	GR99315	Direct	Laclede Gas Company
6/28/1999	Computer Cost	Gas	GR99315	Direct	Laclede Gas Company
6/28/1999	Supplemental Pension	Gas	GR99315	Direct	Laclede Gas Company
8/5/1999	Accounting Authority Orders	Gas	GR99315	Rebuttal	Laclede Gas Company

# Regulatory Case Proceeding Participation

**Stephen M. Rackers**

Data Base					
Date Filed	Issue	Utility Type	Case Number	Exhibit	Case Name
8/19/1999	Accounting Authority Orders	Gas	GR99315	Surrebuttal	Laclede Gas Company
11/19/2002	Financial Aspects	Gas	GT20030117	Direct	Laclede Gas Company
4/3/2000	Staff's Explanation and Rationale for Supporting the Stipulation Agreement	Sewer	SR2000282	Direct in Support of Stipulation Agreement	Missouri-American Water Company
4/4/2000	Pension Liability	Sewer	SR2000282	Direct	Missouri-American Water Company
4/4/2000	AFUDC	Sewer	SR2000282	Direct	Missouri-American Water Company
4/4/2000	Deferred OPEB Asset	Sewer	SR2000282	Direct	Missouri-American Water Company
4/4/2000	Pension Expense-FAS 87	Sewer	SR2000282	Direct	Missouri-American Water Company
4/4/2000	New St. Joseph Treatment Plant Phase-In	Sewer	SR2000282	Direct	Missouri-American Water Company
4/4/2000	OPEBS-FAS 106	Sewer	SR2000282	Direct	Missouri-American Water Company
5/4/2000	Phase-In	Sewer	SR2000282	Rebuttal	Missouri-American Water Company
5/4/2000	Accounting Authority Order	Sewer	SR2000282	Rebuttal	Missouri-American Water Company
5/25/2000	Phase-In	Sewer	SR2000282	Surrebuttal	Missouri-American Water Company
5/25/2000	AFUDC	Sewer	SR2000282	Surrebuttal	Missouri-American Water Company
5/6/1997	Lease Classification & Terms	Water	WA9746	Rebuttal	Missouri-American Water Company
10/3/2003	St. Joseph Treatment Plant	Water	WC20040168	Direct	Missouri-American Water Company
10/3/2003	AAOs	Water	WC20040168	Direct	Missouri-American Water Company
10/3/2003	Depreciation	Water	WC20040168	Direct	Missouri-American Water Company
10/3/2003	Transaction Costs	Water	WC20040168	Direct	Missouri-American Water Company
12/5/2003	Old St. Joseph Treatment Plant	Water	WC20040168	Surrebuttal	Missouri-American Water Co
12/5/2003	Security Accounting Authority Order	Water	WC20040168	Surrebuttal	Missouri-American Water Co
12/5/2003	Acquisition Adjustments	Water	WC20040168	Surrebuttal	Missouri-American Water Co
5/6/1997	Lease Classification & Terms	Water	WF97241	Rebuttal	Missouri-American Water Company
6/26/2001	Merger Recommendation	Water	WM2001309	Rebuttal	Missouri-American Water Company, et al

# Regulatory Case Proceeding Participation

**Stephen M. Rackers**

Data Base					
Date Filed	Issue	Utility Type	Case Number	Exhibit	Case Name
8/15/2001	Cost Allocation Manual	Water	WM2001309	Surrebuttal	Missouri American Water Company
3/31/1998	Main Replacement Program	Water	WO98223	Direct	St. Louis County Water Company
3/31/1998	Order-Infrastructure	Water	WO98223	Direct	St. Louis County Water Company
3/31/1998	Order-Infrastructure	Water	WO98223	Direct	St. Louis County Water Company
3/31/1998	Accounting Authority	Water	WO98223	Direct	St. Louis County Water Company
3/31/1998	Main Replacement Program	Water	WO98223	Direct	St. Louis County Water Company
3/31/1998	Accounting Authority	Water	WO98223	Direct	St. Louis County Water Company
4/3/2000	Staff's Explanation and Rationale for Supporting the Stipulation Agreement	Water	WR2000281	Direct in Support of Stipulation Agreement	Missouri-American Water Company
4/4/2000	Pension Expense-FAS 87	Water	WR2000281	Direct	Missouri-American Water Company
4/4/2000	Pension Liability	Water	WR2000281	Direct	Missouri-American Water Company
4/4/2000	AFUDC	Water	WR2000281	Direct	Missouri-American Water Company
4/4/2000	Deferred OPEB Asset	Water	WR2000281	Direct	Missouri-American Water Company
4/4/2000	New St. Joseph Treatment Plant Phase-In	Water	WR2000281	Direct	Missouri-American Water Company
4/4/2000	OPEBS-FAS 106	Water	WR2000281	Direct	Missouri-American Water Company
5/4/2000	Accounting Authority Order	Water	WR2000281	Rebuttal	Missouri-American Water Company
5/4/2000	Phase-In	Water	WR2000281	Rebuttal	Missouri-American Water Company
5/25/2000	AFUDC	Water	WR2000281	Surrebuttal	Missouri-American Water Company
5/25/2000	Phase-In	Water	WR2000281	Surrebuttal	Missouri-American Water Company
10/3/2003	St. Joseph Treatment Plant	Water	WR2000500	Direct	Missouri-American Water Company
11/20/2000	Merger Cost and Savings	Water	WR2000844	Direct	St. Louis County Water Company
11/20/2000	Infrastructure Replacement Deferrals	Water	WR2000844	Direct	St. Louis County Water Company
11/20/2000	Income Taxes	Water	WR2000844	Direct	St. Louis County Water Company

# Regulatory Case Proceeding Participation

**Stephen M. Rackers**

Data Base					
Date Filed	Issue	Utility Type	Case Number	Exhibit	Case Name
11/20/2000	Net Salvage Expense	Water	WR2000844	Direct	St. Louis County Water Company
11/20/2000	Revenue Requirement	Water	WR2000844	Direct	St. Louis County Water Company
12/28/2000	Merger Costs and Savings	Water	WR2000844	Rebuttal	St. Louis County Water Company
1/25/2001	Accounting Authority Orders (AAO's)	Water	WR2000844	Surrebuttal	St. Louis County Water Company
1/25/2001	Infrastructure Replacement	Water	WR2000844	Surrebuttal	St. Louis County Water Company
1/25/2001	Merger Costs and Savings	Water	WR2000844	Surrebuttal	St. Louis County Water Company
1/25/2001	Depreciation	Water	WR2000844	Surrebuttal	St. Louis County Water Company
10/3/2003	Transaction Costs	Water	WR20030500	Direct	Missouri-American Water Company
10/3/2003	Depreciation	Water	WR20030500	Direct	Missouri-American Water Company
10/3/2003	AAOs	Water	WR20030500	Direct	Missouri-American Water Company
10/3/2003	Acquisition Adjustments	Water	WR20030500	Direct	Missouri-American Water Company
10/3/2003	Acquisition Adjustments	Water	WR20030500	Direct	Missouri-American Water Company
12/5/2003	Security Accounting Authority Order	Water	WR20030500	Surrebuttal	Missouri-American Water Co
12/5/2003	Old St. Joseph Treatment Plant	Water	WR20030500	Surrebuttal	Missouri-American Water Co
12/5/2003	Acquisition Adjustments	Water	WR20030500	Surrebuttal	Missouri-American Water Co
9/3/1997	Amortization of Depreciation Reserve Deficiency	Water	WR97382	Direct	St. Louis County Water Company
9/3/1997	Appointment Meter Reading	Water	WR97382	Direct	St. Louis County Water Company
9/3/1997	Main Incident Expense	Water	WR97382	Direct	St. Louis County Water Company
9/3/1997	Income Tax	Water	WR97382	Direct	St. Louis County Water Company
9/3/1997	Infrastructure Replacement Deferral	Water	WR97382	Direct	St. Louis County Water Company
9/3/1997	Property Tax	Water	WR97382	Direct	St. Louis County Water Company
9/9/05	Affidavit in Support of the Stipulation and Agreement on various issues.	Electric	GR-2005-0284	Affidavit	Laclede Gas Co.