

Direct Testimony

of

Carolyn L. Bowers

Accounting Department
Financial Analysis Division
Illinois Commerce Commission

Reconciliation of Revenues Collected
Under Fuel Adjustment Charges
With Actual Costs Prudently Incurred

South Beloit Water, Gas and Electric Company

Docket No. 01-0693

October 18, 2002

1 Q. Please state your name and business address.

2 A. My name is Carolyn L. Bowers. My business address is 527 East Capitol Avenue,
3 Springfield, Illinois 62701.

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

5 A. I am currently employed as an Accountant in the Accounting Department of the
6 Financial Analysis Division of the Illinois Commerce Commission ("ICC" or
7 "Commission").

8 Q. Please describe your background and professional affiliations.

9 A. I am a Certified Public Accountant with a Bachelor of Arts in Accountancy from
10 Sangamon State University. Prior to joining the Commission in June 2001, I was
11 engaged in the practice of public accounting for fourteen years. I am a member of
12 the American Institute of Certified Public Accountants and the Illinois CPA
13 Society.

14

15 Q. Have you previously testified before any regulatory bodies?

16 A. Yes, I have testified on several occasions before the Commission.

17 Q. What is the purpose of your testimony in this proceeding?

18 A. The purpose of my testimony is to report the results of my review of South Beloit
19 Water, Gas and Electric Company's ("South Beloit" or "Company") 2001 Fuel
20 Adjustment Clause ("FAC") reconciliation as presented by its witness Amy E.

21 Isaachsen in Company Exhibit 1.1A provided with her second supplemental
22 testimony, and the underlying documents which support her calculations.

23

24 Q. Do you recommend any adjustments to South Beloit's FAC reconciliation as a
25 result of your review?

26 A. No, I find no reason to object to the Company's reconciliation of revenues
27 collected under its FAC with the actual cost of fuel. I recommend that the
28 Commission accept the reconciliation reflected in Company Exhibit 1.1A.

29

30 Q. Does the reconciliation require an Ordered Reconciliation Factor ("Factor Ro")?

31 A. Yes, the reconciliation in this proceeding requires a refund Factor Ro in the
32 amount of \$491,485. I recommend that the Company amortize the refund of
33 \$491,485 over a period not to exceed three months beginning with the first
34 monthly FAC filing after the date of the final order in this proceeding.

35

36 Q. Does this question end your prepared direct testimony?

37 A. Yes.