

Exhibit No.:
Issues: Depreciation Rates
Witness: Keenan B. Patterson, PE
Sponsoring Party: MoPSC Staff
Type of Exhibit: True-Up Direct Testimony
Case No.: GR-2017-0215 and GR-2017-0216
Date Testimony Prepared: November 28, 2017

MISSOURI PUBLIC SERVICE COMMISSION

COMMISSION STAFF DIVISION

ENGINEERING ANALYSIS UNIT

TRUE-UP DIRECT TESTIMONY

OF

KEENAN B. PATTERSON, PE

SPIRE MISSOURI, INC., d/b/a SPIRE

**LACLEDE GAS COMPANY and MISSOURI GAS ENERGY
GENERAL RATE CASE**

CASE NOS. GR-2017-0215 AND GR-2017-0216

*Jefferson City, Missouri
November 2017*

Staff Exhibit No. 294
Date 1/3/17 Reporter M6
File No. GR-2017-0215

GR-2017-0216

True-Up Direct Testimony of
Keenan B. Patterson

1 Q. Does Staff recommend the establishment of an account for the AMR devices?

2 A. Yes. The AMR devices are distinct from the meters they are attached to and
3 monitor. They also represent a large set of similar units that can be distinguished from
4 other communications equipment. Account No. 397.1 already appears on the depreciation
5 rate schedule for communications equipment. Staff recommends the establishment of
6 Account No. 397.2 – AMR Devices.

7 Q. Does Staff recommend an amortization rate for Account No. 397.2 – AMR
8 Devices?

9 A. Yes. Staff has reviewed LAC's request. LAC indicates that battery life of the
10 AMR devices limits their useful life to 20 years and that these devices were initially installed
11 in 2005. Staff reviewed the web site of the AMR device vendor, Landis+Gyr. Though Staff
12 could not find a product specification for the exact models mentioned in the amended service
13 agreement between LAC and Landis+Gyr,¹ specification sheets for similar devices indicated
14 that the batteries have a 20-year life.²

15 In addition, LAC indicates in its response to Staff Data Request 0484.1 that it intends
16 to switch to a new system beginning in 2020 with replacement of the AMR devices completed
17 by 2024.

18 In light of the product specifications and Spire's plan to change to a new system, Staff
19 recommends that an amortization period of 7.5 years is appropriate for Account No. 397.2.

¹ Amendment to Automated Meter Reading Services Agreement submitted in response to Data Request 0484.

² Gridstream: M 120 Residential Gas Module, Product Specification, Landis + Gyr,
https://www.landisgyr.com/webfoo/wp-content/uploads/2012/12/PS_GridstreamM120ResGasModule.pdf
accessed November 21, 2017.

Gridstream: M 220 Commercial & Industrial Gas Module, Product Specification, Landis + Gyr,
https://www.landisgyr.com/webfoo/wp-content/uploads/2012/12/PS_GridstreamM220C-IGasModule.pdf
accessed November 21, 2017.

True-Up Direct Testimony of
Keenan B. Patterson

1 Q. Does this complete your true-up direct testimony?

2 A. Yes.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of Laclede Gas Company's)
Request to Increase Its Revenues for) Case No. GR-2017-0215
Gas Service)

In the Matter of Laclede Gas Company)
d/b/a Missouri Gas Energy's Request to) Case No. GR-2017-0216
Increase Its Revenues for Gas Service)

AFFIDAVIT OF KEENAN B. PATTERSON, PE

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

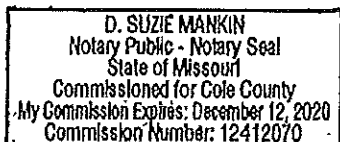
COMES NOW KEENAN B. PATTERSON, PE and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing True-Up Direct Testimony; and that the same is true and correct according to his best knowledge and belief.

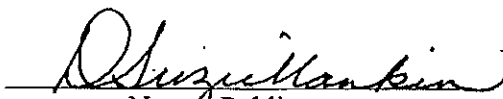
Further the Affiant sayeth not.


KEENAN B. PATTERSON, PE

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 27th day of November, 2017.




Notary Public