

*Exhibit No.:*

*Issue(s):* *Red Tag Repair, Heating  
Only For Low Income,  
Insulation Financing  
Program, EnergyWise  
Dealer Program*

*Witness:* *Curtis B. Gateley*

*Sponsoring Party:* *MoPSC Staff*

*Type of Exhibit:* *Rebuttal Testimony*

*Case No.:* *GR-2017-0215 and  
GR-2017-0216*

*Date Testimony Prepared:* *October 20, 2017*

**MISSOURI PUBLIC SERVICE COMMISSION**

**COMMISSION STAFF DIVISION**

**ENERGY RESOURCES**

**REBUTTAL TESTIMONY**

**OF**

**CURTIS B. GATELEY**

**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**

*October 2017*

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13

**TABLE OF CONTENTS OF  
REBUTTAL TESTIMONY**

**OF**

**CURTIS B. GATELEY**

**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**

RED TAG REPAIR, HEATING ONLY FOR LOW INCOME..... 2

INSULATION FINANCING PROGRAM..... 2

ENERGYWISE DEALER PROGRAM ..... 3

1 **REBUTTAL TESTIMONY**

2 **OF**

3 **CURTIS B. GATELEY**

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

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

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

8

9 Q. Please state your name and business address.

10 A. Curtis B. Gateley, PO Box 360, Jefferson City, MO 65102

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

12 A. I am a Utility Policy Analyst II. I work in both the Water and Sewer  
13 Department and in the Energy Resources Department, both of which are in the  
14 Commission Staff Division of the Missouri Public Service Commission.

15 Q. Are you the same Curtis B. Gateley that contributed to Staff's Class Cost of  
16 Service Report filed in this proceeding?

17 A. Yes, I am.

18 Q. Please describe your work and educational background.

19 A. A copy of my work and educational experience was provided in Appendix 1 of  
20 Staff's Class Cost of Service Report.

21 Q. What is the purpose of your testimony?

22 A. The purpose of my testimony is to rebut portions of the direct testimony of  
23 Scott A. Weitzel addressing the Red Tag Repair Program. I will also discuss changes to the  
24 EnergyWise Dealer Program and the Insulation Financing Program proposed by LAC and  
25 MGE in their proposed tariffs, but not supported by testimony filed in this case.

1 **RED TAG REPAIR, HEATING ONLY FOR LOW INCOME**

2 Q. Are LAC and MGE proposing changes to this program?

3 A. On page 7 of his testimony, LAC and MGE witness Weitzel proposes that the  
4 maximum amount of assistance to a single customer be increased from \$450 to \$1,000. A  
5 maximum of \$700 for work on a furnace, and a maximum of \$450 would be available to help  
6 pay for repair or replacement of other appliances, piping, and venting. Mr. Weitzel also  
7 proposes specifying that the assistance is available to renters upon approval of the landlord.

8 Q. Does Staff support these changes?

9 A. Yes. Given the cost of these expenses, additional assistance is appropriate.  
10 However, Staff proposes the condition that the Companies require additional reporting from  
11 the Community Action Agencies (“CAAs”) administering the assistance. LAC and MGE  
12 should require the CAAs to report on the effectiveness of this funding level, and on the  
13 number of customers that qualified for the program, but were unable to complete repairs or  
14 replacement. If customers otherwise qualify, but could not come up with the remaining  
15 necessary funds even after all available assistance was considered, then additional  
16 adjustments should be considered in subsequent rate cases.

17 **INSULATION FINANCING PROGRAM**

18 Q. What is the Insulation Financing Program?

19 A. The Insulation Financing Program is a loan program from the utility to finance  
20 installation of insulation, duct sealing, attic ventilation, caulking and weatherstripping, storm  
21 doors and storm windows. This program is currently available in the former LAC service  
22 territory, has existed since 1994, and has been in its current form since August 8, 2002.

1 Q. What changes were made in LAC's and MGE's proposed tariffs filed in these  
2 cases?

3 A. The Companies have proposed to: 1) expand the program to include the former  
4 MGE territory; 2) increase loan amounts from \$2000 to \$5,000 per dwelling unit; and  
5 3) increase the maximum amount of outstanding loans at any one time from \$2,000,000 to  
6 \$4,000,000.

7 Q. Have LAC and/or MGE witnesses provided any testimony to support these  
8 changes?

9 A. No. I have reviewed the direct testimony filed in both cases, and have not  
10 found any supporting these changes.

11 Q. What is Staff's position on these proposed changes?

12 A. Without justification for these changes, Staff cannot support the increase in  
13 loan amounts or the increase in maximum outstanding loans. However, Staff does not oppose  
14 expanding the program such that it is offered in both the former MGE and LAC territories.

15 **ENERGYWISE DEALER PROGRAM**

16 Q. Can you please describe this program?

17 A. This program provides on-bill financing for purchase of high efficiency  
18 appliances, heating and air conditioning systems. The purchase must be made through  
19 contractors authorized by the Company, although this authorization process is not defined in  
20 the tariff or testimony. Customers must be "credit-qualified," although this is also not defined  
21 in the tariff or testimony. The maximum amount to be financed for a single customer is  
22 \$10,000, and the loan term is for no more than five years. The financing is limited to current  
23 and future customers who own their building, and is available only in the LAC service area.

Rebuttal Testimony of  
Curtis B. Gateley

1 Q. What changes have been made in the proposed tariffs filed in these cases?

2 A. The proposed tariffs filed in these cases provide additional detail on what  
3 appliances would qualify, increase the maximum loan amount to \$15,000, and increase the  
4 loan term to no greater than seven years.

5 Q. Have LAC and/or MGE witnesses provided any testimony to support these  
6 changes?

7 A. No. I have reviewed the direct testimony filed in both cases, and have not  
8 found any witness testimony supporting these changes.

9 Q. What is Staff's position on these proposed changes?

10 A. Staff does not oppose the proposed additional detail on the qualifying  
11 appliances. However, without information to support the changes in loan amounts and length  
12 of the loan, Staff cannot support these proposed changes.

13 Q. Does this conclude your testimony?

14 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 CURT B. GATELEY**

STATE OF MISSOURI )  
 ) ss.  
COUNTY OF COLE )

COMES NOW CURT B. GATELEY and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing Rebuttal Testimony; and that the same is true and correct according to his best knowledge and belief.

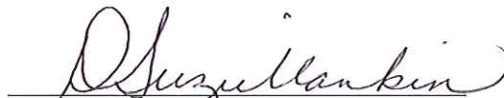
Further the Affiant sayeth not.

  
CURT B. GATELEY

**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 19<sup>th</sup> day of October, 2017.

D. SUZIE MANKIN  
Notary Public - Notary Seal  
State of Missouri  
Commissioned for Cole County  
My Commission Expires: December 12, 2020  
Commission Number: 12412070

  
Notary Public