

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

In the Matter of the Application of Spire Missouri)	
Inc. to Change its Infrastructure System)	Case No. GO-2019-0115
Replacement Surcharge in its Spire Missouri East)	
Service Territory)	
)	
In the Matter of the Application of Spire Missouri)	Case No. GO-2019-0116
Inc. to Change its Infrastructure System)	
Replacement Surcharge in its Spire Missouri West)	
Service Territory)	

**UNANIMOUS STIPULATION AND AGREEMENT AS TO RESOLUTION OF
PROPERTY TAX EXPENSE**

COME NOW, Spire Missouri Inc. (“Spire Missouri”), the Staff of the Missouri Public Service Commission (“Staff”), and the Missouri Office of the Public Counsel (“OPC”) (collectively, “the Signatories”) and hereby submit this Unanimous Stipulation and Agreement (“Stipulation”) as to the resolution of the property tax expense issue and, in support thereof, respectfully state as follows:

BACKGROUND

1. On January 14, 2019, Spire Missouri filed its applications and petitions, along with its revised tariffs, with the Missouri Public Service Commission (“Commission”), in order to change its Infrastructure System Replacement Surcharge (“ISRS”) in its Spire Missouri East and Spire Missouri West service territories.
2. On May 3, 2019, the Commission issued its Report and Order in the underlying cases.
3. On May 13, 2019, the OPC filed a Motion for Rehearing or Reconsideration of the Commission’s May 3, 2019 Order, citing several issues, including the calculation of net property taxes owed on plant additions. On July 25, 2019, the Commission granted OPC’s

motion for rehearing, in part, only as to the net value of property tax and scheduled a procedural conference for August 9, 2019 to address this limited issue. At the procedural conference, the administrative law judge granted the Signatories until August 16, 2019 to either file a proposed procedural schedule or submit an agreement as to the resolution of the property tax issue.

4. Based on discussions held subsequent to the issuance of the July 25, 2019 Order, the Signatories have reached a Stipulation and Agreement resolving the property tax expense issue in the above captioned cases and respectfully recommend that the Commission approve its terms as set forth below.

AGREEMENTS AMONG THE SIGNATORIES

5. The Signatories agree that the appropriate amount of property tax expense to be included in the revenue requirement for Spire Missouri East is \$1,057,200 and \$2,317,402 for Spire Missouri West. The Signatories further agree that the appropriate revenue requirement for Spire Missouri East Case No. GO-2019-0115 is \$5,943,490 and \$6,501,455 for Spire West Case No. GO-2019-0116, and that such amounts should be approved by the Commission.

6. Spire Missouri agrees to file revised tariff sheets reflecting the recalculated amount of property tax expense for both Spire Missouri East and Spire Missouri West immediately, with an intended expedited effective date of August 23, 2019, for review and approval by all parties. Spire Missouri will file a Motion for Expedited Treatment, requesting the expedited August 23, 2019 effective date, concurrent with this filing. The Signatories are in agreement as to the August 23, 2019 effective date. This addresses the property tax issue on a going forward basis.

7. The Signatories agree that the difference between property tax expenses as originally approved by the Commission and as recalculated pursuant to this Stipulation for the

period when rates went into effect on, May 25, 2019, until the August 23, 2019 effective date for the revised tariff sheets, will be reflected in the annual reconciliation amounts in Spire's current ISRS filings GO-2019-0356 and GO-2019-0357 in the amounts of approximately \$118,855 for Spire Missouri East and \$69,314 for Spire Missouri West.¹

GENERAL PROVISIONS OF AGREEMENT

8. This Stipulation is a negotiated settlement and is being entered into for the purpose of the issues in this case explicitly set forth above between the Signatories. Except as specified herein, the Signatories shall not be prejudiced, bound by, or in any way affected by the terms of this Agreement: (a) in any future proceeding, (b) in any proceeding currently pending under a separate docket; and (c) in this proceeding should the Commission decide not to approve this Stipulation, or in any way condition its approval of the same.

9. This Stipulation has resulted from extensive negotiations among the Signatories, and the terms hereof are interdependent. If the Commission does not approve this Stipulation unconditionally and without modification, then this Stipulation shall be void and no Signatory shall be bound by any of the agreements or provisions hereof.

10. If approved and adopted by the Commission, this Stipulation shall constitute a binding agreement among the Signatories. The Signatories shall cooperate in defending the validity and enforceability of this Stipulation and the operation of this Stipulation according to its terms.

11. The Staff shall have the right to provide, at any agenda meeting at which this Stipulation is noticed to be considered by the Commission, whatever oral explanation the Commission requests. Staff shall, to the extent reasonably practicable, provide the other Parties

¹ These amounts are subject to change if the August 23, 2019 effective date for the revised tariff sheets is not granted by the Commission.

with advanced notice of the agenda in which Staff will respond to the Commission's request for information. Staff's oral explanation shall be subject to public disclosure, except to the extent it refers to matters that are privileged, highly confidential, or proprietary.

12. If the Commission does not approve this Stipulation without condition or modification, and notwithstanding the provision herein that it shall become void, (a) neither this Stipulation nor any matters associated with its consideration by the Commission shall be considered or argued to be a waiver of the rights that any Signatory has for a decision in accordance with RSMo. §536.080 or Article V, Section 18 of the Missouri Constitution, and (b) the Signatories shall retain all procedural and due process rights as fully as though this Stipulation had not been presented for approval, and any suggestions, memoranda, testimony, or exhibits that have been offered or received in support of this Stipulation shall become privileged as reflecting the substantive content of settlement discussions and shall be stricken from and not be considered as part of the administrative or evidentiary record before the Commission for any purpose whatsoever.

13. If the Commission accepts the specific terms of this Stipulation without condition or modification, only as to the issues in these cases explicitly set forth above, the Signatories each waive their respective rights to present oral argument and written briefs pursuant to RSMo. §536.080.1, their respective rights to the reading of the transcript by the Commission pursuant to §536.080.2, their respective rights to seek rehearing pursuant to §536.500, and their respective rights to judicial review pursuant to §386.510. This waiver applies only to the value of the property taxes associated with the ISRS revenues and costs excluded from recovery by the Commission in its May 3, 2019 Report and Order and does not apply to any rights the Signatories may have to seek rehearing or judicial review of the lawfulness or reasonableness of

the Commission's decision excluding such amounts. The Signatories further agree that such waiver applies only to the issues that are resolved hereby and does not apply to any matters raised in any prior or subsequent Commission proceeding nor any matters not explicitly addressed by this Stipulation.

WHEREFORE, the Signatories request the Missouri Public Service Commission issue an order approving the terms and conditions of this Unanimous Stipulation and Agreement and further approving Spire Missouri's revised tariff sheets with an intended expedited effective date of August 23, 2019.

[Signature Page to Follow]

Respectfully Submitted,

/s/ Goldie T. Bockstruck

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CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing Stipulation and Agreement was served on the General Counsel of the Staff of the Missouri Public Service Commission and the Office of the Public Counsel on this 13th day of August 2019 by hand-delivery, fax, electronic or regular mail.

/s/ Goldie T. Bockstruck