

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

**THE OFFICE OF THE PUBLIC COUNSEL’S RESPONSE TO SPIRE
MISSOURI INC.’S RESPONSE TO STAFF REPORT AND
REQUEST FOR ACCOUNTING AUTHORIZATION
TO DEFER AMOUNTS EXCLUDED FROM ISRS CHARGES
FOR CONSIDERATION IN ITS NEXT RATE CASES**

COMES NOW the Office of the Public Counsel (“OPC”) and for its Response to *Spire Missouri Inc.’s Response to Staff Report and Request for Accounting Authority Authorization to Defer Amounts Excluded from ISRS Charges for Consideration in its Next Rate Cases* (Spire Response), states as follows:

1. On April 24, 2019, the Commission issued its *Order Directing Filing and Setting Response Times*, which directed Staff to calculate the amount of pretax revenues related to the replacement of cast iron or bare steel material in Spire Missouri, Inc. (“Spire”)’s proposed infrastructure system replacement surcharge.
2. In Response Staff filed its *Report* on April 25, 2019.

3. On April 30, Spire Missouri Inc. (Spire) filed its *Response*, which essentially reiterates verbatim arguments from its *Brief*.

4. In addition to simply reiterating its arguments, Spire's response also requests the Commission issue it:

an accounting authorization to defer for potential recovery in its next rate case any costs incurred on or after July 1, 2018, that have been excluded in these cases based on the methodology adopted by the Commission. Such deferral would include the depreciation, return and taxes associated with such costs, all to be calculated in the same manner as that used for non-excluded costs.

Spire Response at p.4, para 9.

5. Spire's request for an Accounting Authority Order is not an AAO Application in accord with Commission rules, and is procedurally inappropriate in this ISRS case for the at least two reasons.

6. First, Spire's request must be rejected due to the statutory time limits of an ISRS case. The Commission is obligated to file an order in this case "to become effective not later than one hundred twenty days after the petition [for the ISRS] is filed." The procedural requirements necessitated to ensure due process of law when considering a utility's request for an AAO will greatly exceed the time remaining in this case to meet this 120 day deadline.

7. The only procedurally lawful way for the Commission to exercise its discretion to grant an AAO would thus be to dismiss Spire's current petitions and require Spire to re-file an application in accord with Commission rules 4 CSR 240-2.060.

8. The ISRS statute is an exception to ratemaking and is necessarily limited to a very specific type of plant and provides, in section 393.1015 RSMo, a detailed method for recovery of ISRS costs. Granting an AAO for later recovery of disallowed costs is outside the procedures and process under this statute and the Commission should reject Spire's request for an AAO.

9. Second, Spire has failed to submit the most rudimentary evidence necessary for the Commission to consider granting an AAO Application.

WHEREFORE, the Office of the Public Counsel respectfully requests the Commission deny Spire's request for an AAO.

Respectfully submitted,
OFFICE OF THE PUBLIC
COUNSEL

By: Lera Shemwell
Lera Shemwell (#43792)
Senior Counsel
P.O. Box 2230
Jefferson City, MO 65102
Telephone: (573) 751-5565
Facsimile: (573) 751-5562
E-mail:
Lera.shemwell@ded.mo.gov

CERTIFICATE OF SERVICE

I hereby certify that copies of the forgoing have been mailed, emailed, or hand-delivered to all counsel of record this 2nd day of May, 2019.

/s/ Lera Shemwell