

**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 ) **File No. GO-2019-0115**  
Replacement Surcharge in its Spire Missouri )  
East Service Territory )

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

**STAFF LATE-FILED EXHIBIT**

**COMES NOW** the Staff of the Missouri Public Service Commission, by and through counsel, and for its Late-Filed Exhibit states that the attached exhibit is filed pursuant to instructions from the Regulatory Law Judge at the evidentiary hearing on April 4, 2019.

**WHEREFORE**, Staff moves the Commission accept and enter into the evidentiary record its Late-Filed Exhibit filed as directed by the Commission.

Respectfully submitted,

**/s/ Robert S. Berlin**

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**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing was served by electronic mail, or First Class United States Postal Mail, postage prepaid, on this 8<sup>th</sup> day of April, 2019, to all counsel of record.

**/s/ Robert S. Berlin**

At the end of the hearing for Case Nos. GO-2019-0115 and GO-2019-0116, Judge Dippell requested Staff to provide the breakout of the \$1.6 million savings that resulted from the cost avoidance studies between Cases GO-2018-0309, GO-2018-0310, GO-2019-0115 and GO-2019-0116. The following is the breakout of the estimated savings that were a result of Spire's cost avoidance studies:

**Previous ISRS**

GO-2018-0309	\$1,039,898.44	
GO-2018-0310	<u>(\$619,701.21)</u>	
Savings for Previous ISRS	\$420,197.23	25.7%

**Current ISRS**

GO-2019-0115	\$1,484,932.96	
GO-2018-0116	<u>(\$267,166.39)</u>	
Savings for Current ISRS	<u>\$1,217,766.57</u>	74.3%

**Total Savings** **\$1,637,963.80**

The above savings were calculated by comparing estimated costs in Scenario 1 (replacing plastic pipe) vs. estimated costs in Scenario 2 (reusing plastic pipe). Case Nos. GO-2018-0309 and GO-2019-0115 both showed savings when replacing pipe vs. reusing pipe. Case Nos. GO-2018-0310 and GO-2019-0116 both showed reusing pipe (Scenario 2) was more cost effective than replacing the pipe (Scenario 1).

Also below is a reconciliation of Staff and Spire's positions concerning the recovery of the previous ISRS and the current ISRS.

	<b><u>Staff</u></b>	<b><u>Spire**</u></b>	<b><u>Difference</u></b>
<b><u>Previous ISRS</u></b>			
GO-2018-0309	\$0	\$1,794,585	(\$1,794,585)
GO-2018-0310	\$0	\$1,365,814	(\$1,365,814)
<b><u>Current ISRS</u></b>			
GO-2019-0115*	\$7,142,199	\$7,149,064	\$ (6,865)
GO-2018-0116**	\$7,129,659	\$7,135,193	\$ (5,534)

\*Per Stipulation and Agreement on Income Taxes

\*\*Per Stipulation and Agreement on Income Taxes and Correction for Deferred Income Taxes