

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

Structural Glass Systems, Inc.	)	
	)	
Complainant,	)	
	)	
v.	)	Case No. GC-2023-0143
	)	
Spire Missouri, Inc. d/b/a Spire,	)	
	)	
Respondent	)	

**The Office of the Public Counsel’s Post-Hearing Brief**

***Relevant Regulatory Background***

In the Billing Adjustments section of Spire’s tariff, a portion focused on “Customers Other Than Residential” states “In the event of an undercharge: An adjustment shall be made for the entire period that the undercharge existed not to exceed sixty consecutive billing periods, *calculated from the date of discovery, inquiry or actual notification of the Company, whichever was first.*”<sup>1</sup> (emphasis added).

***Relevant Factual Background***

The Complainant in this case, Structural Glass Systems, Inc. (“Structural Glass” or “Complainant”), moved to 9700 E 56<sup>th</sup> St. C, Raytown, MO 64133, in November of 2021, after Complainant’s old place of business burned down.<sup>2</sup> Respondent Company, Spire Missouri, Inc. (“Spire” or “Respondent Company”),

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<sup>1</sup> P.S.C. MO. No. 9, Sec., Sheet No R-8.1 (2021).

<sup>2</sup> *Transcript (“Tr”)* at pg. 8, lines 11 to 13.

undercharged Complainant for gas from the day Structural Glass moved in, until Spire rebilled Complainant for the undercharged amount on May 11, 2022.<sup>3</sup>

Spire discovered that the PTZ corrector was not accurately configured in January of 2022.<sup>4</sup> The Respondent Company found that while the PTZ corrector did register all six (6) digits of Complainant's gas usage properly, it only transmitted five (5) digits of usage to Spire for billing purposes.<sup>5</sup> Respondent Company conducted testing to determine the extent and nature of the customer undercharge caused by the erroneously configured PTZ corrector.<sup>6</sup> Spire reconfigured the PTZ corrector in late April, 2022.

Spire's first written notice to Complainant regarding the undercharging of Structural Glass's gas meter was mailed on May 2, 2022. In the May 2 letter, Respondent Company freely admits that the resulting undercharge was "due to a programming error from the meter to the billing system."<sup>7</sup> However, the correspondence neither informed Structural Glass of the amount of the undercharge, nor the length of time over which the charge occurred. In effect, the correspondence Respondent Company sent to Structural Glass was a form letter giving the customer nine (9) days to research and understand the cause of a significant bill adjustment that would appear on Complainant's May bill, along with repayment options for the underbilled amount.

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<sup>3</sup> *Id.* at page 78, line 17.

<sup>4</sup> *Id.* at page 86, lines 12 to 15.

<sup>5</sup> *Id.* at page 93, line 14 to page 94, line 5.

<sup>6</sup> *Id.* at page at page 85, lines 4 & 5.

<sup>7</sup> *Id.* at page 11, lines 17 through 21.

On May 11, 2022, Respondent Company sent Structural Glass a bill showing Complainant paid the previous gas bill, \$305.44. Structural Glass's current bill was \$7,168.65—\$367.05 for the current month plus \$6,801.60 for the period Spire undercharged. Previous bills Spire assessed for Complainant at the current location had the following “Important Message[s]”:

*December 10, 2021:* Your natural gas billing rate is changing. Visit [SpireEnergy.com/RateChange](https://SpireEnergy.com/RateChange) to learn more about upcoming changes to your bill.<sup>8</sup>

*January 12, 2022:* Your natural gas billing rate is changing. Visit [SpireEnergy.com/RateChange](https://SpireEnergy.com/RateChange) to learn more about upcoming changes to your bill.”

We're Changing how we calculate late fees. To learn more about this change, visit [SpireEnergy.com/LateFees](https://SpireEnergy.com/LateFees).

\*\*\*Do not send a payment\*\*\* You are enrolled in our Automatic Payment Plan. The amount due will be deducted from your bank account on the “Due Date”, unless you have suspended your plan recently.<sup>9</sup>

*February 9, 2022:* \*\*\*Do not send a payment\*\*\* You are enrolled in our Automatic Payment Plan. The amount due will be deducted from your bank account on the “Due Date”, unless you have suspended your plan recently.<sup>10</sup>

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<sup>8</sup> Ex. 1, Spire Statement December 10, 2021.

<sup>9</sup> Ex. 2, Spire Statement January 12, 2022.

<sup>10</sup> Ex. 3, Spire Statement February 9, 2022.

*March 10, 2022: \*\*\*Do not send a payment\*\*\* You are enrolled in our Automatic Payment Plan. The amount due will be deducted from your bank account on the “Due Date”, unless you have suspended your plan recently.<sup>11</sup>*

*April 12, 2022: \*\*\*Do not send a payment\*\*\* You are enrolled in our Automatic Payment Plan. The amount due will be deducted from your bank account on the “Due Date”, unless you have suspended your plan recently.<sup>12</sup>*

The record shows that Respondent Company only corresponded, in writing, with Complainant six (6) times between the time it discovered the programming issue and the time the issue was fixed. Five (5) messages Spire sent Structural Gas were Complainants regularly-scheduled gas bills. The sixth (6<sup>th</sup>) correspondence was a vague form letter regarding Spire *possibly* rebilling Structural Glass because of a “faulty meter” from the time Spire discovered the PTZ issue until May 11, 2022.

From October, 2021, to April, 2022, Spire was billing customers based on incorrect gas usage data. From January 2022 to April, 2022, Spire knew that “The billing system was dropping a decimal.”<sup>13</sup> Nevertheless, the evidence supports a finding that Spire did not inform Structural Glass of the undercharge for approximately five (5) months after the issue was discovered. Moreover, Respondent Company chose not to send a technician to the site to read the meter correctly or reconfigure the PTZ corrector until April 2022.

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<sup>11</sup> Ex. 4, Spire Statement March 10, 2022.

<sup>12</sup> Ex. 5, Spire Statement April 12, 2022.

<sup>13</sup> *Tr.* at page 64, line 25.

## *Argument*

Spire's tariff that was in effect during the disputed period permits Respondent Company to make an undercharge billing adjustment for "the entire period that the undercharge existed not to exceed sixty consecutive billing periods, calculated from the date of discovery, inquiry or actual notification of the Company, whichever was first."<sup>14</sup>

Respondent Company's tariff makes it clear that companies cannot rebill undercharged funds that are older than sixty (60) months from the date of discovery. However, the most logical reading of the tariff also prohibits Spire from rebilling undercharged customers after Spire discovered the billing issue but before Spire fixed that issue.<sup>15</sup> Therefore, Respondent Company can only rebill the undercharged amount from November 2021 through January 2022, when Spire discovered the billing issue.

Despite statements made by Staff<sup>16</sup> and Spire<sup>17</sup> implying otherwise, the evidence shows that Respondent Company did not inform customers of the undercharge issue for five (5) months. During the approximate five (5) months that Spire knew about the misconfigured PTZ corrector, it failed to inform customers about the mistaken billing, it failed to send a meter reader to the premise to obtain

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<sup>14</sup> P.S.C. MO. No. 9, Sec., Sheet No R-8.1 (2021).

<sup>15</sup> Please note, Respondent Company falsely states in its Answer that it discovered the PTZ corrector issue in May. However, both tangible evidence and testimony proves that the Spire discovered the undercharge in January. *See* Spire Missouri, Inc. "Answer," EFIS No. 14 (December 19, 2022).

<sup>16</sup> *Tr.* at page 11, lines 21 & 22.

<sup>17</sup> *Id.* at page 64 line 25 to page 65, line 1.

an accurate read, and it failed to correct the configuration issue. In this instance, despite knowing that the PTZ corrector was inaccurate for 118 days, Spire chose to give Complainant a nine (9)-day notice of the extensive undercharge, without an opportunity for Complainant to discover and mitigate the high gas bills it was accruing during that time period.

Respondent Company's PTZ corrector issue effected several dozen commercial customers in the Kansas City area.<sup>18</sup> Respondent Company should not have taken almost half of the year between discovering the corrector issue and informing customers.

The calculation of the recovery for an undercharge begins at the "date of discovery, inquiry, or actual notification of the Company, whichever was first" according to Respondent Company's tariff. However, Spire insists that it can rebill for undercharged gas without placing any obligation on the Company to correct the error in a timely fashion once it becomes aware. This interpretation is contrary to the customer protection limitation in Spire's tariff.

A large part of this Commission's goal to ensure utility companies provide safe and reliable utility services at just, reasonable and affordable rates centers on reliability. The Commission is a check on both the reliability of the service itself, and the reliability of the rates Missourians must pay for that service. When a utility's tariff is read in a way that permits utilities to knowingly undercharge

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<sup>18</sup> *Id.* at page 79 line 24 to page 80, line 4.

customers and expect a full repayment of the undercharged amount, there is no reliability.

In this case, Spire rebilled Structural Glass for \$6,801.60 in undercharges that occurred from November 24, 2021, to April 12, 2022.<sup>19</sup> A majority of the undercharged bills occurred while Respondent Company knew that the PTZ corrector was not calibrated correctly, but chose not to fix it. Further, Spire incurred most of the undercharged amount without any communication or warning to Complainant so that mitigation and bill reduction efforts could take place.

Permitting public utilities to knowingly keep bill prices low, with the knowledge that those utilities will be able to recoup those funds in the future is contrary to the public interest. Practices such as these are central to why this Commission exists. Allowing a utility five (5) months to fix a billing issue and still expect to recover the entire rebill amount is dangerous.

For these reasons, should the Commission determine that Spire can rebill the Complainant, the Commission should reduce the undercharged amount that Respondent Company is permitted to rebill to the time period before Spire knew about the PTZ corrector issue.

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<sup>19</sup> Ex. 6, Spire Statement May 11, 2022.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to all counsel of record this 7th day of June 2023.

/s/ Anna Kathryn Martin