

Exhibit No.: _____
Issue(s): Cost Recovery Mechanism and
ISRS
Witness/Type of Exhibit: Robinett/Rebuttal
Sponsoring Party: Public Counsel
Case Nos.: GO-2018-0309 & GO-2018-0310

REBUTTAL TESTIMONY

OF

JOHN A. ROBINETT

Submitted on Behalf of the Office of the Public Counsel

**SPIRE MISSOURI EAST
SPIRE MISSOURI WEST**

CASE NOS. GO-2018-0309 & GO-2018-0310

May 20, 2020

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

In the Matter of the Application of)
Spire Missouri Inc. to Establish an)
Infrastructure System Replacement)
Surcharge in its Spire Missouri East)
Service Territory)

File No. GO-2018-0309

In the Matter of the Application of)
Spire Missouri Inc. to Establish an)
Infrastructure System Replacement)
Surcharge in its Spire Missouri West)
Service Territory)

File No. GO-2018-0310

VERIFICATION OF JOHN A. ROBINETT

John A. Robinett, under penalty of perjury, states:

1. Attached hereto and made a part hereof for all purposes is my rebuttal testimony in the above-captioned case.

3. My answer to each question in the attached rebuttal testimony is true and correct to the best of my knowledge, information, and belief.



John A. Robinett

Utility Engineering Specialist

Office of the Public Counsel

**REBUTTAL TESTIMONY RESPONDING TO REMAND
OF
JOHN A. ROBINETT
SPIRE MISSOURI EAST
SPIRE MISSOURI WEST**

CASE Nos. GO-2018-0309

GO-2018-0310

1 **Q. Are you the same John A. Robinett who filed direct testimony and live rebuttal on behalf**
2 **of the Missouri Office of the Public Counsel (“OPC”) at the evidentiary hearing held on**
3 **September 27, 2018, in this proceeding as well as direct testimony responding to**
4 **remand?**

5 A. Yes. I am.

6 **Q. What is the purpose of your rebuttal testimony?**

7 A. I will address the Staff of the Commission’s Direct Report in response to the remand and will
8 respond to the direct testimonies of Spire witness Wesley E. Sellinger. I will not respond to
9 the remaining evidence provided by Spire, as my understanding is that evidence is only being
10 provided as an offer of proof.

11 **Q. Did you review Staff’s Direct Report?**

12 A. Yes, I have.

13 **Q. What is your opinion of the Staff Direct Report?**

14 A. First I would like to thank Staff witnesses Ms. Karen Lyons, Mr. Jeremy Juliette, and Mr.
15 David M. Sommerer for their thorough review of all work order authorization sheets and
16 blanket work orders in order to provide the most accurate valuation based on the Missouri
17 Court of Appeals, Western District opinion and Missouri Supreme Court’s denial of
18 transfer. Staff performed a painstaking, detailed review of all the authorization sheets and
19 blanket work orders for an issue that was not even originally part of Staff’s case. Essentially

1 between these two cases, Staff has now performed four audits related to these two cases
2 GO-2018-0309 and GO-2018-0310.

3 **Q. Has Staff's review processes changed since the original 2018 cases?**

4 A. Yes. Staff is now reviewing all of the blanket work orders and all of the authorization sheets
5 where previously Staff's reviews were of work orders over \$25,000 which represented the
6 majority of expenses in each case. As discussed at page 2 lines 22-26 of the Staff report
7 addresses the slight change in process:

8 In the most recent ISRS cases, Staff began looking at all work order authorizations.
9 Spire Missouri provided Staff with all of the work order authorizations for the 2018
10 cases and Staff incorporated them into the workpapers when calculating the refund
11 amount. To calculate the refund amount, Staff used the workpapers that supported
12 the Commission authorized revenue requirement in the 2018 cases.

13 **Q. Do you support Staff's methodology in this case upon remand?**

14 A. Yes. Staff at page 2 line 26 through page 3 line 3 discusses the use of the same method that
15 was used for plastic being removed from the most recent ISRS cases. This methodology is
16 consistent with my direct recommendation on remand filed May 13, 2020.

17 **Q. Does Staff's review and recommendation comply with the Court's remand?**

18 A. Yes. Staff's method is consistent with the Court's remand in that it allows recovery for
19 joint encapsulations, angle of repose, and relocations requests from governmental
20 authorities with eminent domain powers.

21 **Q. Have you reviewed the testimony of Spire witness Wesley E. Selinger as it relates to
22 the calculation of a refund amount?**

23 A. Yes, I have.

1 **Q. How does Mr. Selinger's calculation differ from the calculations performed in Staff's**
2 **Direct Report?**

3 A. Spire, in its calculation, has only removed cast iron and steel that was retired that did not
4 exceed the ordered depreciation rates' average service life.

5 **Q. Does Mr. Selinger's calculation comply with the Court's remand?**

6 A. No. The Western District Court discusses at page 13 of its decision that:

7 A review of the record reveals that Spire's primary argument revolved around the
8 age of the facilities and the assumption that old facilities must be worn out or
9 deteriorated. There was no evidence with respect to how long it takes cast iron and
10 steel to become worn out or deteriorated. Moreover, the evidence suggested that
11 the time for the deterioration to occur is different from location to location.

12 It is my opinion that the Western District Court direction on remand is clear from its final
13 paragraph before the conclusion.

14 The case is remanded for the sole purpose of removing the cost incurred to replace
15 cast iron and bare steel mains and service lines not shown to be worn out or
16 deteriorated from the ISRS revenue awarded to Spire.

17 These previous two excerpts from the Western District decision, in my opinion, make it
18 clear that Spire recommending only refunded dollars collected from sections of main and
19 service lines that did not exceed its average useful life to be inconsistent with the purpose
20 of the remand.

21 **Q. What is your recommendation to the Commission?**

22 A. I support and request the Commission order Spire to refund customers consistent with
23 Staff's recommendations upon remand.

24 **Q. Does this conclude your rebuttal testimony on remand?**

25 A. Yes, it does.