

**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’S RECONCILIATION

COMES NOW the Staff of the Missouri Public Service Commission, by and through counsel, and hereby tenders the reconciliation ordered by the Commission pursuant to Section 386.420.4, RSMo 2016, to be filed no later than June 17, 2019.

The two attachments labelled “Appendix A – East” and “Appendix A – West” pertain to Cases GO-2019-0115 and GO-2019-0116, respectively, and present the values of the contested issues in revenue requirement terms. The first row in “Appendix A” represents the revenue requirement as ordered by the Commission. The next five rows show the value of each issue that the parties have identified. The last row shows each party’s recommended revenue requirement. The five “Appendix B” schedules for both cases present the billing determinants and customer rate impacts for each issue. Staff advises the Commission that based upon the information available to Staff, these documents reflect a reasonable estimate of the value of the previous ISRS request issue, the plastic pipe replacement issue, the cast iron and bare steel replacement issue, the blanket plastic service line replacement issue, and the net property tax issue.

Staff consulted with the other parties in this proceeding to identify all known issues and the value of each issue.

WHEREFORE, Staff prays the Commission will accept its *Reconciliation*; and grant such other and further relief as is just in the circumstances.

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, on each of the parties listed in the Service List for this case maintained by the Commission's Data Center on this 17th day of June, 2019.

/s/ Robert S. Berlin

Spire Missouri Inc. - East
Case No. GO-2019-0115
Revenue Requirement Reconciliation of Contested Issues

		<u>Staff</u>	<u>Spire</u>	<u>OPC</u>
Commission Order		\$ 6,425,514	\$ 6,425,514	\$ 6,425,514
<u>Contested Issues:</u>	<u>Customer Rate Impact</u>			
1. Previous ISRS Request	See Appendix B.1 - East		\$ 1,792,693	
2. Plastic Pipe Replacement	See Appendix B.2 - East	\$ 680,611	\$ 680,611	
3. Cast Iron and Bare Steel Replacement	See Appendix B.3 - East			\$ (2,771,014)
4. Blanket Plastic Service Line Replacement	See Appendix B.4 - East			\$ (150,680)
5. Net Property Taxes*	See Appendix B.5 - East			\$ (7,117)
Total Revenue Requirement of Each Party		\$ 7,106,125	\$ 8,898,818	\$ 3,496,703

*OPC net property tax is a very conservative number utilizing the difference between Staff recommendation and then the corrected report.

Spire Missouri Inc. - East
Case No. GO-2019-0115
Customer Rate Impact of Contested Issues

Previous ISRS Request- Spire's Proposal

<u>Customer Rate Class</u>	\$ impact of Specific -issue / not Rev. Req.				<u>Customer Percentage</u>	<u>Cal ISRS Adi.</u>	<u>ISRS Revenues</u>
	<u>Cust #</u>	<u>Customer Charge</u>	<u>Ratio To Residential</u>	<u>Weighted Cust #</u>			
Residential	604,973	\$22.00	1.0000	604,973	86.0152%	\$0.21	\$1,541,989
SGS-Small Gen. Service	36,743	\$35.00	1.5909	58,455	8.3111%	\$0.34	\$148,993
LGS-Large Gen. Service	3,882	\$125.00	5.6818	22,057	3.1360%	\$1.21	\$56,220
LV-Large Volume Service	67	\$914.25	41.5568	2,784	0.3959%	\$8.83	\$7,097
SL-Unmetered Gas Light	84	\$6.00	0.2727	23	0.0033%	\$0.06	\$58
IN-Interruptable	20	\$837.40	38.0636	761	0.1082%	\$8.08	\$1,940
General LP	36	\$17.94	0.8155	29	0.0042%	\$0.17	\$75
Vehicular Fuel	8	\$23.38	1.0627	9	0.0012%	\$0.23	\$22
LVTSS-Large Volume Transport & Sales Service	147	\$2,131.41	96.8823	14,242	2.0249%	\$20.58	\$36,300
TOTAL	645,960			703,333	100.00%		\$1,792,693

These are not traditional ISRS rates. Rather, they are adjustments to Commission-approved rates

Spire Missouri Inc. - East
Case No. GO-2019-0115
Customer Rate Impact of Contested Issues

Plastic Pipe Replacement -Staff's Proposal and Spire's Proposal

<u>Customer Rate Class</u>	\$ impact of Specific -issue / not Rev. Req.					<u>Cal ISRS Adj.</u>	<u>ISRS Revenues</u>
	<u>Cust #</u>	<u>Customer Charge</u>	<u>Ratio To Residential</u>	<u>Weighted Cust #</u>	<u>Customer Percentage</u>		
Residential	604,973	\$22.00	1.0000	604,973	86.0152%	\$0.08	\$585,429
SGS-Small Gen. Service	36,743	\$35.00	1.5909	58,455	8.3111%	\$0.13	\$56,566
LGS-Large Gen. Service	3,882	\$125.00	5.6818	22,057	3.1360%	\$0.46	\$21,344
LV-Large Volume Service	67	\$914.25	41.5568	2,784	0.3959%	\$3.35	\$2,694
SL-Unmetered Gas Light	84	\$6.00	0.2727	23	0.0033%	\$0.02	\$22
IN-Interruptable	20	\$837.40	38.0636	761	0.1082%	\$3.07	\$737
General LP	36	\$17.94	0.8155	29	0.0042%	\$0.07	\$28
Vehicular Fuel	8	\$23.38	1.0627	9	0.0012%	\$0.09	\$8
LVTSS-Large Volume Transport & Sales Service	147	\$2,131.41	96.8823	14,242	2.0249%	\$7.81	\$13,782
TOTAL	645,960			703,333	100.00%		\$680,611

These are not traditional ISRS rates. Rather, they are adjustments to Commission-approved rates

Spire Missouri Inc. - East
Case No. GO-2019-0115
Customer Rate Impact of Contested Issues

Cast Iron and Bare Steel Replacment - OPC Proposal

<u>Customer Rate Class</u>	\$ impact of Specific -issue / not Rev. Req.				<u>Customer Percentage</u>	<u>Cal ISRS Adj</u>	<u>ISRS Revenues</u>
	<u>Cust #</u>	<u>Customer Charge</u>	<u>Ratio To Residential</u>	<u>Weighted Cust #</u>			
Residential	604,973	\$22.00	1.0000	604,973	86.0152%	(\$0.33)	(\$2,383,493)
SGS-Small Gen. Service	36,743	\$35.00	1.5909	58,455	8.3111%	(\$0.52)	(\$230,302)
LGS-Large Gen. Service	3,882	\$125.00	5.6818	22,057	3.1360%	(\$1.87)	(\$86,900)
LV-Large Volume Service	67	\$914.25	41.5568	2,784	0.3959%	(\$13.64)	(\$10,970)
SL-Unmetered Gas Light	84	\$6.00	0.2727	23	0.0033%	(\$0.09)	(\$90)
IN-Interruptable	20	\$837.40	38.0636	761	0.1082%	(\$12.50)	(\$2,999)
General LP	36	\$17.94	0.8155	29	0.0042%	(\$0.27)	(\$116)
Vehicular Fuel	8	\$23.38	1.0627	9	0.0012%	(\$0.35)	(\$33)
LVTSS-Large Volume Transport & Sales Service	147	\$2,131.41	96.8823	14,242	2.0249%	(\$31.81)	(\$56,110)
TOTAL	645,960			703,333	100.00%		(\$2,771,014)

These are not traditional ISRS rates. Rather, they are adjustments to Commission-approved rates

Spire Missouri Inc. - East
Case No. GO-2019-0115
Customer Rate Impact of Contested Issues

Blanket Plastic Service Line Replacement - OPC Proposal

<u>Customer Rate Class</u>	\$ impact of Specific -issue / not Rev. Req.					<u>Cal</u> <u>ISRS</u> <u>Adj</u>	<u>ISRS</u> <u>Revenues</u>
	<u>Cust #</u>	<u>Customer Charge</u>	<u>Ratio To Residential</u>	<u>Weighted Cust #</u>	<u>Customer Percentage</u>		
Residential	604,973	\$22.00	1.0000	604,973	86.0152%	(0.02)	(\$129,608)
SGS-Small Gen. Service	36,743	\$35.00	1.5909	58,455	8.3111%	(0.03)	(\$12,523)
LGS-Large Gen. Service	3,882	\$125.00	5.6818	22,057	3.1360%	(0.10)	(\$4,725)
LV-Large Volume Service	67	\$914.25	41.5568	2,784	0.3959%	(0.74)	(\$597)
SL-Unmetered Gas Light	84	\$6.00	0.2727	23	0.0033%	(0.00)	(\$5)
IN-Interruptable	20	\$837.40	38.0636	761	0.1082%	(0.68)	(\$163)
General LP	36	\$17.94	0.8155	29	0.0042%	(0.01)	(\$6)
Vehicular Fuel	8	\$23.38	1.0627	9	0.0012%	(0.02)	(\$2)
LVTSS-Large Volume Transport & Sales Service	147	\$2,131.41	96.8823	14,242	2.0249%	(1.73)	(\$3,051)
TOTAL	645,960			703,333	100.00%		(\$150,680)

These are not traditional ISRS rates. Rather, they are adjustments to Commission-approved rates

Spire Missouri Inc. - East
Case No. GO-2019-0115
Customer Rate Impact of Contested Issues

Net Property Tax - OPC Proposal

\$ impact of Specific -issue / not Rev. Req. (\$7,117)

<u>Customer Rate Class</u>	<u>Cust #</u>	<u>Customer Charge</u>	<u>Ratio To Residential</u>	<u>Weighted Cust #</u>	<u>Customer Percentage</u>	<u>Cal ISRS Adj</u>	<u>ISRS Revenues</u>
Residential	604,973	\$22.00	1.0000	604,973	86.0152%	(\$0.00)	(\$6,122)
SGS-Small Gen. Service	36,743	\$35.00	1.5909	58,455	8.3111%	(\$0.00)	(\$592)
LGS-Large Gen. Service	3,882	\$125.00	5.6818	22,057	3.1360%	(\$0.00)	(\$223)
LV-Large Volume Service	67	\$914.25	41.5568	2,784	0.3959%	(\$0.04)	(\$28)
SL-Unmetered Gas Light	84	\$6.00	0.2727	23	0.0033%	(\$0.00)	(\$0)
IN-Interruptable	20	\$837.40	38.0636	761	0.1082%	(\$0.03)	(\$8)
General LP	36	\$17.94	0.8155	29	0.0042%	(\$0.00)	(\$0)
Vehicular Fuel	8	\$23.38	1.0627	9	0.0012%	(\$0.00)	(\$0)
LVTSS-Large Volume Transport & Sales Service	147	\$2,131.41	96.8823	14,242	2.0249%	(\$0.08)	(\$144)
TOTAL	645,960			703,333	100.00%		(\$7,117)

These are not traditional ISRS rates. Rather, they are adjustments to Commission-approved rates

Spire Missouri Inc. - West
Case No. GO-2019-0116
Revenue Requirement Reconciliation of Contested Issues

		<u>Staff</u>	<u>Spire</u>	<u>OPC</u>
Commission Order		\$ 6,782,560	\$ 6,782,560	\$ 6,782,560
<u>Contested Issues:</u>	<u>Customer Rate Impact</u>			
1. Previous ISRS Request	See Appendix B.1 - West		\$ 1,365,814	
2. Plastic Pipe Replacement	See Appendix B.2 - West	\$ 351,768	\$ 351,768	
3. Cast Iron and Bare Steel Replacement	See Appendix B.3 - West			\$ (3,522,378)
4. Blanket Plastic Service Line Replacement	See Appendix B.4 - West			\$ (532,144)
5. Net Property Taxes*	See Appendix B.5 - West			\$ (19,676)
Total Revenue Requirement of Each Party		\$ 7,134,328	\$ 8,500,142	\$ 2,708,362

*OPC net property tax is a very conservative number utilizing the difference between Staff recommendation and then the corrected report.

Spire Missouri Inc. - West
Case No. GO-2019-0116
Customer Rate Impact of Contested Issues

Previous ISRS Request- Spire's Proposal

<u>Customer Rate Class</u>	\$ impact of Specific -issue / not Rev. Req.				<u>Customer Percentage</u>	<u>Cal ISRS Adi.</u>	<u>ISRS Revenues</u>
	<u>Cust #</u>	<u>Customer Charge</u>	<u>Ratio To Residential</u>	<u>Weighted Cust #</u>			
Residential	469,947	\$20.00	1.0000	469,947	82.9794%	\$0.20	\$1,133,345
SGS-Small Gen. Service	31,727	\$30.00	1.5000	47,591	8.4031%	\$0.30	\$114,771
LGS-Large Gen. Service	3,628	\$130.17	6.5085	23,613	4.1694%	\$1.31	\$56,946
LV-Large Volume Service	460	\$1,095.27	54.7635	25,191	4.4481%	\$11.01	\$60,752
TOTAL	505,762			566,342	100.00%		\$1,365,814

These are not traditional ISRS rates. Rather, they are adjustments to Commission-approved rates

Spire Missouri Inc. - West
Case No. GO-2019-0116
Customer Rate Impact of Contested Issues

Plastic Pipe Replacement -Staff's Proposal and Spire's Proposal

<u>Customer Rate Class</u>	\$ impact of Specific -issue / not Rev. Req.				<u>Customer Percentage</u>	<u>Cal ISRS Adi.</u>	<u>ISRS Revenues</u>
	<u>Cust #</u>	<u>Customer Charge</u>	<u>Ratio To Residential</u>	<u>Weighted Cust #</u>			
Residential	469,947	\$20.00	1.0000	469,947	82.9794%	\$0.05	\$291,895
SGS-Small Gen. Service	31,727	\$30.00	1.5000	47,591	8.4031%	\$0.08	\$29,560
LGS-Large Gen. Service	3,628	\$130.17	6.5085	23,613	4.1694%	\$0.34	\$14,666
LV-Large Volume Service	460	\$1,095.27	54.7635	25,191	4.4481%	\$2.83	\$15,647
TOTAL	505,762			566,342	100.00%		\$351,768

These are not traditional ISRS rates. Rather, they are adjustments to Commission-approved rates

Spire Missouri Inc. - West
Case No. GO-2019-0116
Customer Rate Impact of Contested Issues

Cast Iron and Bare Steel Replacment - OPC Proposal

<u>Customer Rate Class</u>	\$ impact of Specific -issue / not Rev. Req.					<u>Cal ISRS Adj</u>	<u>ISRS Revenues</u>
	<u>Cust #</u>	<u>Customer Charge</u>	<u>Ratio To Residential</u>	<u>Weighted Cust #</u>	<u>Customer Percentage</u>		
Residential	469,947	\$20.00	1.0000	469,947	80.7459%	(\$0.50)	(\$2,844,175)
SGS-Small Gen. Service	31,727	\$30.00	1.5000	47,591	8.1770%	(\$0.76)	(\$288,023)
LGS-Large Gen. Service	3,628	\$130.17	6.5085	23,613	4.0571%	(\$3.28)	(\$142,908)
LV-Large Volume Service	460	\$1,095.27	54.7635	25,191	4.3283%	(\$27.62)	(\$152,460)
LVTSS-Large Volume Transport & Sales Service	147	\$2,131.41	106.5705	15,666	2.6917%	(\$53.75)	(\$94,812)
TOTAL	505,909			582,007	100.00%		(\$3,522,378)

These are not traditional ISRS rates. Rather, they are adjustments to Commission-approved rates

Spire Missouri Inc. - West
Case No. GO-2019-0116
Customer Rate Impact of Contested Issues

Blanket Plastic Service Line Replacement-OPC

\$ impact of Specific -issue / not Rev. Req. (\$532,144)

<u>Customer Rate Class</u>	<u>Cust #</u>	<u>Customer Charge</u>	<u>Ratio To Residential</u>	<u>Weighted Cust #</u>	<u>Customer Percentage</u>	<u>Cal ISRS Adj</u>	<u>ISRS Revenues</u>
Residential	469,947	\$20.00	1.0000	469,947	82.9794%	(0.08)	(\$441,570)
SGS-Small Gen. Service	31,727	\$30.00	1.5000	47,591	8.4031%	(0.12)	(\$44,717)
LGS-Large Gen. Service	3,628	\$130.17	6.5085	23,613	4.1694%	(0.51)	(\$22,187)
LV-Large Volume Service	460	\$1,095.27	54.7635	25,191	4.4481%	(4.29)	(\$23,670)
TOTAL	505,762			566,342	100.00%		(\$532,144)

These are not traditional ISRS rates. Rather, they are adjustments to Commission-approved rates

Spire Missouri Inc. - West
Case No. GO-2019-0116
Customer Rate Impact of Contested Issues

Net Property Tax -OPC Proposal

\$ impact of Specific -issue / not Rev. Req. (\$19,676)

<u>Customer Rate Class</u>	<u>Cust #</u>	<u>Customer Charge</u>	<u>Ratio To Residential</u>	<u>Weighted Cust #</u>	<u>Customer Percentage</u>	<u>Cal ISRS Adj</u>	<u>ISRS Revenues</u>
Residential	469,947	\$20.00	1.0000	469,947	82.9794%	(\$0.00)	(\$16,327)
SGS-Small Gen. Service	31,727	\$30.00	1.5000	47,591	8.4031%	(\$0.00)	(\$1,653)
LGS-Large Gen. Service	3,628	\$130.17	6.5085	23,613	4.1694%	(\$0.02)	(\$820)
LV-Large Volume Service	460	\$1,095.27	54.7635	25,191	4.4481%	(\$0.16)	(\$875)
TOTAL	505,762			566,342	100.00%		(\$19,676)

These are not traditional ISRS rates. Rather, they are adjustments to Commission-approved rates