

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held by telephone/internet audio conference on the 15th day of April, 2020.

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**
)

**ORDER DENYING MOTION TO CONSOLIDATE, DIRECTING FILINGS,
SETTING A PROCEDURAL CONFERENCE, AND FINDING
ADDITIONAL TIME IS NEEDED FOR A COMMISSION DECISION**

Issue Date: April 15, 2020

Effective Date: April 15, 2020

On March 18, 2020, the Missouri Court of Appeals, Western District, issued its mandate remanding Spire Missouri Inc.'s¹ infrastructure system replacement surcharge (ISRS) cases in File Nos. GO-2018-0309 and GO-2018-0310 (referred to as the "2018 Cases") for further proceedings at the Commission.² These cases were on appeal from the Commission's Report and Order issued September 20, 2018. On April 6, 2020, Spire Missouri Inc., filed a motion to consolidate for hearing purposes all six cases for the remand proceedings.

¹ Spire Missouri Inc. was previously known as "Laclede Gas Company" and its east and west service territories were previously known as "Laclede" and "Missouri Gas Energy," respectively.

² On March 18, 2020, the Missouri Court of Appeals, Western District, also issued mandates remanding the other four Spire Missouri ISRS cases on appeal, File Nos. GO-2016-0332 and GO-2016-0333 (the "2016 Cases") and File Nos. GO-2017-0201 and GO-2017-0202 (the "2017 Cases").

The six ISRS cases are made up of three pairs of cases with each pair consisting of a case for each of Spire Missouri Inc.'s east and west service territories. Each pair of cases' procedural status, facts, and mandate from the Court are different and will require different procedures and evidence for the Commission to comply with those mandates. Therefore, the Commission will not consolidate all six cases for remand purposes.

The Court reversed the Commission's Report and Order "to the extent it allowed ISRS recovery for structures not shown to be worn out or deteriorated. The case [was] remanded for the sole purpose of removing the cost incurred to replace cast iron and bare steel mains and service lines not shown to be worn out or deteriorated from the ISRS revenue awarded to Spire."³ The Court further directed that ratepayers "be refunded that amount by the most expeditious and authorized means available."⁴

Because the Commission has not previously determined the "the cost incurred to replace cast iron and bare steel mains and service lines not shown to be worn out or deteriorated," the Commission will direct the parties to meet in a procedural conference and to file a proposal or position for how that information should be determined. That proposal shall state whether there is a need for additional evidence in the 2018 Cases. If a party believes additional evidence is needed, the party shall state why the current record is insufficient and if a live hearing is necessary to receive the additional evidence.

The Commission will also set a time for the filing of procedural schedules. Due to the public health emergency caused by the COVID-19 pandemic⁵ and the closing of state

³ Matter of Spire Missouri Inc., 593 S.W.3d 546, 555 (Mo. Ct. App. 2019), reh'g and/or transfer denied (Dec. 12, 2019), transfer denied (Mar. 17, 2020).

⁴ Matter of Spire Missouri Inc., 593 S.W.3d 546, 555 (Mo. Ct. App. 2019), reh'g and/or transfer denied (Dec. 12, 2019), transfer denied (Mar. 17, 2020).

⁵ Executive Order 20-02, issued March 13, 2020.

office buildings, the parties shall appear at the procedural conference via telephone or video.

Additionally, Section 386.520, RSMo, requires the Commission to issue its order on remand within 60 days of the mandate, unless the Commission determines that additional time is necessary to properly calculate the temporary rate adjustment. If the Commission determines additional time is necessary, it shall issue its order within 120 days of the mandate. The Commission determines that more than 60 days is needed in order to comply with the Court's Mandate. Therefore, the Commission will issue its order on remand no later than July 16, 2020. To ensure that any procedural issues or evidentiary disputes can be resolved promptly, the Commission will exercise its authority under Section 386.240, RSMo 2016, by delegating its authority to the presiding regulatory law judge to alter the procedural schedule and make any other procedural and evidentiary rulings as necessary.

THE COMMISSION ORDERS THAT:

1. The motion to consolidate File Nos. GO-2016-0332, GO-2016-0333, GO-2017-0201, GO-2017-0202, GO-2018-0309, and GO-2018-0310 for hearing purposes is denied.

2. The parties shall appear at an electronic procedural conference to be held on April 20, 2020, at 10:00 a.m. The procedural conference will be held via video conference with all parties, including the presiding officer, participating by video or telephone. The link and access code to participate in the conference will be emailed to all parties.

3. No later than April 22, 2020, the parties shall each file a proposal or position on how File Nos. GO-2018-0309 and GO-2018-0310 should move forward and statements about the need for additional evidence.

4. The parties shall file joint or individual proposed procedural schedules for File Nos. GO-2018-0309 and GO-2018-0310 no later than April 23, 2020.

5. The Commission determines that more than 60 days is needed in order to comply with the Court's Mandate and, therefore, the time to issue the Commission's order is extended to July 16, 2020.

6. The presiding regulatory law judge is authorized under Section 386.240, RSMo 2016, to alter the procedural schedule and make any other procedural and evidentiary rulings as necessary.

7. This order is effective when issued.



BY THE COMMISSION

A handwritten signature in black ink that reads "Morris L. Woodruff".

Morris L. Woodruff
Secretary

Silvey, Chm., Kenney, Rupp, Coleman, and
Holsman CC., concur.

Dippell, Senior Regulatory Law Judge