

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 26th day of May, 2021.

In the Matter of the Application of Spire)	
Missouri Inc. d/b/a Spire for Approval to)	<u>File No. GO-2021-0126</u>
Establish an On-Bill Financing Program and)	Tariff Nos. YG-2021-0112
Cost Recovery Mechanism)	and YG-2021-0113

**ORDER APPROVING UNANIMOUS STIPULATION AND AGREEMENT
AND REJECTING TARIFFS**

Issue Date: May 26, 2021

Effective Date: June 25, 2021

On October 30, 2020, Spire Missouri, Inc. d/b/a Spire filed an application and tariffs seeking to establish an on-bill financing program and cost recovery mechanism. The Commission suspended the tariffs until September 29, 2021, and set a procedural schedule including a hearing.

On April 29, 2021, the parties filed a *Unanimous Stipulation and Agreement* that resolves all the contested issues. The agreement contained proposed tariffs designed to implement the program as *Exhibit A*. After filing the agreement, the parties had additional discussions and agreed to additional language changes to the proposed tariffs. On May 11, 2021, Spire filed a motion to accept a *Revised Exhibit A* to the agreement incorporating the additional tariff language changes. The parties were directed to file responses to *Revised Exhibit A* no later than May 21, 2021. The Staff of the Commission, Renew Missouri Advocates d/b/a Renew Missouri, and the Office of the Public Counsel filed responses stating they agreed to the *Revised Exhibit A*. No other responses or objections were received.

The agreement provides that the Spire PAYS® On-Bill Financing Program will begin following the date that new rates become effective in Spire's pending general rate case, File No. GR-2021-0108. The parties agreed that the Spire PAYS® budget will be in addition to Spire's current energy efficiency budget, and will not be used for any other purpose without prior Commission approval. The agreement states that the Spire PAYS® budget will be \$6 million for the first program year, and \$11 million per year for each program year thereafter until Spire's next rate case following the completion of File No. GR-2021-0108. According to the agreement, the Spire PAYS® budget may be utilized for residential customers within both the Spire Missouri West and Spire Missouri East service territories.

The parties agreed that the annual program budget will include \$1 million for administrative, marketing, implementation, and installation costs, which will be recoverable from both participants and non-participants. Maintenance and property taxes associated with Spire PAYS® are not part of the annual budget amounts referenced above, and will be taken into consideration in subsequent rate cases. All remaining annual program budget amounts will be recoverable only from program participants. The agreement indicates that any funds not spent in a program year will not be subject to rollover and will not be used for any other purpose without prior Commission approval.

The parties also agreed that the Spire PAYS® program charge shall be designed to collect Spire's investment plus 3% interest. The Spire PAYS® program charge shall only be imposed on customers and meter users who participate in the Spire PAYS® On-Bill Financing Program. The parties agreed that Spire PAYS® program costs will be

tracked and deferred into a regulatory asset until Spire's next general rate case and the parties will retain the right to recommend future adjustments to those deferrals.

The parties reached various other detailed agreements including the approval of compliance tariffs to be filed in File No. GR-2021-0108, a third-party program evaluation, customer messaging on Spire's website, and quarterly reporting as part of Spire's current Energy Efficiency Collaborative advisory group. The additional terms are included in the agreement and *Revised Exhibit A* and are incorporated in this order by reference.

After reviewing the unanimous agreement and *Revised Exhibit A*, the Commission determines that their terms are a reasonable resolution of the issues and should be approved. In addition, the Commission will reject the original tariffs filed with the application and authorize Spire to file compliance tariffs in accordance with the terms of the agreement.

THE COMMISSION ORDERS THAT:

1. The *Unanimous Stipulation and Agreement* filed on April 29, 2021, and amended by *Revised Exhibit A* on May 11, 2021, is approved. The parties are ordered to comply with the terms of the agreement as amended. A copy of the *Unanimous Stipulation and Agreement* and *Revised Exhibit A* are attached to this order and incorporated by reference.
2. The tariffs filed by Spire on October 30, 2020, and assigned Tariff Nos. YG-2021-0112 and YG-2021-0113, are rejected.
3. Spire is authorized to file tariffs in File No. GR-2021-0108 to comply with the terms of the *Unanimous Stipulation and Agreement* and *Revised Exhibit A*.
4. This order shall become effective on June 25, 2021.



BY THE COMMISSION

Morris L Woodruff

Morris Woodruff
Secretary

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

Dippell, Deputy Chief Regulatory Law Judge