

**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 Change its)
Infrastructure System Replacement) **File No. GO-2017-0201**
Surcharge in its Spire Missouri West)
Service Territory)

In the Matter of the Application of Spire)
Missouri Inc. to Change its)
Infrastructure System Replacement) **File No. GO-2017-0202**
Surcharge in its Spire Missouri East)
Service Territory)

ORDER DENYING MOTION TO CONSOLIDATE, DIRECTING STAFF FILING, SETTING TIME FOR RESPONSES, 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 the infrastructure system replacement surcharge (ISRS) cases in File Nos. GO-2017-0201 and GO-2017-0202 (referred to as the “2017 Cases”) for further proceedings at the Commission.¹ These cases were on appeal from the Commission’s Order Denying Request to Modify Commission Order issued September 20, 2018. On

¹ 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-2018-0309 and GO-2018-0310 (the “2018 Cases”). 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.

April 6, 2020, Spire Missouri Inc., filed a motion to consolidate for hearing purposes all six cases for the remand proceedings.

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 hearing purposes.

In the 2017 Cases, the Court directed the Commission to "calculate the amount of the excess surcharges using the method adopted and affirmed in the 2016 (WD82199, WD82299) infrastructure-surcharge appeals, and shall approve temporary rate adjustments in that amount."² The Court further "recognize[d] that the amount of the adjustments in the 2017 infrastructure surcharge cases is still in question, because the Commission did not calculate what percent of the work orders involved in the 2017 surcharge cases involved ineligible plastic mains and service lines."³ Therefore, the Commission directs its Staff to calculate the amount of the ineligible plastic mains and service lines according to the methodology used in the 2016 Cases. Staff shall file a verified recommendation that provides for the appropriate calculation of the rate adjustments necessary and the method for providing those rate adjustments. The Commission will also set a time for responses to Staff's recommendation.

² *Matter of Laclede Gas Co. to change its infrastructure system replacement surcharge in its Missouri Gas Energy Serv. Territory*, 593 S.W.3d 572, 582 (Mo. Ct. App. 2019), reh'g and/or transfer denied (Dec. 12, 2019), transfer denied (Mar. 17, 2020).

³ *Matter of Laclede Gas Co. to change its infrastructure system replacement surcharge in its Missouri Gas Energy Serv. Territory*, 593 S.W.3d 572, 581 (Mo. Ct. App. 2019), reh'g and/or transfer denied (Dec. 12, 2019), transfer denied (Mar. 17, 2020).

Additionally, Section 386.520, RSMo 2016, 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 allow the parties appropriate response times. 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. No later than April 30, 2020, the Staff of the Commission shall file a verified recommendation that provides the calculation of the amount of the ineligible plastic mains and service lines according to the methodology used in File Nos. GO-2016-0332 and GO-2016-0333, the calculation of the rate adjustments necessary, and the method for providing those rate adjustments. Any request for an extension of time to file the recommendation shall be filed no later than April 24, 2020.

3. Any responses to the Staff's recommendation shall be filed no later than ten days after Staff's recommendation is filed.

4. 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.

5. 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.

6. 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