BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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

File No. GO-2019-0115 Tariff No. YG-2019-0201

STAFF'S RECOMMENDATION REGARDING COMPLIANCE TARIFFS

COMES NOW the Staff ("Staff") of the Missouri Public Service Commission and for its Recommendation regarding the compliance tariffs filed herein by Spire Missouri Inc. ("Spire" or "Company") on May 6, 2019, states as follows:

1. On May 3, 2019, the Commission issued its *Report and Order* ("Order") with an effective date of May 14, 2019, in this case.

2. On May 6, 2019, Spire filed tariff sheets purported to be in compliance with the Commission's order, which were assigned Tariff Tracking No. YG-2019-0201, with an effective date of June 5, 2019.

3. On May 7, 2019, the Commission issued an *Order Directing Staff Recommendation and Setting Time for Responses* in which it ordered Staff to file a Recommendation regarding the compliance tariff sheets, Tariff Tracking No. YG-2019-0201, no later than May 9, 2019. Staff's Recommendation, in memorandum form, is attached hereto and incorporated herein by reference.

4. As reflected in the attached Recommendation memorandum, Staff has reviewed the tariff sheets filed by Spire in Tariff Tracking No. YG-2019-0201 and determined that these sheets are compliant with the Commission's May 3, 2019 *Order*. Staff does not object to expedited treatment but the effective date of the tariff should be no sooner than the effective date of the Commission's Order approving the tariff.

WHEREFORE, as set forth in Staff's Recommendation memorandum, Staff recommends the Commission issue an order approving the following tariff sheets as filed by Spire Missouri Inc. on May 6, 2019, to go into effect for service on the requested effective date of June 5, 2019 or a sooner effective as referenced in the Staff's Recommendation memorandum:

P.S.C. MO. No. 7 Consolidated 2nd Revised Sheet No. 12, CANCELLING 1st Revised Sheet No. 12

Respectfully submitted,

<u>/s/ Ron Irving</u>

Ron Irving Staff Counsel Missouri Bar No. 56147 P.O. Box 360 Jefferson City, MO 65012 (573) 751-8702 (Telephone) (573) 751-9285 (Fax) ron.irving@psc.mo.gov

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing were served electronically to all counsel of record this 9th day of May, 2019.

<u>/s/ Ron Irving</u>

MEMORANDUM

- TO: Missouri Public Service Commission Official Case File Case No. GO-2019-0115, Tariff Tracking No. YG-2019-0201 Spire Missouri Inc., d/b/a Spire (East)
- FROM: Michael J. Ensrud, Rate & Tariff Examiner, Procurement Analysis

/s/ David M. Sommerer 05/09/19	/s/ Robert S. Berlin 05/09/19
Commission Staff Division / Date	Staff Counsel's Office / Date

SUBJECT: Staff Report and Recommendation Regarding Spire East's Compliance Tariff Submission and Application for Expedited Treatment

DATE: May 9, 2019

On May 06, 2019, Spire Missouri Inc., d/b/a Spire ("Spire East" or "Company") filed "SPIRE MISSOURI INC.'S MOTION FOR EXPEDITED TREATMENT". The requested effective date of the tariff referenced in the motion is May 14, 2019.

As part of the same filing, Spire supplied an updated tariff sheet; PSC.MO. No.7 - 2nd revised Sheet No. 12 - with an effective date June 5, 2019.

On May 7, 2019, the Commission issued its "ORDER DIRECTING STAFF RECOMMENDATION AND SETTING TIME FOR RESPONSES." The order directs Staff to file a recommendation not later than noon on May 9, 2019.

The filed rates produce cumulative annual ISRS revenues of \$9,033,124¹. This cumulative revenue requirement is comprised of \$6,425,514 from the current case plus \$2,607,610 from the previous ISRS proceeding - GO-2018-0309. The proposed rates will generate the cumulative amount that is consistent with past practice.

Staff does not object to expedited treatment but the effective date of the tariff should be no sooner than the effective date of the Commission's Order approving the tariff. This is consistent with the prior September 28, 2018 Commission Order in Case Nos. GO-2018-0309 and GO-2018-0310.

¹ Staff has verified these rates produce this annual amount via separate calculations.

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Spire has filed its 2018 annual report with the Commission. However, those billing units (in the 2018 annual report) are not used in the calculation of revised ISRS rates for these ISRS rate calculations - in this proceeding. Instead, consistent with all previous calculations - from the start of this proceeding – Spire used and Staff accepted – the billing units from the previous rate case GR-2017-0215.²

As of the issuance of this memo, Spire East is not delinquent on its FY 2019 assessments.

RECOMMENDATION

Based upon the rationale stated above, Staff recommends the Commission issue an order in this case that:

- Approves the rates on Spire East's ISRS tariff sheet (YG-2019-0201) P.S.C. MO No. 7 Consolidated, Second Revised Sheet No. 12 filed on May 6, 2019.
- This filing increases the existing ISRS by \$6,425,514 annually the amount the Commission deemed appropriate in the previous (May 3, 2019) Report & Order.
- 3. Finds that the compliance filing's tariff pages will generate the \$9,033,124 annually. This figure represents both the revenue requirement from the current case plus the revenue requirement from the previous ISRS case GO-2018-0309.
- 4. Substitute the effective date the Commission finds appropriate given the effective date of the Commission's Order Approving this compliance filing.

P.S.C. MO. No. 7 Consolidated

2nd Revised Sheet No. 12, CANCELLING 1st Revised Sheet No. 12

² Such a variance from standard procedure is referenced in 393.1015 RSMo.

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 Replacement Surcharge in its Spire Missouri East Service Territory

Case No. GO-2019-0115

AFFIDAVIT OF MICHAEL J. ENSRUD

State of Missouri) ss. County of Cole

COMES NOW Michael J. Ensrud, and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing Staff Recommendation in Memorandum form; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

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JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this $9^{\frac{1}{2}}$ day of May, 2019.

D. SUZIE MANKIN Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: December 12, 2020 Commission Number: 12412070

NOTARY PUBLIC