

Exhibit No.: _____
Issue(s): Rate Case Expense/Call Service Staffing/
Bad Debt and Uncollectibles
Witness/Type of Exhibit: Conner/Rebuttal
Sponsoring Party: Public Counsel
Case No.: GR-2021-0108

REBUTTAL TESTIMONY
OF
AMANDA C. CONNER

Submitted on Behalf of the Office of the Public Counsel

SPIRE MISSOURI, INC.

CASE NO. GR-2021-0108

June 17, 2021

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**


In the Matter of Spire Missouri Inc.'s)
d/b/a Spire Request for Authority to)
Implement a General Rate Increase for) Case No. GR-2021-0108
Natural Gas Service Provided in the)
Company's Missouri Service Areas)

AFFIDAVIT OF AMANDA C. CONNER

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Amanda C. Conner, of lawful age and being first duly sworn, deposes and states:

1. My name is Amanda C. Conner. I am a Utility Regulatory Auditor for the Office of the Public Counsel.
2. Attached hereto and made a part hereof for all purposes is my rebuttal testimony.
3. I hereby swear and affirm that my statements contained in the attached testimony are true and correct to the best of my knowledge and belief.


Amanda C. Conner
Utility Regulatory Auditor

Subscribed and sworn to me this 17th day of June 2021.



TIFFANY HILDEBRAND
My Commission Expires
August 8, 2023
Cole County
Commission #15637121


Tiffany Hildebrand
Notary Public

My Commission expires August 8, 2023.

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REBUTTAL TESTIMONY

OF

AMANDA C CONNER

SPIRE MISSOURI INC.

CASE NO. GR-2021-0108

1 **I. INTRODUCTION**

2 **Q. Please state your name and business address.**

3 A. My name is Amanda C Conner. My business address is P.O. Box 2230, Jefferson City,
4 Missouri 65102.

5 **Q. Are you the same Amanda C Conner that filed direct testimony in this case?**

6 A. Yes, I am.

7 **Q. What is the purpose of your rebuttal testimony?**

8 A. I respond to Staff witnesses Deborah A. Benson's direct testimony regarding call service
9 staffing; and Spire witness Wesley E. Selinger's testimony on bad debt, uncollectibles, and
10 rate case expense.

11 **CALL SERVICE STAFFING**

12 **Q. Do you agree with Ms. Bernsen's direct testimony in regards to Spire increasing its
13 staffing for the internal Call Center?**

14 A. Yes. It is better for Spire to have an internal customer service call center as opposed to
15 contracting it out, especially when you consider the poor service quality of using these
16 outside sources. I am in favor of Spire eliminating outside call centers completely and only
17 using internal call services, so long as it is cost effective to do so.

1 **BAD DEBT AND UNCOLLECTIBLES**

2 **Q. On page 13, lines 1-3, Mr. Selinger discusses the agreement signed for the revenue**
3 **impact associated with the COVID-19 pandemic. Do you have any issues regarding**
4 **bad debt and uncollectibles during the pandemic?**

5 A. Yes. I understand that Spire, along with many utility companies, wanted special
6 accounting treatment for the COVID-19 pandemic. However, the Commission must also
7 take into account the fact that the Federal Government provided extra grant money for
8 citizens affected by the pandemic. Spire had a program that allowed up to \$400 in help
9 during this time, but the amount allotted to Missouri and its counties by the Federal
10 Government should make this a non-issue. The Low Income Housing Energy Assistance
11 Program (LIHEAP), Coronavirus Aid, Relief, and Economic Security (CARES Act), and
12 State Assistance for Housing Relief (SAFHR), made concessions for those that lost their
13 jobs due to the pandemic. Counties were given between three and eight million dollars
14 extra to help Missourians. Missouri received \$2 billion in CARES Act funding and \$521
15 million was disbursed to counties for local government. I have included Schedule ACC-
16 R-1, which is the workpaper done by OPC in the AW-2020-0356 case that shows Spire's
17 responses to Data Requests 2165 -2174 in that case supports that Spire did not see any
18 additional hardships in collecting on its bills or increased bad debt during the pandemic.
19 In fact, Spire has had less arrearages since during the pandemic.

20 **RATE CASE EXPENSE**

21 **Q. On page 13, Lines 7-10, of Mr. Selinger's direct testimony, he amortizes rate case**
22 **expense for 3 years. Do you agree with amortizing rate case expense?**

23 A. No. Spire consistently files a rate case every three years. The company must file a rate case
24 every three years as a requirement if it wishes to continue charging customers an infrastructure
25 system replacement surcharge (ISRS). Rate cases are, therefore, recurring events for Spire.

1 Thus, an allowance should be created to recognize rate case activity as a normal activity,
2 similar to their annual report. There is no reason to amortize rate case expense. Normalization
3 is used for normal events with varying annual amounts over a fixed period of
4 time. Amortization is used for the costs of one-time events not expected to occur again or on
5 a regular basis. Rate cases are no longer separate events occurring on an unforeseen basis. It
6 is known that rate case costs will not be incurred evenly over the years. Thus, a three year
7 normalizing of rate case expense is preferable to amortizing these costs over a fixed time
8 period.

9 **Q. Does this conclude your rebuttal testimony?**

10 A. Yes, it does.

Case No. GR-2021-0108

Schedule ACC-R-1 to
Amanda C. Conner's
Rebuttal Testimony has been
deemed "Confidential"
in its entirety