

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 Natural Gas)
Service Provided in the Company's)
Missouri Service Areas.)

File No. GR-2021-0108

STATEMENT OF POSITIONS
OF THE CONSUMERS COUNCIL OF MISSOURI

COMES NOW the Consumers Council of Missouri ("Consumers Council" or "CCM"), and provides the following position statements on certain issues, corresponding to the List of Issues filed on July 16, 2021:

1. Cost of Capital Issues

a. Capital Structure

Consumers Council supports the position of the Office of the Public Counsel.

b. Return on Common Equity ("ROE")

The Commission should allow an ROE no higher than 9.25%, as recommended by the Office of the Public Counsel.

7. Credit Card Processing Fees

The Commission should not include an amount in base rates to account for fees incurred when customers pay by credit card. At least half of the customers, many of whom are

unbanked and do not have access to credit. Those customers should not be forced to subsidize those customers can use a credit card to pay their bill.

26. Ultrasonic Meter infrastructure:

Spire should not be permitted to recover the cost of ultrasonic meters installed to replace diaphragm meters: Spire is prematurely retiring diaphragm meters, thereby forcing customers to pay for two meters at once: Spire is prematurely retiring their existing operational diaphragm meters with 35-year depreciation lives. Spire's repeated failure to update its meter depreciation schedules to assume a 10-year operational life means that it has been earning a larger return on its meter investments than it should have. As a result, Spire's customers are effectively paying for the costs (including profits) of two meters, despite only using one at a given time. Moreover, Spire has failed to prove that its move from diaphragm meters to ultrasonic meters is necessary or that ultrasonic meters provide any real benefits when compared to existing meters.

30. Rate adjustment mechanism to account for weather, conservation, or both.

The Commission should not approve a mechanism to account for fluctuations in revenue due to weather, conservation, or both. This rate mechanism is unfair and would make gas bills more volatile. Such a mechanism would remove much of the benefits of customer conservation efforts. Moreover, Spire's proposal contains no exception for reductions in gas usage related to economic downturns or other events outside of the control of residential customers.

50. Interclass Revenue Responsibility

The Commission should apply any ordered increase in rates on an equal percentage basis to all customer classes in this case.

51. Residential Rate Design

The Commission should order a uniform \$16.00 customer charge for both Spire East and Spire West: Consumers Council recommends the residential customer charge be reduced to \$16.00 because such a reduction increase the ability of all Spire residential customers, including low-income customers, to *have more control over the cost* of their natural gas service.

53. Low-income Programs

Consumers Council supports the positions of the Office of the Office of Public Counsel, as outlined in the testimony of Geoff Marke.

Consumers Council further recommends that the Commission order the following additional modifications to the Company's existing low-income affordability programs:

- Increase the funding for Spire's existing low-income programs by at least 50%, including a shareholder funding match of the amount embedded in the revenue requirement (as is currently the case for every other major regulated Missouri utility). The current funding is far outstripped by the need for such assistance.

- Increase the maximum arrearage match to \$500 (from the current \$300),

- Permit households to remain in program as long as they do not have “more than two” consecutive late payments, and regardless of whether or not those payments are full and complete,

- Eliminate late fees, which have not been proven to be cost-based nor effective at encouraging low-income customers to pay any more, and as such, late fees serve only to use up funds that could assist more needy customers,

- Order Spire to engage a third-party evaluator to measure the success of its low-income programs,

- Make further operational improvements in the low-income programs, as recommended in the pre-filed direct testimony of Consumers Council’s witness Ms. Hutchinson, and

- Spire should also be ordered to work with interested stakeholders on a bi-annual basis to plan ways to develop a Critical Needs Program (as outlined in the testimony of LSEM) to provide extra protections for medically vulnerable customers. Such a program should be publicly transparent and easily accessible, the program should be promoted widely to its customers, as well as to medical and social work professionals.

Respectfully submitted,

Dated: July 20, 2021

/s/ John B. Coffman

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to all parties listed on the official service list on this 20th day of July 2021.

/s/ John B. Coffman
