

**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)	<u>Case No. GR-2021-0108</u>
Service Provided in the Company's)	
Missouri Service Areas.)	

**LIST OF ISSUES, LIST AND ORDER OF WITNESSES,
ORDER OF OPENING STATEMENTS, AND
ORDER OF CROSS-EXAMINATION**

COMES NOW the Staff of the Missouri Public Service Commission, by and through counsel, and on behalf of Spire, the Office of the Public Counsel, and the National Housing Trust (NHT),¹ submits the following *List of Issues, List and Order of Witnesses, Order of Opening Statements, and Order of Cross-Examination*:

List of Issues:

This *List of Issues* includes contributions by several parties with adverse positions in this action, therefore, it is necessarily a compromise. Not all parties agree that every issue herein listed is properly an issue to be decided by the Commission in this case. Not all parties agree on the wording of every issue.

- 1. Cost of Capital Issues:**
 - a. Capital Structure**
 - b. Return on Common Equity ("ROE")**
 - c. Long-term Debt**
 - d. Short-term Debt**

¹ Staff has not received an objection or confirmation from the remaining parties on this filing as of the time of this filing.

2. COVID-19 Accounting Authority Order (“AAO”):

a. What is the appropriate amount of Spire Missouri’s COVID-19 AAO the Commission should approve for recovery in Spire Missouri rates?

b. Should the unamortized balance of the COVID-19 AAO be included in rate base?

3. Pension and OPEBs -- What level of pension contributions should be included in rates?

4. Lobbying:

a. Should lobbying costs be included in Spire East’s and Spire West’s cost of service?

b. What lobbying costs should be removed from rates?

5. Dues and Donations -- What organization dues and donations should be removed from Spire East’s and Spire West’s cost of service?

6. PSC Assessment -- What is the proper methodology that should be used for the Missouri Public Service Commission (“PSC”) assessment?

7. Credit Card Processing Fees:

a. Should an amount be included in Spire East’s and Spire West’s base rates to account for fees incurred when customers pay by credit card?

b. If yes, what is an appropriate amount to include in Spire East’s and Spire West’s base rates for credit card fees?

8. Cash Working Capital -- What is the appropriate expense lag days for measuring Spire’s income tax lag for purposes of cash working capital?

- 9. Severance Expenses -- Should Spire East's and Spire West's severance expense be included in cost of service?**
- 10. Red Tag and One-Time Energy Affordability Programs -- Should the unamortized balance of Red Tag and one-time Energy Affordability (Spire West only) programs be included in rate base?**
- 11. Insurance Expense -- What amount of Insurance expense should be included in Spire East's and Spire West's cost of service in FERC account 925?**
- 12. Injuries and Damages:**
- 13. Incentive Compensation:**
 - a. Should the costs of Spire's Annual Incentive Plan ("AIP") be included in base rates?
 - b. Should the two new metrics Spire implemented in the fall of 2018 be included in base rates?
- 14. Property Tax:**
 - a. What is the appropriate level of Missouri property tax to be included in rates?
 - b. What is the appropriate level of Kansas property tax to be included in rates for Spire West?
 - c. Should the Commission discontinue the Missouri property tax tracker?
 - d. Should the Commission discontinue the Kansas property tax tracker?
- 15. Capitalized Overheads**
- 16. Net Operating Loss ("NOL") Carryforward**

17. City Earnings Tax:

a. What level of city earnings tax should be included in Spire East's and Spire West's cost of service?

b. Should the City Earning Tax be included in the effective tax rate calculation?

18. Gross Receipts Tax (GRT):

19. Corporate Allocations/Affiliated Transactions:

20. What billing determinants and revenue should be ordered in this case?

a. Should a weather normalization and days adjustment be applied to the Residential, Small General Service and the Large General Services Classes?

b. Should a weather normalization factor be applied to Spire East and Spire West Large Customer's and Interruptible monthly usage?

c. Should customer growth adjustments be applied to the Residential class?

d. Should a growth adjustment for Spire East's and Spire West's Small General Service and Large General Service rate classes be applied?

e. Should an adjustment be made for customers switching rate classes during the test period?

f. Should an adjustment to billed usage be made for non-residential customers who the Company has estimated will switch rate classes based on new rates approved in this case?

g. Should an adjustment to billed usage be made for conservation as proposed by the Company?

- 21. Propane Facilities -- Should Spire's propane assets, revenues, and expenses remain in its cost of service?**
- 22. Research and Development Allowance -- Should an allowance of \$1 million for research and development costs be included in Spire's cost of service?**
- 23. Rate Case Expense**
- 24. Depreciation**
- 25. Should the revenue requirement reflect a disallowance of costs and expenses associated with all investment related to CCN Case Nos. GA-2020-0105, GA-2019-0226 and GA-2019-0210 in excess of the capacities assumed in the economic modeling in the underlying CCN?**
- 26. Ultrasonic Meter infrastructure:**
- 27. Automated Meter Reading Opt-out Tariff:**
- 28. Gas Supply Incentive Plan ("GSIP"):**
 - a. Should Spire East continue its current GSIP mechanism?
 - b. Should Spire East's GSIP be expanded to include Spire West's gas supply portfolio?
 - c. If the Spire East GSIP continues or is expanded to include Spire West, what modifications, if any, should be made?
- 29. Purchased Gas Adjustment ("PGA"):**
 - a. Should the Company consolidate its Spire East and Spire West Purchased Gas Adjustment (PGA) clauses into one PGA clause?
 - b. Should the Company institute seasonal PGA rates that develop separate rates for customers who consume comparatively more natural gas in the summer?

30. **Rate adjustment mechanism to account for weather, conservation, or both.**
31. **Economic Development Rider (“EDR”) – What if any changes should the Commission approve to the EDR?**
32. **Negotiated Gas Service Rider (“NGSR”) – What if any changes should the Commission approve to the NGSR tariff?**
33. **Miscellaneous Charges -- Is the Company proposing to increase certain miscellaneous charges in this case?**
34. **Cash-Out Balancing -- Should cash-out balancing of transportation customers, similar to what is currently used in Spire West, be made applicable to both Spire East and Spire West?**
35. **Proposed Carbon Neutral Initiative program**
36. **Proposed Renewable Natural Gas (“RNG”) program**
37. **Renewable Natural Gas (RNG) Procurement**
38. **Rate Schedule Elimination -- Should the Vehicular Fuel, Interruptible, and Large Volume (LV) rate schedules be eliminated as Spire proposes?**
39. **Seasonal Rate Schedule -- Should a Seasonal Tariff rate schedule as Spire proposes be promulgated?**
40. **Multifamily Developer Subsidy**
41. **Facilities Extension Tariff -- What changes should be made to the Facilities Extension Tariff provisions?**
42. **Growing Missouri Tariff**
43. **Customer Choice Provisions -- Should the “Customer Choice” provisions Spire proposes be promulgated?**

44. Residential Retention Optional Schedule -- Should Staff's recommended Residential Retention optional schedule be promulgated?

45. Miscellaneous Tariff Issues:

a. Should the rates resulting from this case be promulgated as one rate book or two rate books?

b. Should the rates applicable to each class of service be consolidated across rate districts?

c. Should Tariff Sheet No. R-6.3 add the words "property" and "(which may be combined into one line item for "taxes")" to "License, occupation, gross receipts, franchise and sales taxes; and..."?

d. Should Tariff Sheet No. R-8 change the word "shall" to "may" and add " or (2) gas resold or submetered at no mark-up, with prior express consent of the Company"?

e. Should Tariff Sheet No. R-9 add the provision, "The Customer shall be solely responsible for the operation, maintenance, and repair of his piping and appliances beyond the meter outlet, and Company shall have no liability to Customer or any third party arising out of or relating thereto"?

f. Should Tariff Sheet No. R-17 change steps of curtailment, move transportation customers to be curtailed after schools, and delete the provision "Step 2. All sales service to both firm sales customers and firm transportation customers with alternate fuel capabilities is to be curtailed to the extent of such alternate fuels."?

g. Should Tariff Sheet No. R-25 delete the majority of the "Usage Estimating Procedure"?

h. Should any other rules and regulations tariff sheet not specifically listed in this list of issues be changed?

46. Should the Intrastate Transportation tariff be eliminated?

47. Spire West Non-Residential Rate Design -- What appropriate steps should be taken for Spire West non-residential rate design?

48. Spire East Non-Residential Rate Design -- What appropriate steps should be taken for Spire East non-residential rate design?

49. Change from Therms to Ccf -- Should Spire East's basis for sales determinants be changed from Therms to Ccf?

50. Interclass Revenue Responsibility --

51. Residential Rate design --

52. Class Cost of Service – How should (1) gas storage and inventory; (2) income taxes; and (3) distribution mains be allocated among the classes?

53. Low income Programs:

54. Bad debt and uncollectibles

List and Order of Witnesses:

Monday, July 26, 2021:

9:00 A.M. Preliminary Matters

9:30 A.M. Opening Statements

11:30 A.M. Testimony. The ultimate scheduling and order of witnesses will depend on settlement, if any, of issues prior to the hearing, witness availability, and the conduct of hearing. Staff anticipates the hearing will begin with the following witnesses testifying as to COVID-19 AAO, Credit Card Processing Fees, and Research and Development Allowance. The parties will file updated witness order as witness schedules are coordinated.

1. COVID-19 AAO:

Weitzel (Spire)
Bolin (Staff)
Marke (OPC)

2. Credit Card Processing Fees:

Antrainer (Spire)
Nieto (Staff)
Marke (OPC)

3. Research & Development Allowance

Weitzel (Spire)
Lyons (Staff)
Marke (OPC)

Tuesday, July 27, 2021:

9:00 A.M. Testimony, continued.

Wednesday, July 28, 2021:

9:00 A.M. Testimony, continued.

Thursday, July 29, 2021:

9:00 A.M. Testimony, continued.

Friday, July 30, 2021:

9:00 A.M. Testimony, continued.

Monday, August 2, 2021:

9:00 A.M. Testimony, continued.

Tuesday, August 3, 2021:

9:00 A.M. Testimony, continued.

Wednesay, August 4, 2021:

9:00 A.M. Testimony, continued.

Thursday, August 5, 2021:

9:00 A.M. Testimony, continued.

Friday, August 6, 2021:

9:00 A.M. Testimony, concluded.

Order of Opening Statements:

Spire
Staff of the Missouri Public Service Commission (Staff)
Missouri School Boards Association (MSBA)
National Housing Trust (NHT)
Renew Missouri (RenewMO)
Legal Services of Eastern Missouri (LSEMo)
Consumers Council of Missouri (Consumers)
Missouri Energy Consumers Group (MECG)
Missouri Industrial Energy Consumers (MIEC)
Vicinity Energy of Kansas City, Inc.
Office of the Public Counsel (OPC)

Order of Cross-Examination:²

Spire Witnesses	Staff Witnesses	Missouri School Boards Association Witnesses	National Housing Trust Witnesses	Legal Services of Eastern Missouri Witnesses	Consumers Council Witnesses	Vicinity MIEC Witnesses	OPC Witnesses
Staff	Spire	Spire	Spire	Spire	OPC	OPC	CC
MSBA	MSBA	Staff	Staff	Staff	MECG	MECG	MECG
NHT	NHT	NHT	MSBA	MSBA	MIEC	CC	MIEC
RenewMO	RenewMO	RenewMO	RenewMO	RenewMO	Vicinity	NHT	Vicinity
LSEMo	LSEMo	LSEMo	LSEMo	NHT	NHT	RenewMO	NHT
CC	CC	CC	CC	CC	RenewMO	LSEMo	RenewMO
MECG	MECG	MECG	MECG	MECG	LSEMo	MSBA	LSEMo
MIEC	MIEC	MIEC	MIEC	MIEC	MSBA	Staff	MSBA
Vicinity	Vicinity	Vicinity	Vicinity	Vicinity	Staff	Spire	Staff
OPC	OPC	OPC	OPC	OPC	Spire		Spire

² The order of cross-examination is generally designed to follow the degree to which a party is opposed to a witness and may need to be changed on an issue basis. For example, while OPC will cross Staff's witnesses last on Revenue Requirement issues, the industrial intervenors (MECG, MIEC, Vicinity) will cross Staff's witnesses last on class cost of service/rate design issues.

WHEREFORE, Staff prays on behalf of Staff, the Office of the Public Counsel, National Housing Trust and Spire Missouri that the Commission will accept this List and Order of Witnesses, Order of Opening and Order of Cross.

Respectfully submitted,

/s/ Kevin A. Thompson
KEVIN A. THOMPSON
Missouri Bar Number 36288
Chief Staff Counsel

/s/ Curt Stokes
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Mo. Bar No. 59836
Deputy Chief Counsel

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Attorneys for the Staff of the
Missouri Public Service Commission.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served, either electronically or by hand delivery or by First Class United States Mail, postage prepaid, to the parties of record as set out on the official Service List maintained by the Data Center of the Missouri Public Service Commission for this case, **on this 16th day of July, 2021.**

/s/ Curt Stokes