

Exhibit No.:
Issue(s): Property Taxes
Witness: Karen Lyons
Sponsoring Party: MoPSC Staff
Type of Exhibit: Rebuttal Testimony
Case No.: GR-2022-0179
Date Testimony Prepared: October 7, 2022

MISSOURI PUBLIC SERVICE COMMISSION

FINANCIAL & BUSINESS ANALYSIS DIVISION

AUDITING DEPARTMENT

REBUTTAL TESTIMONY

OF

KAREN LYONS

SPIRE MISSOURI, INC., d/b/a Spire

CASE NO. GR-2022-0179

Jefferson City, Missouri
October 2022

1 **REBUTTAL TESTIMONY OF**

2 **KAREN LYONS**

3 **SPIRE MISSOURI, INC., d/b/a Spire**

4 **CASE NO. GR-2022-0179**

5 Q. Please state your name and business address.

6 A. My name is Karen Lyons. My business address is 615 E. 13th Street,
7 Kansas City, MO 64106.

8 Q. Are you the same Karen Lyons that wrote direct testimony in this case that was
9 filed on August 31, 2022?

10 A. Yes, I am.

11 Q. What is the purpose of your rebuttal testimony?

12 A. I address corrections made to my recommendation for Spire Missouri's
13 property tax tracker that was discontinued in Spire Missouri's last general rate case, Case No.
14 GR-2021-0108.

15 Q. What corrections did Staff make to the Missouri property tax tracker for Spire East
16 and Spire West?

17 A. I made the following corrections;

- 18 • Staff corrected a mathematical error in Staff's calculation of the
- 19 amortization expense.
- 20 • Staff corrected the amount of property taxes paid by Spire East and
- 21 Spire West customers that is included in the tracker balance.

22 Q. Please provide additional detail on the correction to property taxes paid by
23 Spire East and Spire West customers in the tracker balance.

Rebuttal Testimony of
Karen Lyons

1 A. As described in my direct testimony filed on August 31, 2022, the Commission
2 approved a Stipulation and Agreement discontinuing the existing Missouri and Kansas property
3 tax tracker as of December 31, 2021.¹ I incorrectly included Missouri property taxes paid by
4 Spire East and Spire West customers in the regulatory asset balance through May 31, 2022, instead
5 of December 31, 2021 as approved by the Commission. I corrected the amount of taxes paid by
6 Spire East and Spire West customers to be consistent with the Stipulation and Agreement.

7 Q. With these corrections, what does Staff recommend for the balance of the Missouri
8 property tax regulatory asset for Spire East and Spire West?

9 A. The balance of the Missouri regulatory asset as of May 31, 2022² is \$10,450,553
10 for Spire East and \$9,562,916 for Spire West. Staff recommends an amortization period of
11 three years that results in an annual amortization of \$3,483,518 for Spire East and \$3,187,639 for
12 Spire West.

13 Q. Did you make any corrections to the Kansas property tax tracker that was
14 discontinued as of December 31, 2021?

15 A. Yes. I incorrectly included Kansas property taxes paid by Spire West customers
16 in the regulatory asset balance through May 31, 2022 instead of December 31, 2021 as approved
17 by the Commission. The revised balance of the regulatory asset as of May 31, 2022³ is \$608,713
18 for Spire West. Staff recommends an amortization period of three years that results in an annual
19 amortization of \$202,904.

20 Q. Does this conclude your rebuttal testimony?

21 A. Yes, it does.

¹ Case No. GR-2021-0108, Partial Stipulation and Agreement, Approved by the Commission on September 15, 2021.

² Activity in the regulatory asset, payments and recoveries, was discontinued December 31, 2021. The amortization expense continues through May 31, 2022 and through the true up phase of this case, September 30, 2022.

³ Id.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of Spire Missouri, Inc.)
d/b/a Spire's Request for Authority to)
Implement a General Rate Increase for)
Natural Gas Service Provided in the)
Company's Missouri Service Areas) Case No. GR-2022-0179

AFFIDAVIT OF KAREN LYONS

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

COMES NOW KAREN LYONS and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Rebuttal Testimony of Karen Lyons*; and that the same is true and correct according to her best knowledge and belief.


Further the Affiant sayeth not.



KAREN LYONS

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Jackson, State of Missouri, at my office in Kansas City, on this 3rd day of October 2022.



Notary Public



EBONEY JACKSON-SPOTWOOD
My Commission Expires
April 8, 2023
Clay County
Commission #19865798