

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

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

**POSITION STATEMENT OF THE
NATIONAL HOUSING TRUST**

COMES NOW the National Housing Trust (“NHT”), by and through its undersigned counsel, and pursuant to the Commission’s July 13, 2021 Order, and submits its *Position Statement* in the above-referenced case.

NHT takes the following positions on the below issues:

53. Low income Programs

NHT takes the position that the Commission should only grant the Company’s requested rate increase if accompanied by adequate energy efficiency, ratepayer assistance programs, and other consumer protections, as described below.

Energy Efficiency: The Commission should require Spire to offer its co-delivery “Income-Eligible Multifamily” (IEMF) energy efficiency programs with a total annual budget of at least \$900,000, as the Company has proposed. In addition to its co-delivery offerings with electric utilities, Spire should be required to offer its IEMF programs without electric co-delivery in jurisdictions where there is not a current co-delivery agreement in place, as the Company has proposed; this non-co-delivery IEMF offering should have an annual budget of at least \$390,000. Furthermore, the Commission should require Spire to roll over unspent IEMF funds and spend them within the income-eligible multifamily sector in future program years. The Commission

should require Spire to report to stakeholders on the amount of savings derived from building shell and envelope measures and strive to increase the proportion of savings from such measures. Finally, Spire should target IEMF programs in part toward households with high energy burdens and/or with high arrears.

Other Low-Income Assistance programs: The Commission should order Spire to institute the following low-income assistance programs and consumer protections as a condition of granting Spire's requested rate increase:

- Hold collaborative bi-annual planning and implementation meetings with stakeholders (including Staff, OPC, Consumers Council, NHT, Renew Missouri, and LSEM) to discuss energy efficiency and energy assistance program progress to date, forecasts on needs, and suggestions for improvement;
- Expand eligibility for the "Payment Partners" program from 185% Federal Poverty Level ("FPL") to 200% FPL;
- Adequately fund the "Payment Partners" program with shareholders annually funding \$1 million to match ratepayer contributions, with \$650,000 allocated to admin, a third-party evaluation, and Medical Needs program, and with any money leftover to be redistributed back to ratepayers;
- Automatically refer customers participating in low-income assistance programs to income-eligible energy efficiency programs, and vice versa;
- Set the FCAP at \$35 for households at or below 135% FPL and \$25 for households at or below 200%, and increase the maximum arrears matching amount to \$500 (from the current \$300);
- Suspend late fees, disconnection fees, and reconnection fees;

- Allow households to remain in the “Payment Partners” 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;
- Direct Spire’s CSR’s who receive calls from customers struggling to pay bills, for consent from that customer to forward their contact information to the relevant Community Action Agency (“CAA”) so that a representative from a CAA may contact them about weatherizing their home free of charge and other assistance if eligible;
- Employ the use of an independent 3rd party consultant (up to \$150K from ratepayer contribution) to assess the current low-income programs, analyze primary and secondary data and make recommendations for programs moving forward (to be initiated in 2021).
- Critical Needs Program: Conduct a three-year pilot of a program to serve customers with critical/medical needs (up to \$650K annually) consistent with the framework originally designed by BG&E (known currently as the Maryland Critical Needs Program), and work with interested stakeholders during the collaborative bi-annual planning meetings to discuss ways to make the Critical Needs Program transparent and easily accessible and to promote the program to customers as well as medical and social work professionals.

40. Multifamily Developer Subsidy

NHT opposes Spire’s proposed Multifamily Developer Subsidy for the reasons expressed in the Rebuttal Testimony of NHT witness Annika Brindel.

51. Residential Rate design –

Customer Charge: NHT takes the position that the residential customer charge should be set at \$20.

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

Customer Charge: NHT takes the position that the Small General Service customer charge should be set at \$30.

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

Customer Charge: NHT takes the position that the Small General Service customer charge should be set at \$30.

For the below issues, the National Housing Trust takes no position, but reserves the right to take a position at hearing or later in this case:

1. Cost of Capital Issues:

- a. Capital Structure**
- b. Return on Common Equity (“ROE”)**
- c. Long-term Debt**
- d. Short-term Debt**

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?

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

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

54. Bad debt and uncollectibles

Respectfully Submitted,

/s/ Andrew J. Linhares

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COUNSEL FOR THE NATIONAL
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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to all counsel of record this 19th day of July 2021:

/s/ Andrew J. Linhares