

Exhibit No.:
Issues: Depreciation Rates
Witness: Keenan B. Patterson
Sponsoring Party: MoPSC Staff
Type of Exhibit: Rebuttal Testimony
Case No.: GR-2017-0215 and GR-2017-0216
Date Testimony Prepared: October 17, 2017

MISSOURI PUBLIC SERVICE COMMISSION

COMMISSION STAFF DIVISION

ENGINEERING ANALYSIS DEPARTMENT

REBUTTAL TESTIMONY

OF

KEENAN B. PATTERSON

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

**LACLEDE GAS COMPANY and MISSOURI GAS ENERGY
GENERAL RATE CASE**

CASE NOS. GR-2017-0215 and GR-2017-0216

Jefferson City, Missouri
October 2017

1 that a factor of 3.59% is recommended by Staff for Subaccount 380.2, Services – Plastic –
2 Copper.

3 The text for lines 6-23, page 150 of Staff’s Report should be replaced with the
4 following:

5 Staff’s recommended rates would increase the estimated
6 annual depreciation expense for LAC from approximately
7 \$50,530,535 based on depreciation rates approved in Case No.
8 GR-2013-0171, to approximately \$50,578,535. This is an
9 increase in depreciation expense of \$48,239.

10 For MGE, Staff’s recommended rates would increase
11 the estimated annual depreciation expense from approximately
12 \$32,938,563 based on depreciation rates approved in Case No.
13 GR-2014-0007, to approximately \$32,765,866. This is a total
14 decrease of \$172,697.

15 The current depreciation expense estimates are estimated by applying the currently
16 ordered depreciation rates to the plant in service balances in the Staff Accounting Schedules.

17 Q. Does Staff change its recommendation for depreciation rates based on this
18 correction?

19 A. Yes. In light of the relatively small overall impact that would be created by a
20 change to Staff’s depreciation rate schedules, it is reasonable to allow Spire to continue to use
21 the previously ordered schedules. Staff recommends that the Commission order Spire to
22 continue using the depreciation rate schedules it ordered in Case Nos. GR-2013-0171 and
23 GR-2014-0007.

24 Q. Are these the same depreciation rate schedules that were requested by Spire
25 and the Office of the Public Counsel (“OPC”) witnesses in their direct testimony?

Rebuttal Testimony of
Keenan B. Patterson

1 A. Yes.

2 Q. Has Staff informed Spire and OPC of its current recommendation for
3 depreciation rate schedules?

4 A. Yes. Staff has had conversations with Spire and OPC employees to inform
5 them of this change.

6 Q. Does this complete your rebuttal testimony?

7 A. Yes.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of Laclede Gas Company's)
Request to Increase Its Revenues for) Case No. GR-2017-0215
Gas Service)

In the Matter of Laclede Gas Company)
d/b/a Missouri Gas Energy's Request to) Case No. GR-2017-0216
Increase Its Revenues for Gas Service)

AFFIDAVIT OF KEENAN B. PATTERSON, PE

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW KEENAN B. PATTERSON, PE and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing Rebuttal Testimony; and that the same is true and correct according to his best knowledge and belief.

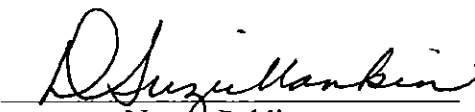
Further the Affiant sayeth not.


KEENAN B. PATTERSON, PE

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 13th day of October, 2017.

D. SUZIE MANKIN
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: December 12, 2020
Commission Number: 12412070


Notary Public