

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
Case No. GO-2020-0230, Tariff Tracking No. YG-2020-0198
Spire Missouri Inc., d/b/a Spire (West)

FROM: David M. Sommerer, Regulatory Manager, Procurement Analysis

/s/ Mark L. Oligschlaeger 5/15/2020 /s/ Robert S. Berlin 5/15/2020
Financial and Business Analysis/Date Staff Counsel's Office/Date

SUBJECT: Staff Report and Recommendation Regarding Spire West's ISRS Tariff
Submission - Compliance filing.

DATE: May 15, 2020

On May 13, 2020, Spire Missouri Inc., d/b/a Spire ("Spire West" or "Company") filed "Spire Missouri, Inc.'s Motion for Expedited Treatment" a cover letter, and Fifth Revised Sheet No. 12 – a compliance tariff sheet (YG-2020-0198). The requested effective date of the tariff referenced in the motion is May 25, 2020.

On May 14, 2020, the Commission issued "Order Requiring Expedited Filing" which establishes a Staff deadline to provide a Recommendation no later than noon on May 15, 2020.

The following summarizes the impact on existing residential rates:

As proposed herein, the ISRS would increase a residential customer's bill by \$0.82 cents per month from \$2.34 per month to \$3.16 per month for Spire Missouri West.

The filed rates produce cumulative annual ISRS revenues of \$21,508,831¹. This cumulative Revenue Requirement is comprised of \$5,599,040 from the current case plus \$15,909,791 from the three previous ISRS proceedings: GO-2019-0357, GO-2019-0116 and GO-2018-0310. The proposed rates will generate the cumulative amount that is consistent with past practice.

Staff's calculation utilizes revenue requirements that are consistent with the Commission's past and present order as referenced above. Specific components of Staff's calculation can be

¹ Staff has verified these rates produce this annual amount via separate calculations.

sourced to the Commission's "Report and Order" issued May 13, 2020, as well as the final-approved Revenue Requirements from GO-2019-0357, GO-2019-0116 and GO-2018-0310.

Staff does not object to expedited treatment but the effective date of the tariff should be no sooner than the effective date of the Commission's Order approving the tariff. This is consistent with the prior September 28, 2018 Commission Order in Case Nos. GO-2018-0309 and GO-2018-0310.

Spire has filed its 2019 annual report with the Commission. However, those billing units (in the 2019 annual report) are not used in the calculation of revised ISRS rates for these ISRS rate calculations in this proceeding. Instead, consistent with all previous calculations, from the start of this proceeding, Spire used and Staff accepted the billing units from the previous rate case GR-2017-0216.²

As of the issuance of this memo, Spire West is not delinquent on its FY 2020 assessments.

RECOMMENDATION

Based upon the rationale stated above, Staff recommends the Commission issue an order in this case that:

1. Approves Spire West's ISRS tariff sheet (YG-2020-0198) P.S.C. MO No. 8 Fifth Revised Sheet No. 12 filed on May 13, 2020.
2. Increases the existing ISRS by \$5,599,040 annually – the amount the Commission deemed appropriate in the previous (May 13, 2020) Report & Order.
3. Finds that the compliance filing's tariff will generate the \$21,508,831 annually. This figure represents both the revenue requirement from the current case plus the revenue requirement from the three previous ISRS cases – GO-2019-0357, GO-2019-0116 and GO-2018-0310.

² Such a variance from standard procedure is referenced in 393.1015 RSMo.

4. Substitutes the effective date the Commission finds appropriate given the effective date of the Commission's Order approving this compliance filing.

P.S.C. MO. No. 8

5th Revised Sheet No. 12, CANCELLING 4th Revised Sheet No.12

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Application of Spire)
Missouri, Inc. d/b/a Spire to Change its) Case No. GO-2020-0230
Infrastructure System Replacement Surcharge)
in its Spire Missouri West Service Territory)

AFFIDAVIT OF DAVID M. SOMMERER

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COME NOW DAVID M. SOMMERER and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Staff Recommendation* in memorandum form; and that the same is true and correct according to his best knowledge and belief, under penalty of perjury.

Further the Affiants sayeth not.

/s/ David M. Sommerer
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