

SPIRE RESPONSE – OPC DATA REQUEST NO. 1 GO-2019-0115 AND GO-2019-0116

- (a) A breakdown of all costs that **may** be included in the line labeled “overhead costs” for any given “individual project analysis;”

Please see the attached spreadsheet which contains the overhead categories and amounts used to derive the calculation of the estimate for overhead costs for both ISRS scenario one and scenario two that were provided as part of the Company’s workpapers for project number 900974. Filter column F of the spreadsheet to see the different scenarios (1 and 2).

- (b) An explanation of how each cost item that **might** make up the total in the line labeled “overhead costs” for any given “individual project analysis” would itself be calculated;

For each of the line items in the attached spreadsheet an estimate of the quantity required multiplied by the applicable unit of measurement results in the cost estimate for that item.

- (c) A narrative description of what measures Spire has in place to ensure that any and all costs that **might** be included in the line labeled “overhead costs” for any given “individual project analysis” are not already being collected in base rates; and

Projects are flagged as ISRS eligible or non-ISRS eligible. Those projects that are deemed ISRS eligible are all projects that meet the requirements within the ISRS statute including the requirement that all projects “were not included in the gas corporation’s rate base in its most recent general rate case.” Therefore, overheads for projects that are deemed ISRS eligible are incremental to any overheads associated with projects that are included in the rate base used in the Company’s current base rate revenue requirement. In addition, as stated in the Company response to OPC DR 8524, for overheads capitalized, this capitalized portion is separated from and serves to reduce the O&M expense percentage that is used to establish the Company’s revenue requirement in a rate case.

- (d) A general explanation via narrative response for why the line labeled “overhead costs” makes up more than fifty percent of the total cost for so many of its projects.

As the Company explained in its initial response to OPC Data Request 8523, the Company capitalizes numerous items in its overheads. The Company has not capitalized any items that are not considered standard overhead loadings that have been reviewed in prior ISRS and general rate cases. The fact that in some instances overheads make up over 50% is not unusual as the Company has followed the same treatment for these items associated with capital projects that it has in the past.

WORKORDER	PROJECTID	REQUESTNUM	CUNAME
13313515	900974	2199	Overheads Capitalized-General (Materials, Tools)
13313515	900974	2199	Overheads Capitalized-General (Materials, Tools)
13313515	900974	2199	Overheads Capitalized-General (Materials, Tools)
13313515	900974	2199	Overheads Capitalized-General (Materials, Tools)
13313515	900974	2199	Overheads Capitalized-General (Materials, Tools)
13313515	900974	2199	Overheads Capitalized-General (0.479 of PT)
13313515	900974	2199	Overhead Capitalized-Benefits (0.472 of Labor+DC)
13313515	900974	2199	Payroll Taxes
13313515	900974	2199	Department Clearings
13313515	900974	2199	Overheads Capitalized-General (0.479 of PT)
13313515	900974	2199	Overhead Capitalized-Benefits (0.472 of Labor+DC)
13313515	900974	2199	Payroll Taxes
13313515	900974	2199	Department Clearings
13313515	900974	2199	Overheads Capitalized-General (0.479 of PT)
13313515	900974	2199	Overhead Capitalized-Benefits (0.472 of Labor+DC)
13313515	900974	2199	Payroll Taxes
13313515	900974	2199	Department Clearings
13313515	900974	2199	Overheads Capitalized-General (Materials, Tools)
13313515	900974	2199	Overheads Capitalized-General (Materials, Tools)
13313515	900974	2199	Overheads Capitalized-General (Materials, Tools)
13313515	900974	2199	Overheads Capitalized-General (Materials, Tools)
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13313515	900974	2199	Overheads Capitalized-General (Materials, Tools)
13313515	900974	2199	Overheads Capitalized-General (Materials, Tools)
13313515	900974	2199	Overheads Capitalized-General (Materials, Tools)

ESTVERSION	ESTDESCRIPTION	RECORDTYPE	LINECOST	QUANTITY	SITEID
6 ISRS 2		LDG	1455.48	3038.59	SITE ONE
6 ISRS 2		LDG	4898.12	10225.71	SITE ONE
6 ISRS 2		LDG	92.01	192.09	SITE ONE
6 ISRS 2		LDG	2606.44	5441.41	SITE ONE
6 ISRS 2		LDG	24.6	51.35	SITE ONE
6 ISRS 2		LDG	3619.4	49580.81	SITE ONE
6 ISRS 2		LDG	50324.52	49580.81	SITE ONE
6 ISRS 2		LDG	7585.86	49580.81	SITE ONE
6 ISRS 2		LDG	57017.93	49580.81	SITE ONE
6 ISRS 2		LDG	5810.06	79589.82	SITE ONE
6 ISRS 2		LDG	80783.67	79589.82	SITE ONE
6 ISRS 2		LDG	12177.24	79589.82	SITE ONE
6 ISRS 2		LDG	91528.29	79589.82	SITE ONE
6 ISRS 2		LDG	258.46	3540.59	SITE ONE
6 ISRS 2		LDG	3593.7	3540.59	SITE ONE
6 ISRS 2		LDG	541.71	3540.59	SITE ONE
6 ISRS 2		LDG	4071.68	3540.59	SITE ONE
6 ISRS 2		LDG	649.96	1356.9	SITE ONE
6 ISRS 2		LDG	3299.04	6887.35	SITE ONE
6 ISRS 2		LDG	714.2	1491.03	SITE ONE
6 ISRS 2		LDG	8482.35	17708.45	SITE ONE
6 ISRS 2		LDG	122.89	256.56	SITE ONE
6 ISRS 2		LDG	8129.83	16972.51	SITE ONE
6 ISRS 2		LDG	4576.18	9553.61	SITE ONE
6 ISRS 2		LDG	250.05	522.03	SITE ONE