

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

In the Matter of the Application of     )  
Spire Missouri Inc. to Change its     )  
Infrastructure System Replacement     )     File No. GO-2019-0115  
Surcharge in its Spire Missouri East   )  
Service Territory                         )

**RESPONSES OF SPIRE MISSOURI, INC. TO  
PUBLIC COUNSEL DATA REQUEST NOS. 8500 –  
8522**

Present below are the Responses of Spire Missouri, Inc. (“Spire” or “Company”) Data Request Nos 8500-8522 as submitted in by the Office of the Public Counsel on February 25, 2019. Please note that such responses are being submitted subject to the Company’s March 4, 2019 letter objecting to certain of these data requests. These responses were prepared by or under the supervision of Wes Selinger.

**DATA REQUEST/RESPONSE.**

8500. Please provide all documents created by Spire East for all work orders and all documents required by the FERC USOA to support costs included in the work orders, for all projects included in this ISRS petition for July 1, 2018 through November 30, 2018 and where the total cost of the project exceeds \$75,000 (please note the documents to be produced are work orders, not work order authorization sheets).

**Response: The Company is not able to respond to this request as it is not clear what documentation is being requested. The Company is not aware of any documents required by the FERC Uniform System of Accounts to support costs for additions to plant in service.**

8501. Please provide all documents created by Spire East for all work orders and all documents required by FERC USOA to support costs included in the work orders, for all projects included in this ISRS petition for December 2018 and January 2019 and where the total cost of the project exceeds \$75,000 (please note the documents to be produced are work orders, not work order authorization sheets).

**Response: See the response to 8500.**

8502. Please identify, by individual work order number, all work orders wherein Spire East’s ISRS petition seek to recover any costs associated with replacing steel main segments that are not worn out or in deteriorated condition. For purposes of this request, a segment refers to just

the portion of steel main, and does not include attached portions of cast iron main.

**Response: Other than facilities replaced because of relocations mandated by governmental entities, any replacement of steel main segments was performed as part of Commission mandated replacement programs or because of a leak, defect, or other flaw that necessitated immediate replacement. This is precisely the type of work contemplated by the ISRS Statute. Pipes subject to these mandates are by definition worn out or in deteriorated condition.**

8503. Please identify, by individual work order number, all work orders wherein Spire East's ISRS petition seek to recover any costs associated with replacing steel service lines or service line segments that are not worn out or in deteriorated condition. For purposes of this request, a segment refers to just the portion of steel service line, and does not include attached portions of plastic or copper service lines.

**Response: Other than facilities replaced because of relocations mandated by governmental entities, any replacement of steel service lines was performed as part of a Commission mandated replacement programs or because of a leak, defect or other flaw that necessitated immediate replacement. This is precisely the type of work contemplated by the ISRS Statute. Pipes subject to these mandates are by definition worn out or in deteriorated condition.**

8504. Please identify, by individual work order number, all work orders wherein Spire East's ISRS petition seek to recover costs associated with replacing plastic main segments that are not worn out or in deteriorated condition. For purposes of this request, a segment refers to just the portion of plastic main, and does not include attached portions of cast iron main.

**Response: Other than facilities replaced because of relocations mandated by governmental entities, any replacements of plastic main were performed as part of a Commission mandated replacement programs or because of a leak, defect or other flaw that necessitated immediate replacement. This is precisely the type of work contemplated by the ISRS Statute. The engineering analyses provided by the Company of the various ISRS projects carried out under its replacement programs demonstrate that there is no cost associated with replacing rather than reusing such plastic, but instead a cost savings. Similarly, the analyses performed by the Company of facility replacements done under a blanket work order because of a leak, defect or other flaw in such facilities that necessitated an immediate replacement demonstrates the ISRS eligibility of such facilities.**

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**Response: Other than facilities replaced because of relocations mandated by**

**governmental entities, any replacements of plastic services were performed as part of Commission mandated replacement programs or because of a leak, defect or other flaw that necessitated immediate replacement. This is precisely the type of work contemplated by the ISRS Statute. The engineering analyses provided by the Company of the various ISRS projects carried out under its replacement programs demonstrate that there is no cost associated with replacing rather reusing such plastic, but instead a cost savings. Similarly, the analyses performed by the Company of facility replacements done under a blanket work order because of a leak, defect or other flaw in such facilities that necessitated an immediate replacement demonstrates the ISRS eligibility of such facilities.**

8506. Regarding all projects Spire East claims are eligible for ISRS recovery for the investments covering the period July 1, 2018 through January 31, 2019 (and which Spire East has included in this case), please provide the following:

- a. The total feet of new mains installed.
- b. The total feet of new mains installed for each different diameter of main.
- c. The total feet of new service lines installed.
- d. The total feet of new service lines installed for each different diameter of service line.
- e. The total feet of steel mains abandoned.
- f. The total feet of cast iron mains abandoned.
- g. The total feet of plastic mains abandoned.
- h. The total feet of plastic mains abandoned for each diameter of main.
- i. The total feet of service lines abandoned.
- j. The total feet of service lines abandoned for each diameter of service line.
- k. The average cost to install a foot of plastic main.
- l. The average cost to install a foot of plastic main for each diameter of main.
- m. The average cost to install a foot of service line.
- n. The average cost to install a foot of service line for each diameter of service line.
- o. Please provide all workpapers associated with (a) through (n) above.

**Response: Please see Spire’s objection letter dated March 4, 2019.**

8507. Please provide the total cost to uprate all mains and all service lines in all work orders Spire East claims are eligible for ISRS for the period July 1, 2018 through January 31, 2019. Please also provide Spire East’s work papers to calculate these costs.

**Response: These costs are not separately tracked but included in additions.**

8508. For all work orders identified in this case that Spire East claims are eligible for ISRS recovery and that include costs incurred to uprate a segment of main or service line, please provide the year the segment of main or service line was installed (vintage) and the date of each test performed to uprate the segment of main or service line. Please also provide all documentation that supports this data.

**Response: The Company is not clear what the definition of “uprate” is being used here;**

**therefore, this needs to be clarified in order to appropriately respond.**

8509. For each work order included in this ISRS filing, please provide the name(s) of the Spire East Operations employee(s) who determined that the work and the costs included in the work order qualified for ISRS treatment.

**Response: Please see the Company's objection letter dated March 4<sup>th</sup>, 2019.**

8510. For each work order included in this ISRS filing, please provide the name(s) of the Spire East employee(s) or contractor(s) who determined that the work and the costs included in each work order submitted qualified for ISRS treatment. Please state yes or no if this individual(s) / contractor(s) reviewed each ISRS work order included in this Application prior to the filing of this Application. If this individual did not review each and every work order included in this Application, please list the work orders that this individual did not review prior to the Application filing.

**Object: Please see the Company's objection letter dated March 4<sup>th</sup>, 2019.**

8511. Please list, describe, and provide a copy of each internal control that Spire East uses to ensure that each and every work order included in an ISRS Application qualifies for ISRS treatment under Section 393.1009(5) "Gas utility plant projects." RSMo and any applicable Commission rules.

**Response: All work orders are created by Spire's engineering department and coded ISRS or non-ISRS per a defined list of codes. All work orders undergo a review process by senior regulatory or operational personnel.**

8512. Does this Application reflect in the ISRS revenue requirement calculation all of the accumulated deferred income taxes available, as a result of all available bonus depreciation deductions, available to Spire East in the past and currently available to Spire East for its Spire East and Spire West divisions?

**Response: Due to changes provided in the Tax Cuts and Jobs Act, Spire no longer claims bonus depreciation on ISRS investments; however, Spire uses the MACRS 20 depreciation schedule which does create deferred taxes. All deferred taxes created by accelerated depreciation are reflected in the ISRS revenue requirement.**

8513. For each work order included in this ISRS filing, please provide any and all documentation demonstrating the pipe being replaced is in a worn out or deteriorated condition.

**Response: Other than relocations, most of the replacements were performed as part of Commission mandated replacement programs. This is precisely the type of work contemplated by the ISRS Statute. We have long held that the pipes subject to these mandates are by definition worn out or in deteriorated condition**

8514. For each work order included in this ISRS filing, Provide copies of any and all testing or

other analysis related to interior diameter and outer diameter of any pipe that was retired.

**Response: Spire does not perform testing on the interior or outer diameters of pipe.**

8515. Identify how retirement or “renewal units” are identified and selected for retirement? For example is it by area, or type or size of pipe or pipe age, or some other feature?

**Response: Retirements are prioritized according to the Company’s Distribution Integrity Management Plan. Beyond the DIMP plan, retirements are dictated by other factors such as leaks etc.**

8516. Provide a full copy of the Pipe Management Plan for Spire East (electronic is acceptable).

**Response: While the company is not clear on what “pipe management plan” is being requested here, attached are PDF maps and slide decks which include information on the Company’s plan, and its anticipated 2018-2020 projects. Please note that these documents were provided in Spire’s last ISRS filings; Case Nos. GO-2018-0309 and GO-2018-0310.**

8517. Provide all documents demonstrating that Spire East is in compliance with all PHMSA requirements/regulations.

**Response: Please see the Company’s objection letter dated March 4<sup>th</sup>, 2019.**

8518. Identify any information/documentation Spire East ISRS added to the required supporting documentation provided in these filings which shows each project included meets the requirements of Section 393.1009(5) “Gas utility plant projects.” RSMo.

**Response: Please see Appendix A for both Spire East and West. Projects included in ISRS are all coded to reflect which requirement of Section 393.1009 (5) they satisfy.**

8519. Did Spire East perform tests on service lines that were retired and replaced under earlier ISRS filings that indicated lines were worn out or in a deteriorated condition? If yes please provide the testing documentation for each project. If no please indicate that no testing was done.

**Response: If it is economically and operationally feasible to reconnect a service line to a main that is being installed in connection with the Company’s cast iron and bare steel replacement programs, it will be reused. If it is not economically or operationally feasible to reconnect a service line to a newly installed main, a new service line will be installed. As the Company has repeatedly demonstrated, such an approach does not result in any incremental increase in either the Company’s ISRS costs and or the resulting ISRS charges but instead reduces them compared to the costs that would be incurred if an attempt was made to reuse service lines that cannot feasibly be economically or operationally reconnected to the main. Any effort to perform “tests” on service lines that cannot be economically or operationally reused would serve no purpose, but instead would be an**

**unnecessary and imprudent expenditure of resources. Also see the response to DR 8505.**

8520. Please provide documentation for Spire East if any sub-section of any/each of the ISRS projects fall under 4 CSR 240-40.030(15)(D)1.

**Response: Please see Spire’s objection letter dated March 4th, 2019.**

8521. Has the Spire East completed all replacements that fall under 4 CSR 240-40.030(15)(D)1 definition of “high priority”? If not, please identify all “high priority” areas that have not been addressed in an expedited manner.

**Response: As the Company has stated previously, the Company has addressed all high priority areas in the past, and it continues to prioritize them as they occur.**

8522. 4 CSR 240-40.030(15)(D)2. Requires a “long-term, organized replacement program and schedule shall also be established for cast iron pipelines not identified by the operator as being high priority. Has this plan been provided to the Commission’s Gas Safety Staff? Please provide this plan and schedule to OPC for Spire East or provide the EFIS item number and File number where these plans and schedules may be found.

**Response: Yes, these plans have been provided. They were approved by the Commission in Case Nos. GO-91-275 and GO-2002-50.**

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

In the Matter of the Application of    )  
Spire Missouri Inc. to Change its    )  
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Surcharge in its Spire Missouri West )  
Service Territory                        )

**RESPONSES OF SPIRE MISSOURI, INC. TO  
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**DATA REQUEST/RESPONSE**

8500. Please provide all documents created by Spire West for all work orders and all documents required by the FERC USOA to support costs included in the work orders, for all projects included in this ISRS petition for July 1, 2018 through November 30, 2018 and where the total cost of the project exceeds \$75,000 (please note the documents to be produced are work orders, not work order authorization sheets).

**Response: The Company is not able to respond to this request as it is not clear what documentation is being requested. The Company is not aware of any documents required by the FERC Uniform System of Accounts to support costs for additions to plant in service.**

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**Response: See the response to 8500.**

8502. Please identify, by individual work order number, all work orders wherein Spire West’s ISRS petition seek to recover any costs associated with replacing steel main segments that are not worn out or in deteriorated condition. For purposes of this request, a segment refers to just the portion of steel main, and does not include attached portions of cast iron main.

**Response: Other than facilities replaced because of relocations mandated by governmental entities, any replacement of steel main segments was performed as part of Commission mandated replacement programs or because of a leak, defect, or other flaw that necessitated immediate replacement. This is precisely the type of work contemplated by the ISRS Statute. Pipes subject to these mandates are by definition worn out or in deteriorated condition.**

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**Response: Please see Spire’s objection letter dated March 4, 2019.**

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**Response: Please see the Company’s objection letter dated March 4<sup>th</sup>, 2019.**

8511. Please list, describe, and provide a copy of each internal control that Spire West uses to ensure that each and every work order included in an ISRS Application qualifies for ISRS treatment under Section 393.1009(5) “Gas utility plant projects.” RSMo and any applicable Commission rules.

**Response: All work orders are created by Spire’s engineering department and coded ISRS or non-ISRS per a defined list of codes. All work orders undergo a review process by senior regulatory or operational personnel.**

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**Response: Due to changes provided in the Tax Cuts and Jobs Act, Spire no longer claims bonus depreciation on ISRS investments; however, Spire uses the MACRS 20 depreciation schedule which does create deferred taxes. All deferred taxes created by accelerated depreciation are reflected in the ISRS revenue requirement.**

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8515. Identify how retirement or “renewal units” are identified and selected for retirement? For example is it by area, or type or size of pipe or pipe age, or some other feature?

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**Response: While the company is not clear on what “pipe management plan” is being requested here, attached are PDF maps and slide decks which include information on the Company’s plan, and its anticipated 2018-2020 projects. Please note that these documents were provided in Spire’s last ISRS filings; Case Nos. GO-2018-0309 and GO-2018-0310.**

8517. Provide all documents demonstrating that Spire West is in compliance with all PHMSA requirements/regulations.

**Response: Please see the Company's objection letter dated March 4<sup>th</sup>, 2019.**

8518. Identify any information/documentation Spire West ISRS added to the required supporting documentation provided in these filings which shows each project included meets the requirements of Section 393.1009(5) **"Gas utility plant projects."** RSMo.

**Response: Please see Appendix A for both Spire East and West. Projects included in ISRS are all coded to reflect which requirement of Section 393.1009 (5) they satisfy.**

8519. Did Spire West perform tests on service lines that were retired and replaced under earlier ISRS filings that indicated lines were worn out or in a deteriorated condition? If yes please provide the testing documentation for each project. If no please indicate that no testing was done.

**Response: If it is economically and operationally feasible to reconnect a service line to a main that is being installed in connection with the Company's cast iron and bare steel replacement programs, it will be reused. If it is not economically or operationally feasible to reconnect a service line to a newly installed main, a new service line will be installed. As the Company has repeatedly demonstrated, such an approach does not result in any incremental increase in either the Company's ISRS costs and or the resulting ISRS charges but instead reduces them compared to the costs that would be incurred if an attempt was made to reuse service lines that cannot feasibly be economically or operationally reconnected to the main. Any effort to perform "tests" on service lines that cannot be economically or operationally reused would serve no purpose, but instead would be an unnecessary and imprudent expenditure of resources. Also see the response to DR 8505.**

8520. Please provide documentation for Spire West if any sub-section of any/each of the ISRS projects fall under 4 CSR 240-40.030(15)(D)1.

**Response: Please see Spire's objection letter dated March 4<sup>th</sup>, 2019.**

8521. Has the Spire West completed all replacements that fall under 4 CSR 240-40.030(15)(D)1 definition of "high priority"? If not, please identify all "high priority" areas that have not been addressed in an expedited manner.

**Response: As the Company has stated previously, the Company has addressed all high priority areas in the past, and it continues to prioritize them as they occur.**

8522. 4 CSR 240-40.030(15)(D)2. Requires a "long-term, organized replacement program and schedule shall also be established for cast iron pipelines not identified by the operator as being high priority. Has this plan been provided to the Commission's Gas Safety Staff? Please provide this plan and schedule to OPC for Spire West or provide the EFIS item number and File number where these plans and schedules may be found.

**Response: Yes, these plans have been provided. They were approved by the Commission in Case Nos. GO-91-275 and GO-2002-50.**