

Exhibit No: _____
Issue: STP Tariff Revisions
Witness: Lew Keathley
Type of Exhibit: Rebuttal Testimony
Sponsoring Party: Spire Missouri Inc.
Case Nos.: GR-2021-0108
Testimony Date: June 17, 2021

SPIRE MISSOURI INC.
CASE NO. GR-2021-0108
REBUTTAL TESTIMONY
OF
LEW KEATHLEY
JUNE 17, 2021

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1 **REBUTTAL TESTIMONY OF LEW KEATHLEY**

2 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

3 A. My name is Lew Keathley, and my business address is 700 Market Street, St. Louis,
4 Missouri 63101.

5 **Q. WHAT IS YOUR PRESENT POSITION?**

6 A. I am currently a Senior Analyst of Regulatory Affairs for Spire Missouri Inc. (“Spire” or
7 “Company.”)

8 **Q. PLEASE STATE HOW LONG YOU HAVE HELD YOUR POSITION AND**
9 **BRIEFLY DESCRIBE YOUR RESPONSIBILITIES.**

10 A. I started at Spire in June 2015. In my capacity as a Senior Analyst in Regulatory Affairs,
11 I provide analytical and other support for a variety of regulatory matters involving Spire
12 Missouri. I also assist with the preparation of filings relating to Purchased Gas
13 Adjustment/Actual Cost Adjustment tariff provisions and I am the billing and account
14 liaison for the Spire East and Spire West school aggregation programs.

15 **Q. WHAT WAS YOUR PROFESSIONAL EXPERIENCE PRIOR TO ASSUMING**
16 **YOUR CURRENT POSITION?**

17 A. From 1993 to 2008 I was employed by Anheuser-Busch Adventure Parks in St. Louis,
18 Missouri in various capacities. Among my duties at Anheuser-Busch were budget planning
19 and project management. From 2009-2014, I was employed by the Service Company of
20 American Water in the Rates and Regulation department. As an employee of American
21 Water, my duties included preparing and presenting rate change applications and
22 supporting documents to various state jurisdictions on a wide range of regulatory matters.

23 **Q. WHAT IS YOUR EDUCATIONAL BACKGROUND?**

1 A. I graduated from the University of Missouri, College of Business in 1988 with a Bachelor
2 of Science degree in Business Administration and I earned a Masters in Business
3 Administration (MBA) from Lindenwood University in 2008.

4 **Q. WHICH JURISDICTIONS HAVE YOU PREVIOUSLY PARTICIPATED IN**
5 **PERTAINING TO REGULATORY MATTERS?**

6 **R.** I have prepared schedules and presented testimony on behalf of American Water to the
7 Indiana Utility Regulatory Commission, Public Utilities Commission of Ohio, Tennessee
8 Regulatory Authority, and the Public Service Commission of the Commonwealth of
9 Kentucky. On behalf of Spire, I filed testimony with the Missouri Public Service
10 Commission (“Commission”) in the Company’s previous rate case, GR-2017-0215 and
11 GR-2017-0216.

12 **I. PURPOSE OF TESTIMONY**

13 **Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?**

14 A. The purpose of my testimony is to respond to the Direct Testimony of Louie Ervin II on
15 behalf of the Missouri School Board Association (“MSBA”), which was filed on May 26,
16 2021. Specifically, I will provide a response to MSBA’s proposed tariff language revisions
17 relating to the Company’s School Transportation Program (“STP”) Tariff.

18 **II. SPIRE RATE CONSOLIDATION**

19 **Q. DOES MSBA SUPPORT SPIRE’S PROPOSAL TO CONSOLIDATE SPIRE EAST**
20 **AND SPIRE WEST NATURAL GAS TARIFFS?**

21 A. Yes. MSBA supports the Company’s proposed consolidation, noting that “Spire operates
22 its Missouri gas system as one integrated system although customers may be served by
23 different interstate pipelines. It only makes sense for Spire to treat similarly situated

1 customers they serve in Missouri the same regardless of where they are located in Missouri
2 . . .” (Ervin Direct, page 6).

3 **III. STP TARIFF REVISIONS**

4 **Q. DID THE COMPANY PROPOSE CHANGES TO ITS STP TARIFF IN ITS RATE**
5 **CASE FILING?**

6 A. Yes. Currently the Company has two different tariffs for its East and West service
7 territories. The Company has proposed one consolidated tariff in this filing that is modeled
8 after the current Spire East tariff. The Company’s proposed tariff allows capacity to be
9 released to the schools from various pipelines, including Enable MRT, Spire STL, and
10 Southern Star Central. Under the tariff the Company will determine the nominations
11 needed for the marketers.

12 **Q. WHAT CHANGES DOES MSBA PROPOSE REGARDING SPIRE’S STP**
13 **TARIFF?**

14 A. MSBA proposes that the capacity release formula be updated to reflect more current usage
15 patterns. Currently, capacity release is based on the average daily consumption in a peak
16 usage month that occurred during the 24 months ending September 30, 2002. The MSBA
17 proposes that the capacity release determination be based on the maximum daily
18 requirement during a rolling historic seven-year period as adjusted by additions or drops to
19 the STP program, with an additional 110% multiplier for a safety margin. MSBA also
20 proposes supply diversity that allows the schools to select capacity on either, or a
21 combination of, the MRT or Spire STL pipelines for service to Spire’s Eastern service
22 territory and on Southern Star for the Spire West schools. (Ervin Direct at pages 6-7.)

23 **Q. DOES SPIRE AGREE WITH THOSE TWO PROPOSED REVISIONS?**

1 A. The Company is open to revising its tariff to allow for a more updated formula to determine
2 capacity release, as long as the formula is designed to ensure an appropriate amount of
3 capacity is released to the schools to cover their needs. The Company is still evaluating
4 MSBA's proposal, and is unable to state a position regarding the adequacy of their proposal
5 at this time. The Company will further address MSBA's proposal after it has completed
6 its review as part of surrebuttal testimony.

7 The Company also supports supply diversity for the schools and is agreeable to MSBA's
8 proposal to annually elect which pipeline it would like capacity to be released from, so
9 long as such election is subject to the operational availability as determined by the
10 Company. This would mean that Spire East schools may select capacity from MRT and
11 STL Pipeline and the Spire West schools can select capacity from Southern Star Central.

12 **Q. DOES MSBA PROPOSE ANY OTHER CHANGES TO THE STP TARIFF?**

13 A. Yes. MSBA proposes revisions to further clarify that transportation capacity be released
14 at cost. (Ervin Direct at page 7.)

15 **Q. DOES SPIRE AGREE WITH THIS PROPOSAL?**

16 A. Yes, the Company is supportive of releasing transportation capacity at cost.

17 **Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?**

18 A. Yes, it does.

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

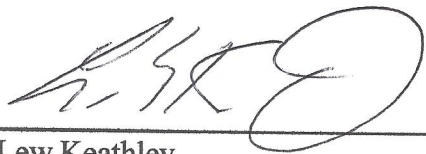
In the Matter of Spire Missouri Inc.'s)
Request for Authority to Implement a)
General Rate Increase for Natural Gas) File No. GR-2021-0108
Service Provided in the Company's)
Missouri Service Areas)

AFFIDAVIT

STATE OF MISSOURI)
) SS.
CITY OF ST. LOUIS)

Lew Keathley, of lawful age, being first duly sworn, deposes and states:

1. My name is Lew Keathley. I am Senior Analyst of Regulatory Affairs for Spire Missouri Inc. My business address is 700 Market St., St Louis, Missouri, 63101.
2. Attached hereto and made a part hereof for all purposes is my rebuttal testimony on behalf of Spire Missouri Inc.
3. Under penalty of perjury, I declare that the foregoing is true and correct to the best of my knowledge and belief.



Lew Keathley

6/12/2021

Date