

**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) **File No. GO-2019-0356**
Replacement Surcharge in its Spire Missouri East)
Service Territory)

In the Matter of the Application of Spire Missouri)
Inc. to Change its Infrastructure System) **File No. GO-2019-0357**
Replacement Surcharge in its Spire Missouri West)
Service Territory)

**VERIFIED REVENUE REQUIREMENT
RECOMMENDATIONS OF SPIRE MISSOURI, INC.**

COMES NOW Spire Missouri Inc. (“Spire Missouri” or “Company”), on behalf of itself and its two operating units Spire East and Spire West, and in response to the Commission’s October 28, 2019 Order in these cases Directing Filing of Adjusted Revenue Requirement Recommendations, states as follows:

1. On October 28, 2019, the Commission issued its order in these cases in which it directed the Company and the Staff to file their respective revenue requirement recommendations as adjusted to reflect the terms of their Settlement Agreement Regarding Income Tax Issue.

2. In accordance with the Commission’s directive, attached hereto and incorporated herein for all purposes is Exhibit A and showing the Company’s recommended revenue requirements for Spire East and Spire West as adjusted for the effects of the Income Tax Settlement.

3. The Company has also had an opportunity to review Staff’s recommended revenue requirements for Spire East and Spire West reflecting the effects of the Income Tax Settlement and Staff’s position on the issues addressed in this proceeding. While the Company and Staff have

taken different positions on some of the issues underlying Staff's recommendation, the Company wishes to advise the Commission that it agrees that Staff's revenue requirement recommendations accurately reflect Staff's position on the issues as adjusted to reflect the impact of the Income Tax Settlement.

WHEREFORE, for the foregoing reasons, the Company respectfully requests that the Commission accept and consider these revenue requirement recommendations, as adjusted to the reflect the impact of the Income Tax Settlement.

Respectfully submitted,

/s/Goldie T. Bockstruck

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/s/Michael C. Pendergast

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ATTORNEYS FOR Spire Missouri Inc.

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing Brief of Spire Missouri was served to all counsel of record on this 29th day of October, 2019 by hand-delivery, fax, electronic or regular mail.

/s/ Goldie T. Bockstruck _____

**Spire Missouri East
ISRS Revenue Requirement Calculation**

ISRS Activity:**Gas Utility Plant Projects - Main Replacements and Other Projects Extending Useful Life of Mains:**

<u>Work Orders Placed in Service</u>	
Gross Additions	30,575,202
Deferred Taxes	(193,615)
Accumulated Depreciation	<u>(241,952)</u>

Total Net 30,139,635

Gas Utility Plant Projects - Service Line Replacements and Insertion Projects:

<u>Work Orders Placed in Service</u>	
Gross Additions	20,214,835
Deferred Taxes	(150,999)
Accumulated Depreciation	<u>(347,113)</u>

Total Net 19,716,723

Gas Utility Plant Projects - Regulator Stations:

<u>Work Orders Placed in Service</u>	
Gross Additions	-
Deferred Taxes	-
Accumulated Depreciation	<u>-</u>

Total Net -

Gas Utility Plant Projects - Main Relocations net of Reimbursements:

<u>Work Orders Placed in Service</u>	
Gross Additions	1,122,375
Deferred Taxes	(11,382)
Accumulated Depreciation	<u>(7,492)</u>

Total Net 1,103,501

Increase in Accumulated Deferred Income Taxes and Accumulated Depreciation Associated with Eligible Infrastructure System Replacements which are included in a Currently Effective ISRS

Total Incremental Accumulated Depreciation	(871,417)
Total Incremental Accumulated Deferred Taxes	(672,632)

Total ISRS Rate Base 49,415,810

Overall Rate of Return per GR-2017-0215 7.20%

UOI Required 3,556,802

Interest Deduction 237,676

Net UOI 3,319,126

Income Tax Conversion Factor 1.34135

Revenue Requirement on Capital 4,452,110

Tax Gross Up 1,132,984

Income Tax Settlement (52/48) 589,151

Depreciation Expense 1,046,986

Net Property Taxes (7,409)

ISRS Revenue Undercollection June 2018 through May 2019 239,380

Additional Revenues from GO-2018-0309 1,590,345

Total ISRS Revenues 6,777,579

**Spire Missouri West
ISRS Revenue Requirement Calculation**

ISRS Activity:**Gas Utility Plant Projects - Main Replacements and Other Projects Extending Useful Life of Mains:**

<u>Work Orders Placed in Service</u>	
Gross Additions	34,448,961
Deferred Taxes	(341,391)
Accumulated Depreciation	(261,183)
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Total Net 33,846,387

Gas Utility Plant Projects - Service Line Replacements and Insertion Projects:

<u>Work Orders Placed in Service</u>	
Gross Additions	7,203,500
Deferred Taxes	(62,322)
Accumulated Depreciation	(90,236)
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Total Net 7,050,942

Gas Utility Plant Projects - Regulator Stations:

<u>Work Orders Placed in Service</u>	
Gross Additions	(35)
Deferred Taxes	-
Accumulated Depreciation	-
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Total Net (35)

Gas Utility Plant Projects - Main Relocations net of Reimbursements:

<u>Work Orders Placed in Service</u>	
Gross Additions	2,480,690
Deferred Taxes	(20,636)
Accumulated Depreciation	(23,565)
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Total Net 2,436,489

Increase in Accumulated Deferred Income Taxes and Accumulated Depreciation**Associated with Eligible Infrastructure System Replacements which are included in a Currently Effective ISRS**

Total Incremental Accumulated Depreciation	(1,085,317)
Total Incremental Accumulated Deferred Taxes	(455,715)

Total ISRS Rate Base 41,792,750

Overall Rate of Return per GR-2017-0216 7.20%

UOI Required 3,008,117

Interest Deduction 201,011

Net UOI 2,807,106

Income Tax Conversion 1,341,35

Revenue Requirement on Capital 3,765,311

Tax Gross Up 958,206

Income Tax Settlement (52/48) 498,267

Depreciation Expense 723,861

Net Property Taxes (56,776)

ISRS Revenue Undercollection June 2018 through May 2019 338,794

Additional Revenues from Case No. GO-2018-0310 1,383,297

Total ISRS Revenues 5,694,548

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A F F I D A V I T

STATE OF MISSOURI)
) SS.
COUNTY OF JEFFERSON)

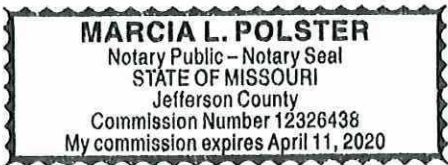
Wesley E. Selinger, of lawful age, being first duly sworn, deposes and states:

1. My name is Wesley E. Selinger. I am Manager, Rates and Planning 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 are revenue requirement calculations performed in response to the Commission's October 28, 2019 Order Directing Filing of Adjusted Revenue Requirements on behalf of Spire Missouri Inc.
3. I hereby swear and affirm that the information contained in the attached documents are true and correct to the best of my knowledge and belief.



Wesley E. Selinger

Subscribed and sworn to before me this 29th day of October 2019.





Notary Public