

**MISSOURI PUBLIC SERVICE COMMISSION**

**STAFF REPORT**  
**CLASS COST OF SERVICE**

**APPENDIX 2**

**Other Staff Schedules**

**SPIRE MISSOURI, INC., d/b/a SPIRE**

**SPIRE EAST and SPIRE WEST  
GENERAL RATE CASE**

**CASE NO. GR-2021-0108**

*Jefferson City, Missouri  
May 26, 2021*

## RATE NORMALIZATION ADJUSTMENT (RNA)

### A. APPLICABILITY

The Rate Normalization Adjustment (RNA) is applicable to all customers taking service under the Residential or Small General Service rate schedules. This adjustment will be applied as a separate line item on a customer's bill to all ccfs of gas usage.

### B. FILING

The RNA rider

(1) Adjustment Period (AP): The RNA AP will begin on the ninth billing month of a given year, and continue through the eighth billing month of the subsequent year. The initial AP under this rider shall begin on September 1, 2021. Actual Block Usage (ABU) for the final billing month of an AP may be projected for purposes of a RNA rate calculation included in a filing under this Rider if necessary. Prior to the end of the subsequent twelve (12) month AP, the difference between the ABU previously projected and the observed ABU for that month, multiplied by the Rate that was in effect during that month, will be added to or subtracted from the calculation of the over- or under-billing of the RNA during the RP as appropriate.

(2) Recovery Period (RP): An annual period during which a RNA rate is in effect, beginning with the eleventh calendar month of a given year, and continuing through the tenth calendar month of the subsequent year. The RP shall be calculated based on nine (9) months actual sales, including estimated unbilled sales for the ninth month, and three (3) months projected sales. The 3 months projected sales associated with each RP shall be trued up with actuals upon calculation of the subsequent RA.

(3) After November 1, 2021, the Company shall file its RNA revisions with the Commission each calendar year at least sixty (60) days prior to the first day of the eleventh calendar month unless otherwise provided for by the Commission.

### C. CALCULATIONS

The RNA applicable to each rate schedule subject to this Rider and calculated separately for Residential customers and Small General Service customers, shall be revised annually to reflect (1) the difference between the normalized annual natural gas usage in Block 2 for Residential customers and Block 2 for Small General Service customers authorized in the Company's last general rate case and the actual usage billed in those blocks for the applicable AP; (2) to reconcile the over- or under-recovery from the previous RNA rate adjustment; and (3) any adjustments ordered by the Commission.

$$RNA = \left[ \frac{(RCBU - ABU) * Rate}{RCU} + \frac{(OA + RA)}{RCU} \right]$$

Where:

RNA = "Revenue Normalization Adjustment Rate" to be calculated independently for each of the Company's applicable service classes and applied to all ccf of the applicable service class during the RP.

RCBU = Rate Case Block Usage will be the normalized annual natural gas usage in Block 2 for Residential customers and Block 2 for Small General Service customers established in the most recent general rate case.

RCU = Rate Case Usage will be the estimated total usage in ccf for the applicable class established in the most recent general rate case.

ABU = Actual Block Usage is the usage which occurred in Block 2 during the Adjustment Period (AP) for the class's adjustable ccf usage range

Rate = The currently effective class rate for usage in Block 2 for Residential customers and Block 2 for Small General Service customers

OA = Ordered Adjustment is the amount of any adjustment to the RNA ordered by the Commission as a result of corrections under this Rider. Such amounts shall include monthly interest equal to the reconciliation adjustment interest rate

RA = Reconciliation Adjustment is the amount due to the Company (+RA) or Customers (-RA) arising from adjustments under this Rider that were under- or over-billed in the prior 12 month RP

In the event that there is more than one set of non-gas base rates in effect during the AP the rates and rate case block usage will be prorated accordingly.

#### D. RECONCILIATION ADJUSTMENT INTEREST RATE

Each month, carrying costs, at a simple rate of interest equal to the utility's short-term borrowing rate (as published in The Wall Street Journal on the first business day of such month), minus two percentage points, shall be applied to the Company's ending monthly RNA balance. In no event shall the carrying cost rate be less than 0%. Corresponding interest income and expense amounts shall be recorded on a net cumulative basis for the RNA deferral period.

#### E. Rate Case Information

From GR-2021-0108, the normalized annual natural gas usage in Block 2 (greater than 50 ccf) for Residential customers is XX,XXX,XXX ccf and Block 2 (greater than 50 ccf) for Small General Service customers is XX,XXX,XXX ccf.

The Block 2 rate for the Residential Class is \$0.XXXX and the rate for Block 2 for the Small General Service Class is \$0.XXXX.

RCU: Total Residential Usage is X, total General Service Usage X.

**SCHEDULE SLKL-d1**

**HAS BEEN DEEMED**

**CONFIDENTIAL**

**IN ITS ENTIRETY**