

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

In the Matter of the Establishment of a Working Case            )  
for the Review and Consideration of a Rewriting and            ) File No. AW-2018-0394  
Writing of Existing and New Affiliate Transaction            )  
Rules and HVAC Affiliate Transaction Rules                    )

**COMMENTS OF SPIRE MISSOURI INC.**

COMES NOW Spire Missouri Inc. (“Spire” or “Company”), on behalf of itself and its operating units, Spire East and Spire West, and submits its comments in response to the Commission’s November 7, 2019 Order Requesting Additional Responses regarding the Commission Staff’s (“Staff”) September 16, 2019 draft Affiliate Transactions and HVAC rules. In support thereof, Spire states as follows:

On June 27, 2018, the Staff filed a motion to establish a working case for purposes of reviewing and considering potential changes to the Commission’s Affiliate Transactions Rules. In its Motion, the Staff stated that pursuant to Executive Order 17-03, it has undertaken a review of all of the Commission’s rules, and identified areas where those rules “could be consolidated, streamlined, or otherwise improved for user friendliness.”<sup>1</sup> The Company, along with several other parties, submitted comments regarding Staff’s June 27, 2018 draft rule on August 10, 2018.

**COMMENTS**

Spire recognizes that Staff has incorporated or addressed many of the comments/suggestions provided by the parties and appreciates Staff’s efforts in this regard. In general, the most recent revisions made by Staff appropriately recognize how certain transactions between regulated utilities and their affiliates, including, most notably, other regulated affiliates, can produce material economic benefits for utility customers. These include, among others,

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<sup>1</sup>Staff Motion, pp. 2-3.

revisions that permit the cost of common services to be shared by and allocated over multiple entities, thus reducing the cost each entity would incur for such services on a standalone basis. Spire firmly believes that such modifications are essential to ensuring that utility customers can benefit from the same the operational efficiencies routinely realized by businesses in other industries. Consistent with the Executive Order that prompted the proposed rules, other revisions made by Staff, including the elimination of a proposed requirement to have a utility's Cost Allocation Manual reapproved every three years, will also serve to reduce the potentially unnecessary expenditure of resources by both regulators and utilities alike.

While these and other revisions made by Staff have constructively addressed many of the issues raised by Spire in its June 27, 2018 comments, Spire would offer one additional suggestion on Staff's September 16, 2019 draft rule. In its initial comments Spire briefly raised issues regarding the provisions of Staff's June 27, 2018 draft rule related to the sharing of customer information between affiliates. At page 5 of Staff's November 6, 2019 *Response to Public Counsel's Response to Staff's September 16, 2019, Draft Affiliate Transactions and HVAC Affiliate Services Rules*, Staff notes in its comments that "there should not be a prohibition on sharing data, unless that data has some value." Spire generally agrees but suggests that there should be some material threshold for determining what is to be considered of "competitive value". Staff states it welcomes further input from interested parties and while the Company is not making a more specific suggestion here, it certainly would welcome the opportunity to examine any approaches suggested by other parties.

## **CONCLUSION**

In conclusion, Spire supports the Staff's efforts in this case and believes Staff has incorporated the comments and suggestions of the parties in its September 16, 2019 draft rule. Spire looks forward to further discussions on the outstanding issue highlighted above or any others that may be raised by the parties in this proceeding.

Respectfully submitted,

SPIRE MISSOURI INC.

**By /s/ Goldie Bockstruck**

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### **CERTIFICATE OF SERVICE**

The undersigned certifies that a true and correct copy of the foregoing pleading was served on the General Counsel of the Staff of the Missouri Public Service Commission, and the Office of the Public Counsel, on this 9th day of December, 2019 by hand-delivery, fax, electronic mail or by regular mail, postage prepaid.

**/s/ Goldie Bockstruck**