

**Exhibit No:**  
**Issue:** School Aggregation Program  
**Witness:** Lewis E. Keathley  
**Type of Exhibit:** Rebuttal Testimony  
**Sponsoring Party:** Spire Missouri Inc.  
**Case No.:** GR-2019-0077  
**Date Prepared:** June 7, 2019

**In the Matter of Union Electric Company  
d/b/a Ameren Missouri's Tariffs to Increase Its  
Revenues for Natural Gas Service.**

**GR-2019-0077**

**REBUTTAL TESTIMONY**

**OF**

**LEWIS E. KEATHLEY**

**June 7, 2019**

**DIRECT TESTIMONY OF LEWIS E. KEATHLEY**

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

A. My name is Lewis E. Keathley and my business address is 700 Market St., St. Louis, Missouri, 63101.

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

3 A. I am employed by Spire as a Senior Analyst in Regulatory Affairs.

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

6 A. I started at Spire in June 2015. In my capacity as a Senior Analyst in Regulatory Affairs,  
7 I provide analytical and other support for a variety of regulatory matters involving Spire  
8 East and Spire West. I assist with the preparation of filings relating to both operating units'  
9 Infrastructure System Replacement Surcharge ("ISRS"), Purchased Gas  
10 Adjustment/Actual Cost Adjustment tariff provisions, and I am the billing and account  
11 liaison for the Spire East and West for the School Aggregation Programs.

12 **Q. WHAT WAS YOUR PROFESSIONAL EXPERIENCE PRIOR TO ASSUMING**  
13 **YOUR CURRENT POSITION?**

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

20 **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. I earned a Masters in Business  
3 Administration from Lindenwood University in 2008.

4 **Q. HAVE YOU PREVIOUSLY PARTICIPATED IN REGULATORY MATTERS**  
5 **OUTSIDE OF THIS JURISDICTION?**

6 A. Yes. I 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.

10 **Q. HAVE YOU PREVIOUSLY FILED TESTIMONY BEFORE THIS COMMISSION?**

11 A. Yes, I provided both written and direct testimony in Spire Missouri's most recent rate  
12 cases.

13 **PURPOSE OF TESTIMONY**

14 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

15 A. The purpose of my testimony is to share some of the successes and challenges that Spire  
16 has experienced during our administration of two Experimental School Transportation  
17 Programs (STP) – one for the schools in the Spire East service territory and the other for  
18 the schools in the Spire West service territory – and to recommend a path forward for  
19 improvements to the program.

20 **Q. BRIEFLY DESCRIBE THE SCHOOL TRANSPORTATION PROGRAMS THAT**  
21 **ARE IN EFFECT BASED ON THE SPIRE TARIFFS.**

22 A. Eligible schools purchase gas on an aggregated basis from a not-for-profit school  
23 association via a gas marketer. For Spire East territory schools, The Company specifies to

1 the marketer how much gas to nominate, The Company releases the needed capacity to the  
2 marketer, and monthly usages are calculated and tracked to minimize gas imbalances. For  
3 Spire West territory schools, the marketers nominate gas for the schools and much like  
4 with Spire East, for Spire West, the monthly usages are calculated and tracked to minimize  
5 gas imbalances. However, because Spire West schools do not have electronic meters, Spire  
6 West cannot follow daily balances, and instead reads each school meter once per month on  
7 various read dates based on individual school's billing cycles. The lack of daily data makes  
8 it difficult to accurately calculate imbalances, which in turn makes it difficult to accurately  
9 adjust nominations to mitigate any nomination/usage differences.

10 **Q. WHAT ARE CHALLENGES THAT SPIRE ENCOUNTERS WITH THEIR**  
11 **CURRENT SCHOOL AGGREGATION TARIFFS?**

12 A. The lack of consistency in managing two different process can be challenging. It would  
13 certainly be administratively easier to standardize the experimental school transportation  
14 program for Spire's East and West tariffs. While daily reads for Spire West schools would  
15 improve balancing, we found the cost to install electronic metering for several hundred  
16 schools to be a significant obstacle. This obstacle identified in Spire Missouri Inc.'s last  
17 rate case could change as costs and technology improve.

18 **Q. HOW DO YOU RATE THE CURRENT TARIFF THAT AMEREN USES FOR**  
19 **THEIR SCHOOL AGGREGATION PROGRAM?**

20 A. The current Ameren tariff addresses the challenges that Spire has with managing the school  
21 aggregation program and treats the school program as a typical transportation customer.  
22 As such, Spire prefers some of the language that is found in the Ameren School  
23 Transportation tariff. The Ameren tariff makes the School transportation customer

1 responsible for the purchase and transportation of its gas, defines a written capacity release  
2 agreement per school, and defines a daily balance and cash-out methodology.

3 **Q. DOES THIS COMPLETE YOUR REBUTTAL TESTIMONY?**

4 A. Yes.

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

In the Matter of Union Electric Company     )  
d/b/a Ameren Missouri's Tariffs to Increase    )  
Its Revenues for Natural Gas Service.        )


File No. GR-2019-0077

AFFIDAVIT

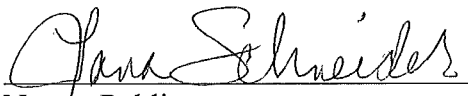
STATE OF MISSOURI                             )  
                                                          )  
CITY OF ST. LOUIS                             )        SS.

Lewis E. Keathley, of lawful age, being first duly sworn, deposes and states:

1. My name is Lewis E. Keathley. I am a Senior Analyst, Regulatory Affairs for Spire. My business address is 700 Market St., St Louis, Missouri, 63101.
2. Attached hereto and made a part hereof for all purposes is my testimony on behalf of Spire.
3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein are true and correct to the best of my knowledge and belief.

  
\_\_\_\_\_  
Lewis E. Keathley

Subscribed and sworn to before me this 7 day of June 2019.

  
\_\_\_\_\_  
Notary Public

