

In the Matter of a Workshop Case to)
Explore the Ratemaking Process) File No. AW-2019-0127

SUPPLEMENTAL COMMENTS OF SPIRE MISSOURI INC.

COMES NOW Spire Missouri Inc. (“Spire Missouri” or “the Company”) and submits these supplemental comments in response to the Missouri Public Service Commission Staff’s (“Staff”) request for comments filed on November 29, 2018 in this docket. In support thereof, Spire states as follows:

1. Spire Missouri appreciates the efforts made by Staff, opening this docket and facilitating a discussion on potential changes to enhance efficiency and streamline the rate case process. Based upon the comments submitted by parties thus far, the Company would like to offer additional commentary supporting recommendations it believes can improve the process.
2. One item raised in the comments of multiple parties and during the workshop was the rate case testimony process. This item was discussed at length in the November 28, 2018 comments of Missouri American Water Company (“MAWC”). A read of those comments illustrates that not only is there great potential to improve the efficiency of this process but also that Missouri is truly an outlier in its approach to the rate case testimony process. Currently in Missouri, a utility files its direct testimony, along with its revised tariff and other minimum filing requirements, on Day 1 of its rate case. The Company’s direct testimony is followed months later by the direct testimony of Staff and other parties. However, in direct testimony, the Staff and other parties do not directly reply or rebut the utility’s case until up to seven months into the case. Also, as highlighted in MAWC comments, the direct, and rebuttal, testimony is then bifurcated into

revenue requirement and rate design categories, ultimately leading to at least six different testimony filings prior to an evidentiary hearing.

3. The Company recommends that utilities' direct testimony be followed by the rebuttal testimony of Staff, OPC and other intervenors, in which those parties address the Company's direct filing. The Company believes this process would help to identify issues that exist between the parties faster and allow for those issues to be addressed in the utilities' rebuttal testimony. As demonstrated in the comments and exhibits provided by MAWC, this process is widely used in other jurisdictions and could cut 45-60 days off the rate case process.

4. Another way to improve the process is to streamline the delivery of information from the utility to Staff, OPC, and other parties during the initial rate case filing. The Company believes there are common items requested during rate proceedings that could be provided that would allow Staff, OPC, and other intervenors the opportunity to begin their audit without having to request these items through the discovery process. This standardized DR approach would allow for advanced delivery of information typically requested in rate cases. A modest number of 50-100 standard requests would expedite the audits of Staff, OPC, and other intervenors. Additionally, providing a standard set of information would also provide the added benefit of avoiding duplicative DRs from parties to the case.

5. Finally, the Company believes permitting the utility to charge interim rates would relieve a significant amount of pressure from the rate case process. Under the current process, the amount of time it takes to litigate a case and general inflationary pressure ensure that regulatory lag will be occurring by the time a rate case concludes. Interim rates would merely allow the utility to reduce the additional regulatory lag that takes place during the administration of a rate case.

6. FERC has been successfully using interim rates for many years. Interim rates work because the utility is discouraged from assessing excessive interim rates by making the revenues subject to refund. As to the issue of interim rate design, that is easily resolved by proportionate increases that are, again, subject to refund with interest.

CONCLUSION

7. In conclusion, Spire Missouri continues to support Staff's efforts to streamline the rate case process. The Company believes that the process can be improved by reducing the number of rounds of testimony, allowing for the pre-filing of frequently requested information, and addressing regulatory lag that occurs during the rate case process by permitting the utility to implement interim rates subject to refund. Spire Missouri looks forward to further participating in this workshop.

Respectfully submitted,

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