

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

In the Matter of Laclede Gas Company's                                     )  
Request to Increase its Revenues for Gas Service    )    Case No. GR-2017-0215

**USW LOCAL 11-6's STATEMENT OF POSITION**

COMES NOW United Steelworkers of America, Local 11-6 (USW 11-6), through counsel, and for its Statement of Position as to the List of Issues for the above-referenced matter states as follows:

**GENERAL POSITION**

The joint List of Issues filed in this matter contains numerous issues and sub-issues to be presented in this case. USW 11-6 has no position on any of these specific issues except Issues V and VII, but it does have a general statement of position about the company's request for a rate increase. Laclede/Spire (the Company) continues to provide excellent service. The Company needs a rate increase to continue to provide top-rate service. USW 11-6 believes maintaining service excellence is a high priority for this Commission, and should remain so.

USW 11-6's position on Issues V and VII follows.

**LIST OF ISSUES**

**V.           Pensions and OPEBS**

- a.    What is the appropriate amount of pension expense to include in base rates?
- b.    What is the appropriate amount of the LAC . . . pension assets?
- f.    Should the prepaid pension asset be funded through the weighted cost of capital or long-term debt?

USW 11-6 does not have accounting or regulatory expertise, so its position is based solely on practical aspects of the above issues. Pensions are a critical component of the bargaining unit members represented by USW 11-6. The most experienced of these members

have relied on this negotiated benefit through many multiple-year collective bargaining agreements. It is generally recognized that earned pension benefits cannot be compromised. We are concerned, however, that the Company be able to fully and timely recover its pension expense so that its pension obligations to bargaining unit members is not underfinanced.

## **VII. Incentive Compensation for Employees**

The ability of USW 11-6 members to receive incentive compensation based on their achievement of certain performance goals has been positive for the employees, the Company and its customers. For example, Construction and Maintenance employees have generally worked ten hour days for approximately nine months each year in an effort to replace old, leaky pipe as quickly as possible. This extraordinary effort has improved safety significantly. USW 11-6 believes it is in the best interests of the public to continue to include employee incentive compensation as a proper expense in base rates.

Respectfully submitted,

/s/ Sherrie Hall

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**Certificate of Service**

I hereby certify that a copy of the foregoing was served on all parties entitled to notice via email and by virtue of the EFIS electronic filing system on November 30, 2017.

\_\_\_\_\_/s/ Sherrie Hall\_\_\_\_\_