

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

In the Matter of Spire Missouri Inc. d/b/a) Case No. GO-2019-0058
Spire East's Request to Decrease its WNAR) Tracking No. YG-2019-0039

**VERIFIED RESPONSE OF SPIRE MISSOURI INC.
TO STAFF RECOMMENDATION**

COMES NOW Spire Missouri Inc., d/b/a Spire (“Spire” or “Company”), on behalf of its operating unit, Spire East, and pursuant to the Commission’s September 14, 2018 Order in the above-captioned matter, submits its Response to Staff’s Recommendation. In support thereof, Spire states as follows:

1. On August 31, 2018, Spire filed tariff sheets to effectuate a decrease to its Weather Normalization Adjustment Rider (“WNAR”) for its Spire East operating unit. As directed by the Commission, Staff filed its recommendation in response to the Company’s tariff filing on September 14, in which it recommended that the Commission reject the tariff for two reasons, both of which involve the Actual Heating Degree Days (“AHDDs”) and Normalized Heating Degree Day (“NHDDs”) used to weather normalize usage.

2. The first reason cited by Staff involves the Company’s incorrect inclusion of AHDDs and NHDD’s from April 19, 2018 – the effective date of the WNAR – in its weather normalization adjustment calculation. The Company agrees with Staff that the inclusion of this data from April 19, 2018 resulted in a mismatch of data in its WNAR calculation. As Staff notes in its Recommendation, the Company filed a substitute tariff sheet on September 14, to correct this deficiency and therefore believes this issue has been resolved.

3. The Company does not agree, however, with the second reason given by Staff for rejecting the tariffs; namely that Spire East “did not appropriately allocate a given month’s NHDDs among that month’s days as provided in the tariff.” In support of this alleged deficiency, Staff goes

on in its recommendation to assert that its NHDDs per day as determined in the last rate case were apportioned to the days of each month by aligning the highest level of NHDD to occur in that month with the coldest day that actually occurs in the month, while still maintaining the same total number of NHDDs determined in the most recent rate case. Essentially, Staff is saying that the *methodology* is what was determined in the most recent rate case, not the *outcome* of that analysis, which then drove determinants to be included in specific rate blocks and seasons and included for development of different specific rates.

4. Contrary to Staff's assertion, there is simply nothing in the WNAR tariff sheets that were approved by the Commission that references, endorses or otherwise supports the use of this methodology for purposes of calculating WNAR adjustments. The tariff does define the NHDDs that are to be used in the WNAR calculation as the "total normal heating degree days based upon Staff's daily normal weather *as determined in the most recent rate case.*" See Original Tariff Sheet No. 13 (*emphasis supplied*). Consistent with this tariff provision, the Company used the specific NHDDs determined by Staff in the most recent rate case to calculate its WNAR adjustment. The tariff does not, however, describe or even mention the methodology that Staff is now proposing to use to allocate or apportion NHDDs between different days in a particular month – a methodology that, rather than using the outcomes as determined in the most recent rate case, will create new and different outcomes as determinants are shifted between different rate blocks and seasons. Given how detailed the WNAR tariffs are and given the fact that Staff essentially wrote it, if there had been any intent to use such a methodology it surely would have been spelled out in the tariff. It is not.

5. In addition to not being authorized by the WNAR tariff, the Company is also concerned that the use of such a methodology will result in significant and unnecessary variations,

both up and down, in how the WNAR tariff is calculated during a specific period. In the Company's view there is simply no justification for introducing this kind of needless variation in a mechanism that is essentially designed to mitigate the impact of customer usage variations due to weather.

WHEREFORE, for the foregoing reasons, Spire Missouri Inc. respectfully requests that the Commission approve its WNAR filing, as revised by the substitute tariff filing made on September 14, 2018.

Respectfully submitted,

SPIRE MISSOURI INC.

/s/ Michael C. Pendergast

Michael C. Pendergast, #31763

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CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing pleading was served on Staff and the Office of the Public Counsel, on this 18th day of September 2018 by hand-delivery, fax, electronic mail or by regular mail, postage prepaid.

/s/ Marcia Spangler _____

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VERIFICATION

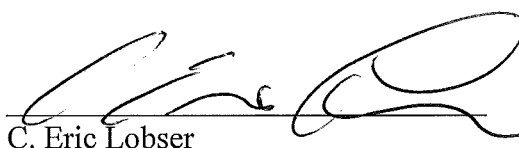
STATE OF MISSOURI)
) SS.
CITY OF ST. LOUIS)

C. Eric Lobser, being duly sworn, on his oath states that:

1. My name is C. Eric Lobser. I am Vice President of Regulatory and Government Affairs for Spire Missouri Inc and my business address 700 Market Street, St. Louis, Mo. 63301.

2. I have read the foregoing Response to Staff Recommendation which has been submitted by Spire Missouri Inc. and which is attached hereto.

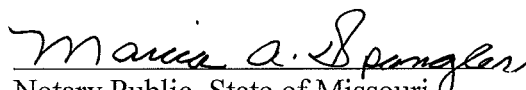
3. The matters and things set forth in the foregoing Response to Staff Recommendation are true and correct to the best of my knowledge, information and belief.


C. Eric Lobser

Subscribed and sworn to before me a Notary Public in the City of St. Louis, State of Missouri, this 18th day of September, 2018.

My Commission expires: 9-24-18.

[seal]


Notary Public, State of Missouri

