

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

In the Matter of the Application of Spire)
Missouri Inc. to Change its Infrastructure)
System Replacement Surcharge in its Spire) **File No. GO-2019-0115**
Missouri East Service Territory)
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In the Matter of the Application of Spire)
Missouri Inc. to Changes its Infrastructure) **File No. GO-2019-0116**
System Replacement Surcharge in its Spire)
West Service Territory)

AMICUS CURIAE BRIEF OF USW LOCAL 11-6

COMES NOW USW Local 11-6 (“Local 11-6”) and submits its Amicus Curiae Brief in the above captioned proceedings pursuant to 4 CSR 240-2.075 (11) of the Commission’s Rules of Practice and Procedure. In support thereof, Local 11-6 states as follows:

1. Local 11-6 is a labor organization that represents for collective bargaining purposes approximately 850 employees of Spire Missouri, Inc. (“Spire” or “Company”) involved in “physical” classifications, including jobs relating to the maintenance and construction of the distribution facilities used to safely deliver natural gas to the Company’s customers. As the collective bargaining agent of many of the non-managerial employees of Spire, Local 11-6 has been permitted by the Commission to intervene and participate in the Company’s general rate proceedings routinely given Local 11-6’s interest in how various ratemaking and other regulatory actions may affect its members.

2. Local 11-6 has recently become aware of position taken by the Office of the Public Counsel (“OPC”) in these cases relating to the work performed by its members under the State’s Infrastructure System Replacement Surcharge (“ISRS”) Statute. Local 11-6 was a strong supporter of the ISRS Statute at the time it was passed in the General Assembly in 2003 and believes that

the positions taken by OPC in these cases are inconsistent with both the letter and spirit of that Statute. As an organization representing members who work every day with the facilities being replaced by the Company under its safety replacement programs, we fully agree with the views previously expressed by this Commission in prior ISRS cases, and by the Company and Staff in these cases, that such facilities are in a worn-out or deteriorated condition and that it is essential to public safety that such facilities be replaced in the manner currently done. We also agree with the efficiency of the on-going replacement program. And the attention to cost control that benefits all Spire customers and minimizes rate impacts.

3. Local 11-6 is especially concerned with OPC's proposal to eliminate from these ISRS costs all "overhead" costs allocated to current ISRS projects. As the evidentiary hearing showed, these overhead costs recover the employee benefits which our members have collectively bargained for over the years. These include, among others, the cost of medical coverage, post-retirement medical benefits, sick days, vacation time, disability insurance costs and other retirement-related programs ranging from 401(k) matching costs to pension or cash balance expenditures. Our members have worked very hard over many years to earn and negotiate these benefits and Local 11-6 vigorously opposes OPC's effort to take the funding for them away. While Spire accounts for these costs as overhead, the employee benefits other than salary could just as easily be considered direct costs of labor. Viewed in that context, there is no reason these costs should be questioned, much less disallowed.

4. We therefore join with Company and Staff in urging the Commission to find that such an issue should not be considered in an ISRS case, but could be reviewed, if necessary, in a general rate case proceeding where parties such as Local 11-6 can fully participate in a consideration of the issue.

WHEREFORE, for the foregoing reasons, USW Local 11-6 respectfully requests that the Commission accept and consider this Amicus Curiae Brief.

Respectfully Submitted,

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CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the foregoing was served on all parties entitled to notice by virtue of the EFIS electronic filing system on April 15, 2019.

/s/ Emily R. Perez