

Spire Inc. 700 Market St. Louis, MO 63101

## October 31, 2018

VIA EFIS

Secretary Missouri Public Service Commission Governor Office Building 200 Madison Street Jefferson City, MO 65101

## Dear Secretary,

Enclosed herewith for filing with the Missouri Public Service Commission is a revised tariff sheet, P.S.C. MO. No. 7 First Revised Sheet No. 11.16 of the eastern Missouri operating division of Spire Missouri Inc. d/b/a Spire (the "Company"). This revised tariff sheet, which has an issue date of October 31, 2018, and an effective date of November 15, 2018, reflects the Purchased Gas Adjustment ("PGA") of the Company as provided by Sheet Nos. 11 - 11.16 of the Company's tariff. Such revised PGA rates, which will be made effective on a pro-rata basis, include changes to both the Current Purchased Gas Adjustment ("CPGA") and the Actual Cost Adjustment ("ACA") factors for natural gas customers.

In November 2017, the underlying charge for natural gas was set at \$0.46583 per therm for the Company's residential customers and in April 2018, this charged was revised slightly to \$0.46017 per therm. Over the past year, the market price of natural gas has fluctuated within a relatively narrow range. As a result, the Company's underlying charge for natural gas for firm sales customers will decrease to \$0.45672 per therm.

Compared to currently existing rates, and assuming normal usage, the PGA rate would decrease the average monthly bill of the typical residential customer over the upcoming winter by about \$0.43 per month, or 0.4%. Compared to the rates in effect last winter, that change would be a decrease of about \$1.14 per month, or 1%. Such bill impacts may be less or more depending on a customer's actual usage, which is primarily affected by weather.

At Staff's request, Spire East is filing several ACA factors for its various sales classifications, as it has done in the past. However, we would note that a Partial Stipulation and Agreement related to this topic was approved as part of Case No. GR-2017-0215. Paragraph 7 of that stip from December 13, 2017 provides that in order to bring greater consistency between the PGA/ACA clauses of Spire East and Spire West, Spire East would move to a single ACA factor, which is the method reflected in Spire West's tariffs. While Spire East and Staff differ as to the interpretation of paragraph 7 and the commensurate changes that were made to the tariffs, we have agreed with Staff to file separate ACA factors for the various classifications, but will continue to work with Staff and the parties to work towards a single ACA factor.

| Sincerely,           |  |
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| /s/ Scott A. Weitzel |  |
| Scott A. Weitzel     |  |