

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

In the Matter of the Application of Spire)
Missouri, Inc. d/b/a Spire for Approval) File No.: GO-2021-0126
To Establish an On-Bill Financing Program)
And Cost Recovery Mechanism)

UNANIMOUS STIPULATION AND AGREEMENT

COME NOW Spire Missouri Inc. (“Spire”), the Staff of the Missouri Public Service Commission (“Staff”), the Missouri Office of the Public Counsel (“OPC”), Renew Missouri, and Consumer’s Council of Missouri, collectively referred to as (“the Signatories”) and pursuant to Commission Rule 20 CSR 4240-2.115, hereby submit this Unanimous Stipulation and Agreement, and in support thereof respectfully state as follows:

1. **Issues Settled.** The Signatories agree and intend for this Stipulation and Agreement to settle the issues pertaining to Spire’s PAYS® On-Bill Financing Program (“Spire PAYS® Program”)¹. The Signatories therefore request that the Commission issue an order that authorizes Spire to establish a PAYS® Program pursuant to the terms set forth in this agreement.

2. **Program Term and Budget.** The Signatories agree that the Spire PAYS® Program shall commence for a period initiating with the approval of the Company’s currently pending rate case (Case No. GR-2021-0108). The Spire PAYS® Program budget shall be in addition to the Company’s current energy efficiency budget, and shall not be used for any other purpose without prior Commission approval. The PAYS® Program budget shall be \$6 million for the first program year, and \$11 million per year for each program year thereafter until Spire’s

¹ Spire’s On-Bill Financing Program is the same as the Spire PAYS® On-Bill Financing Program. In order to alleviate any confusion regarding the type of program Spire is seeking approval of, Spire will refer to the Program going forward as the Spire PAYS® On-Bill Financing Program or Spire PAYS® Program. This will also alleviate any confusion during the co-delivery process as the electric utilities in Missouri is also using “PAYS®” as part of their program name. Spire’s On-Bill Financing Program is separate and apart from Spire’s preexisting financing program for natural gas appliances.

next rate case following the completion of its currently pending rate case proceeding (GR-2021-0108). Spire's PAYS® Program may begin following the date that new rates become effective in Spire's currently pending rate case. Spire can utilize its Program Budget for residential customers within both the Spire Missouri West and Spire Missouri East service territories to fund PAYS® program measures². The annual Program Budget includes \$1 million to be spent on administrative, marketing and other costs associated with the implementation and installation of PAYS® Program measures. If the administrative portion exceeds \$1 million, Spire will file a request with the Commission for authority to spend up to \$1.5 million. The Parties agree to expedite consideration of the request, if made. The annual administrative, marketing, implementation and installation costs, collectively up to \$1 million, are recoverable from both participants and non-participants. Maintenance and property taxes associated with the PAYS® Program are not part of the annual budget amounts referenced above, and will be taken into consideration in subsequent rate cases. All remaining annual Program Budget amounts, collectively at least \$5 million for the first program year, and \$10 million for the remaining program years, are recoverable only from program participants. Any funds not spent in a program year shall not be subject to rollover, and shall not be used for any other purpose without prior Commission approval. Spire agrees to seek Commission approval if additional program funding is needed.

3. **Finance Charge.** The Signatories agree that the Spire PAYS® Program charge shall be designed to collect the Company's investment plus a 3% interest charge. Spire shall only impose the PAYS® Program charge on customers and meter users who participate in the Spire PAYS® On-Bill Financing Program.

4. **Tariff.** The Signatories agree to the terms set forth in the tariff attached herein as

² This stipulation and agreement does not speak to Spire Missouri's request to consolidate its Spire Missouri East and Spire Missouri West tariffs in GR-2021-0108.

Exhibit A. The Company shall file the approved tariff as part of its compliance tariffs, in Case No. GR-2021-0108.

5. **Program Evaluation.** The Spire PAYS® Program shall be evaluated consistent with the process in place for the Company's current Energy Efficiency programs with emphasis being placed on the impact evaluation versus the process evaluation to assess the program effectiveness with achieving the savings goals for the customer. This will include an annual billing analysis to review the actual program savings accomplished. Spire will hire a third-party to conduct the evaluation of the PAYS® Program which will focus its evaluation on the Company's co-delivery efforts. The purpose behind the co-delivery evaluation is to identify which aspects of the co-delivery process work and what aspects could use adjustments in order to maximize the effectiveness of the PAYS® Program.

6. **Differentiate Financing Programs.** The Company agrees to clarify the differences between the Company's currently approved financing programs (EnergyWise and Insulation) for its customers through its messaging on the Company's website. Spire further agrees to share the initial messaging with Staff and OPC prior to posting for input and approval.

7. **Spire PAYS Program Cost Recovery.** PAYS® Program costs shall be tracked and deferred into a regulatory asset until the Company's next general rate case proceeding. The Signatories retain the right to recommend future adjustments to the deferrals in the Company's next general rate case proceeding and subsequent proceedings.

8. **Reporting.** Spire agrees to report out quarterly as part of the Company's current Energy Efficiency Collaborative (EEC) advisory group meetings on the following information: number of measures installed per customer, amount spent per customer, number of customers served, and the calculation for estimated savings from the eligible installed measures for each

customer. The Consumers Council of Missouri shall be invited to participate in EEC advisory group meetings.

GENERAL TERMS

9. Limitation of Scope: This Stipulation and Agreement is being entered into for the purpose of disposing of the issues specifically addressed herein. In presenting this Stipulation and Agreement, none of the Signatories shall be deemed to have approved, accepted, agreed, consented or acquiesced to any procedural principle, and none of the Signatories shall be prejudiced or bound in any manner by the terms of this Stipulation and Agreement, whether approved or not, in this or any other proceeding, other than a proceeding limited to the enforcement of the terms of this Stipulation and Agreement, except as otherwise expressly specified herein. The Signatories further understand and agree that the provisions of this Stipulation and Agreement relate only to the specific matters referred to in this Stipulation and Agreement, and no signatory waives any claim or right which it otherwise may have with respect to any matter not expressly provided for in this Stipulation and Agreement. The Signatories further understand and agree that no party to this Stipulation and Agreement shall assert the terms of this Stipulation as a precedent in any future proceeding.

10. Interdependence and Non-Severability: This Stipulation and Agreement has resulted from negotiations and the terms hereof are interdependent. If the Commission does not approve this Stipulation and Agreement in total or approves it with modifications or conditions to which a signatory objects, then this Stipulation and Agreement shall be void and no signatory shall be bound by any of its provisions. The agreements herein are specific to this proceeding and are made without prejudice to the rights of the signatories to take other positions in other proceedings except as otherwise noted herein. If the Commission does not unconditionally

approve this Stipulation and Agreement without modification, and notwithstanding its provision that it shall become void, neither this Stipulation and Agreement, nor any matters associated with its consideration by the Commission, shall be considered or argued to be a waiver of the rights that any signatory has for a decision in accordance with RSMo. section 536.080 or Article V, Section 18, of the Missouri Constitution, and the Signatories shall retain all procedural and due process rights as fully as though this Stipulation and Agreement had not been presented for approval, and any suggestions or memoranda, testimony or exhibits that have been offered or received in support of this Stipulation and Agreement shall become privileged as reflecting the substantive content of settlement discussions and shall be stricken from and not be considered as part of the administrative or evidentiary record before the Commission for any further purpose whatsoever.

11. Waiver of Procedural Rights: If the Commission unconditionally accepts the specific terms of this Stipulation and Agreement without modification, the Signatories waive, with respect to the issues resolved herein, their respective rights: (1) to call, examine and cross-examine witnesses pursuant to RSMo. section 536.070(2); (2) to present oral argument and/or written briefs pursuant to RSMo. section 536.080.1; (3) to the reading of the transcript by the Commission pursuant to section RSMo. 536.800.2; (4) to seek rehearing pursuant to RSMo. section 386.500; and (5) to judicial review pursuant to RSMo. section 386.510, provided however that the Verified Applications and Updates submitted by Spire Missouri on behalf of Spire East and Spire West shall be received into evidence for the sole purpose of providing an evidentiary foundation for this Stipulation and Agreement. These waivers apply only to a Commission order respecting this Stipulation and Agreement issued in this above-captioned case and does not apply to any issues or matters raised in any prior or subsequent Commission order, or any issue or other

matters not explicitly addressed by this Stipulation and Agreement.

12. Merger and Integration: This Stipulation and Agreement contains the entire agreement of the Signatories concerning the issues addressed herein. The intent of the Signatories to this Stipulation and Agreement has been fully and exclusively expressed in this document and the attachments appended hereto.

WHEREFORE, the Signatories request the Commission issue an Order approving this *Stipulation and Agreement* as a resolution of Spire's request for approval to Establish a PAYS® On-Bill Financing Program in this case.

Respectfully submitted,

SPIRE MISSOURI INC.

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by electronic mail, or First Class United States Postal Mail, postage prepaid, on this 29th day of April, 2021, to all counsel of record.

/s/Goldie T. Bockstruck