Exhibit No.:	
Issue(s):	*Revenue Requirement Cost of Service, Overview of Staff's Filing*
Witness:	*Keith Majors*
Sponsoring Party:	*MoPSC Staff*
Type of Exhibit:	*Direct Testimony*
Case No.:	*GR-2025-0107*
Date Testimony Prepared:	*April 23, 2025*

MISSOURI PUBLIC SERVICE COMMISSION

FINANCIAL & BUSINESS ANALYSIS DIVISION

AUDITING DEPARTMENT

DIRECT TESTIMONY

OF

KEITH MAJORS

SPIRE MISSOURI INC.,
d/b/a Spire

CASE NO. GR-2025-0107

Jefferson City, Missouri
April 2025

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DIRECT TESTIMONY

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KEITH MAJORS

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Q. Please state your name and business address.

A. Keith Majors, Fletcher Daniels Office Building, 615 East 13th Street, Room 201, Kansas City, Missouri, 64106.

Q. By whom are you employed and in what capacity?

A. I am a Utility Regulatory Audit Unit Supervisor employed by the Staff ("Staff") of the Missouri Public Service Commission ("Commission").

Q. What is your educational background and work experience?

A. I attended Truman State University in Kirksville, Missouri, where I earned a Bachelor of Science degree in Accounting in 2007. I have been employed by the Commission since June 2007 within the Auditing Department.

Q. Have you previously filed testimony before this Commission?

A. Yes. A listing of the cases in which I have previously testified, or authored a Staff recommendation or memorandum, and the issues which I addressed in those filings, is attached as Schedule KM-d1 to this direct testimony.

Q. What knowledge, skills, experience, training and education do you have in the areas of which you are testifying here?

A. I have acquired knowledge of the ratemaking and regulatory process through my employment with the Commission and through my experience and analyses in numerous prior rate cases. I have assisted, conducted, and supervised audits and examinations of the books and records of public utility companies operating within the state of Missouri. I have participated in examinations of electric, industrial steam, natural gas, water, and sewer utilities, and participated in in-house and outside training and seminars on technical and general ratemaking matters while employed by the Commission.

I have been assigned to several Spire Missouri Inc., d/b/a Spire ("Spire Missouri") rate cases. These cases were filed under the utility names Laclede Gas Company, commonly referred to as Spire Missouri East ("Spire East"), and Missouri Gas Energy, commonly referred to as Spire Missouri West ("Spire West"), during my employment at the Commission:

Utility	**Case No.**
Missouri Gas Energy	GR-2014-0007
Spire Missouri East	GR-2017-0215
Spire Missouri West	GR-2017-0216
Spire Missouri East and West	GR-2021-0108
Spire Missouri East and West	GR-2025-0107

I have been assigned to several Missouri Gas Energy and Spire East and Spire West Infrastructure System Replacement Surcharge ("ISRS") filings during my employment at the Commission.

EXECUTIVE SUMMARY

Q. What is the purpose of your direct testimony?

A. I am sponsoring Staff's Direct Accounting Schedules that are being filed concurrently with this direct testimony. Staff's recommendation regarding the amount of the revenue requirement increase for Spire Missouri operations is based on actual historical information through the update period ending December 31, 2024, with the exception of some items which have been calculated as of the test year, the twelve months ending

September 30, 2024. Staff will revise its recommendation of the amount of the revenue requirement increase for Spire East and Spire West based on actual information through May 31, 2025, as part of its true-up audit. In addition, as part of this rate proceeding $53.6 million of Infrastructure System Replacement Surcharges ("ISRS") revenue will be consolidated into base rates for the investment that occurred subsequent to September 30, 2022, the ISRS plant cutoff of the last prior rate case GR-2022-0179, through August 31, 2024, the ISRS plant cutoff of the latest Commission ordered effective ISRS. There is currently an ISRS increase filing pending before the Commission for investment covering the time period of September 1, 2024, through February 28, 2025. This ISRS increase request is $19.0 million on a Spire Missouri combined basis and is limited by the statutory ISRS revenue cap.[1] The amount of ISRS increase determined in that proceeding will be included in base rates during Staff's true-up audit.

In this testimony, I will provide an overview of the results of Staff's direct audit and its recommended revenue requirement for Spire Missouri. During Staff's examination, several Staff members participated in the review of Spire Missouri's books and records. The components of Staff's review include (1) capital structure and return on equity, (2) rate base investment, (3) revenue, (4) operation & maintenance expenses, (5) depreciation & amortization expense, and (6) income taxes, all of which are represented in the formula below.

I provide testimony concerning the following specific topics:

[1] MO. REV. STAT. §§ 393.1009, 393.1012, and 393.1015 (Infrastructure System Replacement Surcharge for Gas Corporations).

- INCOME TAX
- PROPANE PLANT, RESERVE, AND INVENTORY
- CASH WORKING CAPITAL
- CASH WORKING CAPITAL (“CWC”) INCOME TAX EXPENSE LAG
- ALLOCATION FACTORS
- SHARED SERVICE SOFTWARE ALLOCATION TO SPIRE WEST
- PURCHASED GAS ADJUSTMENT CASE RATE BASE OFFSET
- AMORTIZATION TREATMENT OF MISCELLANEOUS REGULATORY ASSETS AND LIABILITIES
- COMPRESSED NATURAL GAS STATION PLANT AND RESERVE
- PLANT HELD FOR FUTURE USE ADJUSTMENT
- AMORTIZATION TREATMENT OF MISCELLANEOUS REGULATORY ASSETS AND LIABILITIES
- ONE TIME WORKFORCE REDUCTION COSTS
- CUSTOMER RECORDS COSTS ADJUSTMENT

OVERVIEW OF STAFF’S REVENUE REQUIREMENT DIRECT TESTIMONY

Q. Please explain the components of the cost of service for a regulated, investor-owned public utility.

A. The cost of service for a regulated, investor-owned public utility is comprised of the following formula:

Cost of Service = Cost of Providing Utility Service

Or

COS = O + (V-D)*R where,

COS = Cost of Service

O = Operating Costs (Payroll, Maintenance, etc.), Depreciation, and Taxes

V = Gross Valuation of Property Required for Providing Service (including plant and additions or subtractions of other rate base items)

D = Accumulated Depreciation Representing Recovery of Gross Depreciable Plant Investment

V – D = Rate Base (Gross Property Investment less Accumulated Depreciation = Net Property Investment)

R = Rate of Return

(V-D)*R = Return Allowed on Rate Base

The terms "cost of service" and "revenue requirement" have been used interchangeably in many cases. In this testimony, Staff will refer to the "revenue requirement" in terms of the increase or decrease in revenues based on the current total cost of service as compared to the current revenue level that exists in current rates. Spire Missouri consists of two separately tariffed service territories: Spire East and Spire West. Staff has prepared separate accounting schedules to calculate the cost of service for each service territory.

Q. What is the objective of an audit of a regulated, investor-owned public utility for ratemaking purposes?

A. The objective of the audit is to determine the appropriate amounts of the cost of service components for the regulated entity within its certificated service territory. All relevant factors are examined and a proper relationship of revenues, expenses, and rate base is maintained. The following summarizes the process for making the revenue requirement determination:

(1) Selection of a test year. The test year income statement represents the starting point for determining a utility's existing annual revenues, operating costs, and net operating income. Net operating income represents the return on investment based upon existing rates. The test year approved by the Commission for Case No. GR-2025-0107 is the twelve months ended September 30, 2024, with known and measurable adjustments through May 31, 2025. Several types of adjustments, such as "annualization," "normalization", and "disallowance" adjustments, are made to the test year results when the unadjusted amounts do not fairly represent the utility's most current, ongoing, and appropriate annual level of revenues and operating costs. These adjustments are described later in this testimony.

(2) Selection of a "test year update period." A proper determination of revenue requirement is dependent upon matching the components of rate base, return on investment, revenues and operating costs at a point in time. This is referred to as the "matching" principle. It has been standard practice in Missouri for ratemaking to utilize a period that is beyond the established test year in which to match the major components of a utility's revenue requirement. By utilizing an update period, information can be reflected beyond the established test year and be based upon more current information as of Staff's direct filing. The Commission did not order an "official" update period for purposes of the direct filing in this case. Staff has used December 31, 2024, for the majority of the revenue requirement inputs. For the inputs that did not utilize December 31, 2024 data, Staff used the test year information and has so noted in testimony.

(3) Selection of a "true-up date" or "true-up period." A true-up date generally is established when a significant change or changes in a utility's cost of service occurs after the end of the test year update period, but prior to the operation-of-law date, and the significant change in cost of service is one the parties and/or Commission has decided should be considered for establishing the cost of service in the current case. In this case, the Commission has ordered a true-up period of May 31, 2025.

(4) Determination of the Rate of Return, which is represented by the "R" in the formula above. An examination of the cost-of-capital must occur to allow Spire Missouri the opportunity to earn a fair rate of return on its net investment ("rate base") that is utilized in providing utility service. Staff witness Dr. Seoung Joun Won, of the Commission's Financial Analysis Department, has performed a cost-of-capital analysis of which he discusses the results of in his direct testimony.

(5) Determination of Rate Base, which is represented by the (V-D) in the formula above. A utility's rate base represents the net investment that is used in providing utility service, and this net investment is what the rate of return is applied to that permits the utility the opportunity to earn a return. Staff has utilized a rate base as of the December 31, 2024, update period in this case for its direct filing for the majority of items and has noted in testimony when test year information has been used. Rate base includes, for example, plant-in-service, accumulated reserve, cash working capital, materials and supplies, prepayments, gas inventories, accumulated deferred income tax, and various regulatory assets and liabilities.

(6) Net Operating Income from Existing Rates, which is represented by the "O" in the formula above. In order to develop net income from existing rates, the operating revenues, expenses, depreciation, and taxes for the test year is used. The utility's revenue and expense

categories are examined to determine whether the unadjusted test year results require adjustment to fairly represent the utility's most current level of operating revenue and expense. Several changes can occur during any given year that will impact a utility's annual level of operating revenue and expense. The test year has been adjusted to reflect Staff's determination of the appropriate ongoing levels of revenue and expense.

(7) Determination of Net Operating Income Required. The net income required for Spire Missouri is calculated by multiplying Staff's recommended rate of return by Staff's recommended rate base. Net income required is then compared to net income available from existing rates in Item (6) above. The difference, after factoring-up[2] for income taxes, represents the incremental change in the utility's rate revenues required to cover its operating costs and to provide a fair return on investment used in providing gas service. If a utility's current rates are insufficient to cover the operating costs and provide a fair return on investment, the comparison of net operating income required (Rate Base x Recommended Rate of Return) to net income available from existing rates (Operating Revenue less Operating Costs, Depreciation, and Income Taxes) will result in a positive amount, which indicates that the utility requires a rate increase. If the comparison results in a negative amount, this indicates that the utility's current rates may be excessive.

Q. Please identify the types of adjustments that are proposed to unadjusted test year results so as to reflect the current annual level of operating revenue and expense for a utility.

A. The following types of adjustments are used to reflect a utility's current annual level of operating revenue and expense:

[2] Income taxes are due on the earnings of the utility. Generally speaking, income taxes are calculated on the return on equity portion of the rate of return, multiplied by the net rate base. An income tax factor up accounts for this tax liability.

(1) Normalization Adjustments. A utility's rates are intended to reflect normal ongoing operations. A normalization adjustment is required when the test year contains an abnormal event. An example of this type of adjustment is weather normalization. Actual weather conditions during the test year are compared to "normal" values. The weather normalization adjustment restates the test year sales volumes and revenues to reflect normal weather conditions.

(2) Annualization Adjustments. Annualization adjustments are required when changes have occurred during the test year, update and/or true-up period that have not been fully reflected in the unadjusted test year results. An example of this is payroll. Because Spire Missouri's test year is the twelve months ended September 30, 2024, it does not include any interim pay increases that occurred during the test year. Staff used the payroll rates in effect as of September 30, 2024, and applied those rates to the actual employee levels experienced on this date to annualize payroll expense. Staff's adjustment to the test year captures the impact of the payroll increase as if that increase existed for the entire annual period. The same process will be utilized for the true-up period, through May 31, 2025, to recognize any increases and changes in the level of employees that occur through that date.

(3) Disallowance adjustments. Disallowance adjustments are proposed to eliminate costs during the test period that are not considered to be prudent, reasonable, appropriate, non-recurring or not of benefit to Missouri ratepayers and thus not proper for recovery from ratepayers. Examples of these are certain dues and donations and institutional or promotional advertising expenses.

(4) Proforma Adjustments. A proforma adjustment is proposed due to an event that generally occurs beyond the test year, update or true-up cut-off date. These adjustments occur

anytime a party proposes to include the effects of an event without considering the revenue requirement associated with the offsetting items. The Commission can allow parties to request the inclusion of the revenue requirement associated with proforma or isolated adjustments in the calculation of the cost of service. These adjustments must be proposed with caution as these adjustments must be known and measurable and must be examined to determine whether inclusion of the adjustment will affect the relationship between revenue, expense and investment. On the other hand, an example of a proforma adjustment that is routinely included is current income tax expense. Current income tax expense is not based on any current paid income taxes, but is instead based upon statutory rates and earnings that will occur in the year following the rate increase, if any, authorized in this case. There are no isolated adjustments proposed as a part of Staff's direct filing in this case. While Staff endeavors to include all aspects of the cost of service at December 31, 2024, the update period in this case, there are a minimal number of items that could not be included as of that date, such as accumulated deferred income taxes ("ADIT"). ADIT has been included as of September 30, 2024. However, isolated adjustments are not necessary as Staff's true-up audit will examine a full range of cost of service items which will assist in maintaining the timing of revenue, expense and investment.

Q. What amount of revenue requirement increase did Spire Missouri request in this case and on what return on equity ("ROE") percentage was this request based?

A. Spire Missouri requested a Spire Missouri total increase in annual revenue of $289.5 million, based on Spire Missouri's request for a Spire East and Spire West consolidation of operations and the majority of its tariffs. The separate rate increase requests are $141.3 million for Spire East and $148.2 million for Spire West. The increase in annual revenue for both service territories contemplates a 10.5% ROE. The increase includes a rebase related to the infrastructure system replacement surcharge of $53.6 million in revenue requirement for Spire Missouri combined. The ISRS revenue surcharge will be reset to $0 as part of this rate proceeding and the current ISRS rate components will be included in base rates for both service territories.

Q. How much was Spire Missouri's last prior rate increase and when was is effective?

A. Spire Missouri filed its last prior rate case, Case No. GR-2022-0179, on April 1, 2022. Effective December 26, 2022, Spire Missouri's rates increased $32,424,600 for Spire East and $45,575,400 for Spire West for a total of $78 million for Spire Missouri, as agreed upon and ordered by the Commission in the *Full Unanimous Stipulation and Agreement* filed in that case.

Q. Please describe Staff's direct cost of service (revenue requirement) filing in this rate proceeding.

A. The results of Staff's audit of Spire Missouri's books and records as part of this proceeding can be found in Staff's filed Accounting Schedules and is summarized on Accounting Schedule 1, Revenue Requirement. This Accounting Schedule 1 demonstrates that Staff's recommended revenue requirement in this proceeding is $137.7 million for Spire East and $66.9 million for Spire West. The recommended revenue requirements are premised on a mid-point recommended rate of return ("ROR") after tax of 7.09% for both Spire East and for Spire West. For both Spire East and Spire West, Staff recommends a midpoint ROE of 9.63%, with a range of 9.38% to 9.88% as calculated by Staff witness Dr. Seoung Joun Won. Staff's revenue requirement at the low and high ROR range of 9.38% to 9.88% for Spire East is $133.2

million to $142.1 million. Staff's revenue requirement at the low and high ROR range of 9.38% to 9.88% for Spire West is $63.0 million to $70.8 million

Q. Did Staff include a true-up allowance in its Accounting Schedules?

A. No. Staff estimates the true-up will impact the total Spire Missouri revenue requirement by approximately $41.6 million. In this case, Staff's true-up estimate is the revenue requirement impact of expected additions to plant-in-service net of additions to the depreciation reserve and estimates for additional employees through May 31. This estimate will be replaced with the actual revenue requirement when Staff files its true-up case.

Q. Please list the items that are included in Staff's recommended rate base in its direct case.

A. The following rate base items were updated as of the update period of December 31, 2024, either through a balance as of that date or a 13-month average balance ending December 31, 2024: Plant-in-service, Accumulated Depreciation Reserve, Cash Working Capital, Materials and Supplies, Natural Gas Inventories, Prepayments, Customer Deposits, Customer Advances, regulatory asset and liability balances for Pensions & OPEBs, Energy Efficiency, Energy Affordability, Insulation Financing and EnergyWise, and the overhead deferral. All of the rate base items will be examined as of May 31, 2025, as part of Staff's true-up audit.

Q. Please explain how various Staff members contributed to create a combined work product in this rate proceeding.

A. Staff auditors in this case relied upon the work from several other Staff Departments in order to calculate the revenue requirement for Spire East and Spire West in this case. Weather normalized revenue and the recommended rate of return are some examples of data analysis and inputs that are provided to the Auditing Department for inclusion in the Accounting Schedules. Each Staff member who has contributed a calculation or input for inclusion in the Accounting Schedules has submitted direct testimony in this case providing discussion on each topic they were assigned along with their recommendation on the issue. Signed affidavits and credentials for all Staff members who contributed to the direct cost of service filing and for which they are responsible are attached to each Staff member's testimony.

Q. What are the biggest differences between the revenue requirements for Spire East and Spire West filed by Spire Missouri as compared to the revenue requirement filed by Staff in this case?

A. There are three main revenue requirement differences. The differences are based on the direct filed revenue requirement proposed by Spire Missouri. Many of the values listed below will change when Staff and Spire Missouri update their respective revenue requirements through the true-up cutoff date, May 31, 2025.

- Return on Equity ("ROE") and Capital Structure – Issue Value approximately $14.9 million for Spire East and $13.2 million for Spire West – Spire Missouri's return on equity recommendation for both Spire East and Spire West is 10.5%. Staff's mid-point recommendation is 9.63%.
- Retail Revenues – Issue value of approximately $9.7 million
- Value of Spire Missouri requested discrete adjustments – Issue value of approximately $5.3 million in rate of return on rate base items and $8.6 million in expense items

There are other differences that exist between Staff and Spire Missouri's direct filings, however these other differences have lesser value than those listed and discussed above.

Q. Is it possible that significant differences exist between Staff's revenue requirement positions and those of other parties participating in this proceeding?

A. Yes. The other parties who have different positions than those of Spire Missouri, and possibly Staff, will also file direct testimony concurrently with Staff's filing. Those differences will be reviewed and addressed in further rounds of testimony. Until Staff has a chance to examine the direct testimony of the other parties, it is impossible for Staff to determine what differences exist and how material they may be.

Q. Please describe the direct testimony Staff has filed for this current rate proceeding.

A. Each Commission Staff member has direct testimony that sponsors specific issues. The testimony provides an explanation of each specific area of concern or adjustment with Staff's recommendation. Schedule KM-d2 attached to this testimony summarizes Staff's witnesses who filed direct testimony and their associated area of responsibility.

Q. On what date will Staff file its direct class cost of service and rate design testimony in this proceeding?

A. Staff's class cost of service and rate design testimony and associated schedules will be filed on May 7, 2025.

INCOME TAX

Current and Deferred Income Tax

Q. How has Staff approached current and deferred income taxes in this case?

A. Staff's methodology for calculating income tax expense is largely consistent with the methodology used in Spire Missouri's previous rate cases. The income tax calculations begin by taking adjusted net operating income before taxes, then adding to or subtracting from net income certain timing differences in order to obtain the net taxable income amount for ratemaking purposes. These "add back" and/or subtraction adjustments are necessary to identify new amounts for the tax deductions that are different from those levels reflected in the income statement as revenues or expenses. Tax timing differences occur when the timing used in reflecting a cost (or revenue) for financial reporting purposes (book purposes) is different than the timing required by the Internal Revenue Service ("IRS") in determining taxable income (tax purposes). The current income tax calculations for Spire East and Spire West reflect timing differences consistent with the timing required by the IRS. Staff has included Spire East's and Spire West's calculations of timing differences. The ratemaking calculation of income taxes for regulated utilities may reflect either the "normalization" approach or the "flow-through" approach of recognizing the effect of tax timing differences on income tax expense. The tax normalization method defers for ratemaking purposes the deduction taken for tax purposes for certain tax timing differences. The effect of use of tax normalization is to allow utilities the net benefit of certain net tax deductions for a period of time before those benefits are passed on to the utility's customers in rates. The flow-through tax method essentially provides for the same tax deduction taken as a deduction for ratemaking purposes as is taken for tax payment purposes. Staff utilized a normalization approach in calculating income taxes for this case. Under either the tax normalization or tax flow-through approach, the resulting net taxable income for ratemaking is then multiplied by the appropriate federal, state, and city tax rates to obtain the current liability for income taxes. A federal tax rate of 21.00 percent and a state income tax rate of 4.00 percent were used in calculating Spire East's and Spire West's income tax liability. The difference between the calculated current income tax provision and the per book income tax provision is the current income tax provision adjustment.

Q. Is Spire Missouri subject to city income taxes?

A. Spire East is subject to earnings taxes by the City of St. Louis, Missouri, and Spire West is subject to earnings taxes by the City of Kansas City, Missouri. The earnings tax is a one percent (1%) general revenue tax that is collected from all city residents and any non-city residents who work within city limits. Staff has reviewed the earnings tax return information for both Spire East in the City of St. Louis and Spire West in the City of Kansas City. Staff did not include any earnings taxes in the income tax calculation due to the variability of the actual taxes paid.

Accumulated Deferred Income Tax ("ADIT")

Q. What is ADIT and what has been included in the cost of service?

A. Spire Missouri's Accumulated Deferred Income Tax Reserve ("ADIT") represents, in effect, a prepayment of income taxes by Spire Missouri's customers to Spire Missouri prior to payment being made by Spire Missouri to taxing authorities. A liability is created each year that Spire Missouri has a temporary tax timing difference that causes a deferred income tax expense. The liability recognizes that the tax savings received in the current period are temporary, and will be reversed in future periods. The federal government intended to create these timing differences so that a company could have an effective cost-free loan from the federal government to could reinvest in its company. Over time, the tax liability related to temporary timing differences is accumulated in Spire Missouri's liability accounts as ADIT. Ratepayers are charged deferred income tax expense related to normalized tax timing differences protected by the IRS' Internal Revenue Code ("IRC"). Because ratepayers do not immediately receive the benefits of the normalized tax deductions, customers have effectively paid income tax expense that Spire Missouri has not yet incurred. As such, Spire Missouri's

ADIT represents cash collected from customers for an expense that will be realized in future periods and is considered an interest-free loan from ratepayers. Since the amount of ADIT customers have provided is available for Spire Missouri's use, rate base is reduced by that amount to avoid charging customers a rate of return on funds they have made available to Spire Missouri.

As an example, because Spire Missouri is allowed to deduct depreciation expense on an accelerated basis for income tax purposes, the depreciation expense deduction used for income taxes paid by Spire Missouri is considerably higher than depreciation expense used for ratemaking purposes. This results in what is referred to as a "book-tax timing difference" and creates a deferral of income taxes to the future. The net credit balance in the deferred tax reserve represents a source of cost-free funds to Spire Missouri. Therefore, Spire Missouri's rate base is reduced by the deferred tax reserve balance to avoid having customers pay a return on funds that are provided cost-free to Spire Missouri. Since the expense recognized for depreciation is considerably lower for accounting and ratemaking purposes than for income tax purposes, Spire Missouri customers are required to pay higher costs for income taxes in rates than Spire Missouri will actually pay to the IRS. The difference in income tax paid to the IRS and those paid in utility rates are "accumulated" to recognize the future tax liability that will eventually be paid to the IRS. Because Spire Missouri has retained these tax deferrals, they will be used as an offset to rate base. Staff has included the ADIT balance as of September 30, 2024, in the direct cost of service for Spire East and Spire West, respectively. As part of its true-up audit, Staff will re-examine the ADIT balances to make sure all items included in those balances are consistent with the other components of the cost of service and that they reflect the current balances at the true-up cut-off date, May 31, 2025. Staff may make additional adjustments to the cost of service as necessary based on the true-up examination.

Tax Cuts and Jobs Act and Missouri Excess ADIT ("EADIT")

Q. What is the Tax Cuts and Jobs Act ("TCJA"), excess ADIT, and what has been included in the cost of service?

A. The TCJA was signed into law in December 2017, and as part of that, a reduction in the corporate tax rate required the revaluation of accumulated tax timing differences that were previously valued at 35% to be revalued at 21%. This excess deferred tax value is required to be returned to customers. The balances of the TCJA liabilities of for both Spire East and Spire West were determined in the *Full Unanimous Stipulation and Agreement* in Case No. GR-2022-0179. Staff has included the balance of the rate base portion of these amortizations as of December 31, 2024, in Schedule 2 – Rate Base.

Q. Please explain the excess ADIT that was created due to the Missouri corporate tax reform.

A. The state of Missouri passed legislation[3] reducing Missouri's corporate tax rate from 6.25 percent to 4 percent for all tax years beginning on or after January 1, 2020, however the change in tax rates impacted Spire Missouri beginning on October 1, 2020, the start of its 2021 fiscal year. The Missouri tax rate reduction had the same effect on Spire Missouri's ADIT liability as the TCJA and lead to a balance of unprotected[4] excess ADIT. As established in Spire Missouri's 2022 rate case in the *Full Unanimous Stipulation and Agreement*, Staff

[3] Senate Bill 884 (2018).
[4] Protected EADIT balances have restrictions dictated by the IRC on the timeframe they may be returned to customers. Unprotected EADIT balances have no such restrictions.

has included the balance remaining of this amortization as of December 31, 2024, in Schedule 2 – Rate Base.

<u>PROPANE PLANT, RESERVE, AND INVENTORY</u>

Propane Investment

Q. Please summarize the history surrounding Spire East's propane cavern.

A. During Case No. GR-2010-0171, Spire East (Laclede Gas Company at that time) removed revenue associated with storage at the propane cavern as the Company had planned to sell the propane asset to an affiliate at net book value. At that time, the asset was a resource for serving regulated customers when meeting peak demand. In 2011, Spire East then proposed to move the investment and depreciation reserve associated with its propane cavern and other propane equipment below-the-line for accounting purposes. Staff opposed this proposal and the associated ratemaking treatment in the Company's subsequent rate case, Case No. GR-2013-0171. Staff's position was and still is that the propane cavern and related equipment have the potential to provide revenue opportunities to the benefit of Spire East ratepayers.

Q. How was this issue resolved in the last prior rate case, Case No. GR-2022-0179?

A. As part of the *Full Unanimous Stipulation and Agreement* filed in that case, the following language was agreed upon on pages 16 and 17:

> 32. Continuing Commitments from Prior Rate Cases: The Signatories agree that continuing the following commitments from recent Spire Missouri rate cases, Spire shall:
>
> (a) continue providing Surveillance report spreadsheets and annual general ledgers;
>
> (b) provide number and type of lighting customers to facilitate calculation of the appropriate rates for the unmetered gas light class;
>
> (c) continue to not include plant held for future use in rate base;

> (**d) treat propane related items according to Section 14 of the Stipulation and Agreement in GR-2013-0171, specifically that the propane cavern associated equipment and inventory, and any associated revenues, expenses, and investment shall be accounted for "above the line" for ratemaking purposes, and Spire Missouri will provide a study and all financial and operational justification for the determination and proposed change to the regulatory treatment compared to other alternatives it considered (e.g., reduction of other capacity and peaking supply contracts); in addition, Spire shall avoid selling propane inventory at a loss; …** [**emphasis added**]

Q. The *Full Unanimous Stipulation and Agreement* references commitments or agreements in Case No. GR-2013-0171. What were those agreements?

A. Those agreements are listed on pages 8 and 9 of the Stipulation and Agreement in Case No. GR-2013-0171 and paragraph 14 states:

> <u>Propane Related Issues</u>
>
> 14. The Parties agree that Laclede's propane cavern and associated equipment and any associated revenues, expenses and investment shall be accounted for "above the line" (meaning that it shall be included in the regulated cost of service calculation) for ratemaking purposes. Revenues shall include, but not be limited to, funds received for use of the propane cavern and associated equipment in any manner whatsoever and also all funds received from the sale of propane inventory. Such accounting treatment shall be without prejudice to the rights of any Party to assert in subsequent rate case proceedings whatever position they believe is appropriate regarding the proper regulatory treatment of propane related issues. As part of the settlement of this rate case proceeding, if Laclede seeks different regulatory treatment than as set forth above for Laclede's propane cavern and associated equipment, including all associated revenues, expenses and investment prior to its next rate case it agrees to file a request before the MPSC for approval of its proposed treatment, provided that as part of its request for approval Laclede may also seek a Commission determination that its intended treatment may be implemented without further action by the Commission. At the time it makes its filing for different regulatory treatment, Laclede Gas Company will provide a study and all financial and operational justification for the determination and proposed change to the regulatory treatment compared to other alternatives it considered (*e.g.*, reduction of other capacity and peaking supply contracts). Such study shall include related impacts on Laclede Gas Company's cost of service (including gas costs for its customers). All Parties agree that this

> agreement does not have any precedential value in any current or future case or to any other instance where Laclede may seek to dispose of utility assets that it believes are no longer used and useful for the provision of utility service.

Consistent with its position on propane cavern investment and revenues, Staff has included all operation and maintenance expenses associated with operating the propane cavern in its cost of service calculation, as well as all property taxes associated with the propane cavern. Staff has also included a 13-month average of the book value of propane inventories.

<u>OTHER MISCELLANEOUS REVENUE ADJUSTMENTS</u>

Q. What revenue adjustments do you sponsor?

A. I sponsor miscellaneous revenue adjustments to adjust revenues to "margin" revenues. All revenue adjustments in Staff's cost of service will be priced on the margin rate (the total rate excluding gas cost) included in Spire East and Spire West tariffs. Therefore, revenues and expenses related to gas costs are removed from Staff's revenue requirement calculations. The cost of gas will be addressed as part of Staff's review of the Companies' Purchase Gas Adjustment ("PGA") and Actual Cost Adjustment ("ACA") filings.

The amounts received from customer payments and recorded as revenues during the test year include Gross Receipts Tax ("GRT"). GRTs are imposed by a taxing authority for which Spire East and Spire West are obligated to charge customers on their utility bills. After Spire East and Spire West collect these taxes from their customers, these amounts are periodically remitted to the appropriate taxing authority. In this regard, to accurately account for Spire East and Spire Wests actual test year retail revenues, it is necessary to remove GRT from the amounts recorded as revenues during the test year while at the same time removing the corresponding remittances to the taxing authority as a charge to expense. Staff made adjustments to remove GRT from revenue and expense.

ISRS revenues are collected as a result of Commission approved surcharge rates that are determined between rate cases. ISRS surcharge rates are set back to "zero" in the rate case. Staff made adjustments to remove ISRS revenue not included in base rates from the cost of service to derive the appropriate test year margin revenues.

Currently, as an incentive to maximize off-system sales ("OSS") and capacity release revenue, Spire East and Spire West are authorized to keep a percentage, or share, of the profit from OSS and capacity release transactions. Spire East and Spire West customers receive the remaining profit through the PGA/ACA mechanism as a reduction to gas costs. Staff made adjustments to remove the OSS and Capacity revenue not included in base rates from the cost of service to derive the appropriate test year margin revenues and related expenses.

The recording of unbilled revenue on the books of Spire East and Spire West is an attempt to recognize the sales of gas that have occurred, but have not yet been billed to the customer. Since Staff has adjusted revenue to assure that it includes only 365 days of revenue and because revenue has been restated to a billed basis, it is unnecessary to recognize unbilled revenue. Staff eliminated unbilled revenue from its determination of Spire East and Spire West revenue requirements.

CASH WORKING CAPITAL

Q. What is cash working capital?

A. Cash Working Capital ("CWC") is the amount of funding necessary for a utility to pay day-to-day expenses incurred in providing the utility services to its customers. Cash inflows from payments received by the company and cash outflows for expenses paid by the company are analyzed using a lead/lag study.

When a utility expends funds in order to pay an expense necessary for the provision of service before its customers provide any corresponding payment, the utility's shareholders are the source of the funds. This shareholder funding represents a portion of each shareholder's total investment in the utility, for which the shareholders are compensated by the inclusion of these funds in rate base. By including these funds in rate base, the shareholders earn a return on the CWC-related funding they have invested.

Customers supply funds when they pay for gas services received before the utility pays expenses incurred in providing that service. Utility customers are compensated for the funds they provide by a reduction to the utility's rate base. By removing these funds from rate base, the utility earns no return on that funding which was supplied by customers.

Q. How does a CWC calculation affect revenue requirement?

A. The aggregate CWC requirement is an addition to rate base. A positive CWC requirement indicates that, in the aggregate, the shareholders provide the CWC for the test year. This means that, on average, the utility paid the expenses incurred to provide the gas services to its customers before those customers had to pay the utility for the provision of these utility services. A negative CWC requirement indicates that, in the aggregate, the utility's customers provide the CWC for the test year. This means that, on average, the customers paid for the utility's gas services before the utility paid the expenses that the utility incurred to provide those services.

Q. How does a lead/lag study aid in development of a CWC requirement?

A. A lead/lag study identifies revenue lags and expense leads based on actual financial data on billings and payments. Spire Missouri performed a lead-lag study specific to costs incurred during the 12-month period ending June 30, 2024, in preparation for this rate request.

Q. What values did Staff use for the CWC calculation.

A. Staff used the currently calculated CWC revenue lags and expense leads in the June 30, 2024, period ending study provided by Spire Missouri witness Timothy S. Lyons, with the exception of the federal and state income taxes expense leads, as I describe below.

CASH WORKING CAPITAL ("CWC") INCOME TAX EXPENSE LAG

Q. Please explain the income tax expense lag as part of the CWC calculation.

A. In Case No. GR-2021-0108, OPC witness John A. Riley proposed to reflect a 365-day expense lag as part of cash working capital because Spire Missouri would not be required to pay income taxes through the period that the rates from the last rate case were in effect. This issue was litigated and the Commission found that:

> [F]ederal and state income tax expense is included in rates but the Company is not likely to remit any federal or state income taxes because of its [net operating loss carryforward] NOLC…This lack of income tax payment should be reflected in the CWC expense lag. The fact that no income tax payments have been made in the test year or true-up period justifies the use of a 365-day expense lag. Therefore, the Commission finds that the appropriate expense lag days for income taxes within the CWC calculation is 365 days.[5]

Q. What did Spire Missouri propose for its CWC expense lead for income taxes in the current rate case?

[5] Case No. GR-2021-0108, Amended Report and Order, p. 31, issued Nov. 12, 2021, EFIS Item No. 435.

A. Spire Missouri witness Timothy S. Lyons included a lead of 39.00 days for both federal and state income taxes.

Q. Has Staff included a 365 day expense lag in CWC for the current case?

A. Yes.

Q. Does Spire Missouri still have a balance of net operating loss ("NOL") carryforwards?

A. Yes. Spire Missouri has $134.7 million of federal and state loss carryforwards as of September 30, 2024.[6] In addition, Spire Alabama has $599.4 million of federal and state loss carryforwards, for a total Spire, Inc. of $734.6 million.[7]

Q. Why are the Spire Alabama and Spire, Inc. federal and state loss carryforwards relevant to Spire Missouri's income tax situation?

A. Spire, Inc. files income taxes as a consolidated group. For federal tax purposes, Spire Missouri's and Spire Alabama's loss carryforwards may be utilized against income from another member of the consolidated group.[8]

Q. Does Staff believe that including a 365-day expense lag in CWC for income taxes would in fact create a normalization violation, a violation of the Internal Revenue Code?

A. No. Staff includes the full normalized income taxes in the cost of service. This means that current income taxes are included as if they will be paid and that income tax is determined after taking into account any tax timing differences that can create a deduction by the utility. If the utility is in a NOL situation where they cannot utilize the tax timing difference, then the amount of that tax timing difference is an offset to ADIT. The CWC component of a

[6] Spire, Inc. 2024 Annual Report, Form 10-K, page 97.
[7] Ibid.
[8] Ibid.

cost of service is separate and distinct from the normalization of actual income taxes. CWC is meant to determine the "cash in" and "cash out" of the cost of service. This means that CWC is essentially calculating the time value of money. If the CWC is positive, then that means the time value of the money the utility is "fronting" for expenses for customer's service needs to be paid to the utility. If the CWC is negative, then that means the time value of money the customers are "fronting" to the utility for service needs to be reflected in less revenue requirement or rates for customers. The time value of money is *not* the money itself. In other words, the CWC for income tax expense is not the income tax expense itself, it is the time value of money on the payment of income tax. If no income tax is paid but the income tax expense was built into the cost of service, then the time value of that "money" or income tax expense should be given back to customers. If the 365-day lag is not used then essentially the utility is receiving a duplicative benefit – once with the inclusion of income tax in the cost of service but then also for the time value of money for an expense that is not paid in the near term.

ALLOCATION FACTORS

Q. Please describe the need for allocations and what allocations Staff has utilized in this case.

A. Spire Inc., the parent company of Spire, owns subsidiary companies across the United States that include regulated and non-regulated operations. In addition to owning Spire Missouri, Spire Inc. also owns gas utility operations regulated by Alabama and Mississippi and wholesale operations regulated by the Federal Energy Regulatory Commission ("FERC"). Furthermore, Spire Inc. has entities that conduct non-regulated operations based in Missouri and other states. While some of these entities have employees and facilities dedicated to each business segment, there are instances where costs are incurred by one business segment that benefits a different, or multiple, business segment(s). For example, the time spent by the executive leadership is properly attributable to all business segments of Spire Inc. since executives are charged with leading the company as a whole.

Spire Inc. implemented a shared service model to account for the costs that are common across multiple business units. Under this model, costs that are incurred on behalf of a different, or more than one, business unit are charged to the shared services entity so that the costs can accumulate in shared cost pools. At the end of each period, the cost pools are distributed back to the business segments based on the various cost drivers. Types of costs accounted for under this methodology include the labor and non-labor costs for executive and corporate, finance, human resources, information technology, legal, insurance, supply chain, facilities, marketing, project management, external affairs, customer experience, business development, and other costs.

Costs are distributed to the appropriate business segments by the use of several types of allocation factors. These allocation factors are updated annually and include allocators to spread costs corporate-wide (all business units), utility only (regulated operations), Missouri only (Spire Missouri and non-regulated operations), and Missouri utility only (Spire Missouri). Furthermore, these allocation factors can be derived from various cost drivers including employee headcount, customer count, square footage used, fixed assets, and several others. When a cost pool has no identifiable cost driver, the shared services model allocates costs based on a three-factor allocator that is a blend of fixed assets, revenue, and wages.

In calculating the cost of service for Spire East and Spire West, Staff recommends utilizing annualized allocation factors currently in effect for fiscal year 2024.

SHARED SERVICE SOFTWARE ALLOCATION TO SPIRE WEST

Q. Please describe this adjustment.

A. This adjustment allocates Spire West's portion of shared services software recorded on Spire East's books and records for purposes of setting rates for the individual utilities. Both the plant and depreciation reserve balances were assigned to Spire West using a ratio of Spire Missouri customers.

PURCHASED GAS ADJUSTMENT CASE RATE BASE OFFSET

Q. Please describe this adjustment.

A. Spire Missouri's most recent Purchased Gas Adjustment ("PGA") case, Case No. GR-2023-0217, was filed on November 1, 2023. Staff and Spire Missouri filed the *Full and Unanimous Stipulation and Agreement* on March 12, 2025 ("Stipulation"). The Commission approved this Stipulation effective April 5, 2025.

One issue or difference among the parties in that case was Staff's recommended disallowance related to the Lost and Unaccounted Gas ("UAF") adjustment recommended by Spire Missouri. To resolve this issue, Spire Missouri and Staff agreed to the following on page 4 of the Stipulation:

> 18. To resolve this issue, the Parties agree to remove Staff's UAF disallowance in the present case, Case No. GR-2023-0217 and agree that Staff will not recommend a similar UAF disallowance in the pending case, Case No. GR-2024-0341 as long as a rate base offset, as described herein, is approved by the Commission in the general rate case (Case No. GR-2025-0107).
>
> 19. The Parties further agree that there shall be a total miscellaneous offset of $21,000,000 ($11,340,000 for Spire East and $9,660,000 for Spire West) from rate base included in and applicable only to Spire's pending general rate proceeding, Case No. GR-2025-0107.

Staff has included the applicable rate base offsets in Accounting Schedule 2 in for the applicable rate districts.

Q. Is there an amortization or tracking of a regulatory liability related to these offsets?

A. No. As noted in the Stipulation, these rate base offset, or reduction, are one-time adjustments to resolve the issues in that PGA case.

COMPRESSED NATURAL GAS STATION PLANT AND RESERVE

Q. Please describe this adjustment

A. Spire East owns two compressed natural gas (“CNG”) equipment locations one in the vicinity of the St. Louis Lambert International Airport (“Lambert CNG Plant”) and the other at an operations center in Shrewsbury, Missouri. In Case No. GR-2022-0179, Staff recommended removal of all CNG investment and operations and maintenance costs.

Q. How was this issue resolved in the 2022 rate case?

A. As part of the *Full Unanimous Stipulation and Agreement* filed in that case, the following language was agreed upon on page 11:

> 25. Compressed Natural Gas (CNG): Spire Missouri shall update its tariffs to reflect the following language:
>
> > Service provided under this rate schedule does not include the provision of compression services or facilities.
> >
> > Service shall be through one or more meters at the option of the Company, provided they are located at the same premise. When more than one meter or metering facility is set at a single location for customer’s convenience, a separate customer charge will be applicable for each meter or metering facility installed.

> 26. The Signatories agree that Spire Missouri will not recover in this case any amounts related to Compressed Natural Gas investment, expense, or revenue. On or before the effective date of rates in this rate case, Spire Missouri shall record all investment, expense and revenue to "below the line" accounts. In a future rate case, Spire Missouri may seek rate treatment for all investment, revenue and expense for CNG activities pertaining exclusively to gas utility operations. Spire Missouri shall record all CNG investment, revenue and expense separately for regulated and non-regulated activities in separate, auditable FERC accounts by date and by month. In the event that Spire Missouri seeks rate treatment for non-gas utility CNG operations in a future rate case, the Company must begin recording purchasing entities, volumes sold each month, volume price, and date of sales. Nothing contained herein shall prevent any Signatory from seeking different ratemaking treatment of CNG assets pertaining to gas utility operations in its next general rate case.

Q. What adjustments does Staff recommend in this case?

A. Spire Missouri removed the Lambert CNG plant from plant and reserve in its direct filing. Staff has reflected these adjustments in its direct filed plant and reserve accounting schedules in this case. The plant and reserve balances for this adjustment are calculated as of September 30, 2024. Staff will update these adjustments as of the true-up cutoff at May 31, 2025.

PLANT HELD FOR FUTURE USE ADJUSTMENT

Q. Please describe this adjustment.

A. In prior Certificate of Convenience and Necessity ("CCN") filings, Staff identified excess capacity based on line extension or certificated area extensions. In Case No. GR-2021-0108, Staff recommended an excess capacity adjustment based on the percentage of capacity utilized. As additional customers were established on these extensions, Spire calculated an adjustment to restore the amounts in FERC account 105 – plant held for future use. Staff has reflected this adjustment in its plant in service.

AMORTIZATION TREATMENT OF MISCELLANEOUS REGULATORY ASSETS AND LIABILITIES

Q. What is Staff's recommendation concerning tracking of fully amortized regulatory assets and liabilities?

A. Spire Missouri has recommended, and Staff supports, the establishment of a regulatory accounting methodology to track regulatory assets and liabilities that expire between rate cases or in some cases during the time frame of the rate case. The mechanism would track miscellaneous regulatory liabilities and assets between the time the liabilities and assets are fully amortized and when the reduction is recognized in the cost of service. The cumulative balance as of the true-up date or update as applicable in future rate cases would be amortized over a period of five (5) years.

Q. Is this accounting methodology substantially the same as other tracking mechanisms established for Ameren Missouri and Evergy Metro and Evergy West?

A. Yes. The overall goal of a tracking mechanism, or in this case, individual deferrals, should be dollar for dollar recovery from or return to customers. This mechanism furthers this goal on an aggregated basis.

ONE TIME WORKFORCE REDUCTION COSTS

Q. Please describe this adjustment.

A. As described in Spire Missouri's direct testimony,[9] Spire Missouri offered early retirement incentives as part of the customer affordability program during the test year. These were one-time non-recurring costs. Staff has included the adjustments to remove these costs from the test year for Spire East and Spire West.

[9] Direct testimony of Spire Missouri witness Eric Bouselli, page 23-24.

Q. If these costs are removed from the cost of service, how do utilities like Spire East and Spire West recover these expenses?

A. These expenses can be mitigated by regulatory lag depending on the timing of the reduction in workforce. To the extent employee reductions are not offset by replacement employees or contract labor, the utility can retain the net savings from the time of the reductions through the time the reductions are reflected in cost of service. This is an example of positive regulatory lag.

CUSTOMER RECORDS COSTS ADJUSTMENT

Q. Please describe this adjustment.

A. As described in Spire Missouri's direct testimony,[10] Spire Missouri had unusable inventory for invoices and inserts with a prior billing vendor. The expenses adjusted out of the test year are for the removal of these costs. Staff has included the adjustments to remove these costs from the test year for Spire East and Spire West.

Q. Does this conclude your direct testimony?

A. Yes it does.

[10] Ibid, page 24-25.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of Spire Missouri Inc. d/b/a Spire's Request for Authority to Implement a General Rate Increase for Natural Gas Service Provided in the Company's Missouri Service Areas	))))	Case No. GR-2025-0107

AFFIDAVIT OF KEITH MAJORS

STATE OF MISSOURI)
) ss.
COUNTY OF Jackson)

COMES NOW KEITH MAJORS and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Direct Testimony of Keith Majors*; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

Keith Majors
KEITH MAJORS

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Jackson, State of Missouri, at my office in Kansas City, on this 22nd day of April 2025.

CHERYL LEVERETTE
MY COMMISSION EXPIRES
9-7-2027
NOTARY SEAL
#01404338
JACKSON COUNTY
NOTARY PUBLIC, STATE OF MISSOURI

Cheryl Leverette
Notary Public

Keith Majors
Case Participation

Cases to which I have been assigned and have filed testimony, Staff report, or memorandum are shown in the following table:

Utility	Case Number	Issues	Exhibits
Spire Missouri	GR-2025-0206	ISRS	Staff Memorandum
Spire Missouri	GR-2025-0107	Revenue Requirement, Plant Investment	Direct Testimony
Spire Missouri	GR-2025-0026	ISRS	Staff Memorandum
Ameren Missouri	ER-2024-0319	Rush Island, Storm Costs	Direct Testimony
Evergy West	ER-2024-0189	Transmission Expense, Plant Investment	Direct, Rebuttal, Surrebuttal Testimony
Spire Missouri	GA-2024-0257	CCN	Staff Memorandum
Ameren Missouri	EF-2024-0021	Policy, Retired Plant Securitization	Rebuttal, Surrebuttal Testimony
Confluence Rivers	WR-2023-0006 & SR-2023-0007	Policy, Revenue Requirement	Direct, Rebuttal, and Surrebuttal Testimony
Ameren Missouri - Electric	ER-2022-0337	Revenues, Allocations, Bad Debt, Rush Island	Direct, Rebuttal, and Surrebuttal Testimony
Spire Missouri	GO-2022-0171	ISRS	Staff Memorandum
Evergy Metro and Evergy West	ER-2022-0129 & ER-2022-0130	Revenues, Jurisdictional Allocations, Bad Debt, Sibley Retirement	Direct, Rebuttal, Surrebuttal Testimony
Ameren Missouri	ER-2021-0240 & GR-2021-0241	Facilities Transactions	Surrebuttal Testimony
Spire Missouri	GR-2021-0108	Corporate Allocations, Rate Case Expense	Staff Report, Rebuttal, Surrebuttal
MAWC	SA-2021-0074	CCN	Staff Memorandum
Evergy Metro and Evergy West	EO-2021-0032	Various	Staff Report
Spire Missouri	GO-2021-0030 & GO-2021-0031	ISRS	Staff Memorandum
Raytown Water	WR-2020-0264	Various	Staff Memorandum
Summit Natural Gas	GA-2020-0251	CCN	Staff Memorandum
Liberty Utilities	WM-2020-0174	CCN	Staff Memorandum
Missouri American Water Company (MAWC)	WA-2019-0366	CCN	Staff Memorandum
Ameren Missouri	ER-2019-0335	Allocations, Affiliation Transactions	Staff Report
MAWC CCN	SA-2019-0367	CCN	Staff Memorandum
United Services	SA-2019-0161	CCN	Staff Memorandum
KCP&L & KCP&L GMO	ER-2018-0145 & ER-2018-0146	Synergy and Transition Costs Analysis, Transmission Revenue and Expense	Staff Report

Utility	Case Number	Issues	Exhibits
Laclede Gas and Missouri Gas Energy	GR-2017-0215 & GR-2017-0216	Synergy and Transition Costs Analysis, Corporate Allocations	Staff Report, Rebuttal, Surrebuttal
KCP&L & KCP&L GMO	ER-2016-0156 & ER-2016-0285	Income Taxes, Pension & OPEB	Staff Report, Rebuttal, Surrebuttal
KCP&L & KCP&L GMO	EO-2016-0124	Pensions, Rate Comparison	Staff Report
KCP&L & KCP&L GMO	EC-2015-0309	Affiliate Transactions, Allocations	Surrebuttal Testimony
KCP&L	ER-2014-0370	Income Taxes, Pension & OPEB, Revenues	Staff Report, Rebuttal, Surrebuttal
KCP&L	EU-2015-0094	DOE Nuclear Waste Fund Fees	Direct Testimony
KCP&L	EU-2014-0255	Construction Accounting	Rebuttal Testimony
Veolia Kansas City	HR-2014-0066	Income Taxes, Revenues, Corporate Allocations	Staff Report
Missouri Gas Energy	GR-2014-0007	Corporate Allocations, Pension & OPEB, Incentive Compensation, Income Taxes	Staff Report, Rebuttal, Surrebuttal
Missouri Gas Energy ISRS	GO-2013-0391	ISRS	Staff Memorandum
KCP&L & KCP&L GMO	ER-2012-0174 & ER-2012-0175	Acquisition Transition Costs, Fuel, Legal and Rate Case Expense	Staff Report, Rebuttal, Surrebuttal
Missouri Gas Energy ISRS	GO-2011-0269	ISRS	Staff Memorandum
Noel Water Sale Case	WO-2011-0328	Sale Case Evaluation	Staff Recommendation
KCP&L & KCP&L GMO	ER-2010-0355 & ER-2010-0356	Acquisition Transition Costs, Rate Case Expense	Staff Report, Rebuttal, Surrebuttal
KCP&L Construction Audit & Prudence Review	EO-2010-0259	AFUDC, Property Taxes	Staff Report
KCP&L, KCP&L GMO, & KCP&L GMO – Steam	ER-2009-0089, ER-2009-0090, & HR-2009-0092	Payroll, Employee Benefits, Incentive Compensation	Staff Report, Rebuttal, Surrebuttal
Trigen Kansas City	HR-2008-0300	Fuel Inventories, Rate Base Items, Rate Case Expense, Maintenance	Staff Report
Spokane Highlands Water Company	WR-2008-0314	Plant, CIAC	Staff Recommendation
Missouri Gas Energy ISRS	GO-2008-0113	ISRS	Staff Memorandum

Spire Missouri General Rate Case
Case No. GR-2025-0107
Direct Testimony - Staff Responsibility

Staff Witness	**Issue Responsibility**
Michael J. Abbott	2022 Stipulation and Agreement
Nathan Bailey	Advertising, Plant In Service and Depreciation Reserve, Payroll, Payroll Taxes, Overtime, Bonuses, Payroll Lobbying Removal, Severance, Employee Benefits (Medical, Dental, Vision, 401k), Dues and Donations
Kimberly K. Bolin	Short Term Debt
Christopher L. Boronda	Prepayments,Customer Advances, Customer Deposits, Materials and Supplies, Natura Gas Inventory, Rents and Leases Expense, Insurance Expense, and Fuel Expense – Equipment & Vehicles
Malachi Bowman	Depreciation Rates
Russell Drury	Energy Efficiency tariffs, Weatherization and Residential Energy-Efficiency rebate programs
Claire M. Eubanks	Continuing Property Record Audit
Sarah Fontaine	Disconnection Processes and Procedures
Keith Majors	Income tax, Propane Issues, Cash Working Capital, CNG Stations
Melanie Marek	Pension and OPEB, SERP
Antonija Nieto	Capitalized O&M Depreciation, Energy Efficiency, Energy Affordability, Red Tag, PAYS, Insulation Financing, EnergyWise
Melissa J. Reynolds	Revenues
Lindsey Smith	Line Locate Expense, Injuries & Damages, Oil Revenue, Miscellaneous Gas Revenue, Other Miscellaneous Revenue, Uncollectibles
Michael L. Stahlman	Weather Normalization
Adam Stamp	Energy Assistance Programs
Sydney Ferguson	PSC Assessment, Rate Case Expense, Non-Labor Distribution Maintenance,Missouri and Kansas Property Taxes
Seoung Joun Won	Cost of Capital
Matthew R. Young	Capitalized Overheads