

Exhibit No.:

Issue(s):

Witness/Type of Exhibit:

Sponsoring Party:

Case No.:

WNAR Tariff

Mantle/Direct

Public Counsel

GR-2025-0107

DIRECT TESTIMONY

OF

LENA M. MANTLE

Submitted on Behalf of the Office of the Public Counsel

SPIRE MISSOURI, INC.

FILE NO. GR-2025-0107

May 7, 2025

CLASS COST-OF-SERVICE/RATE DESIGN

DIRECT TESTIMONY

OF

LENA M. MANTLE

SPIRE MISSOURI, INC.

d/b/a SPIRE MISSOURI EAST & SPIRE MISSOURI WEST

CASE NO. GR-2025-0107

Q. Would you state your name and business address?

A. My name is Lena M. Mantle, and my business address is P.O. Box 2230, Jefferson City, Missouri 65102. I am a Senior Analyst for the Office of the Public Counsel (“OPC”).

Q. Are you the same Lena M. Mantle that filed revenue requirement direct testimony?

A. Yes.

Q. What is your revenue requirement direct testimony recommendation regarding the continuation of the Weather Normalization Adjustment Rider (“WNAR”) that Spire, Inc. (“Spire”) charges its residential customers?

A. In my revenue requirement direct testimony in this case, I recommend the Commission order Spire’s current WNAR be discontinued. In the alternative, I recommend that, if the Commission allows the current mechanism to be continued, the approval of the mechanism should be accompanied by a reduction in the rate of return to compensate customers for the increased risk that the mechanism places on them and to acknowledge the reduction in risk of revenue recovery to Spire.

Q. What is the purpose of this testimony?

A. The purpose of this testimony is to recommend changes to the WNAR tariff sheet that provides the WNAR rate that Spire charges its residential customers in the

1 event that the Commission allows the WNAR to continue. To reiterate, my general
2 recommendation is that the Commission order Spire's current WNAR be
3 discontinued. The changes that I am proposing here are only if that general
4 recommendation is not ordered by the Commission.

5 In its current tariff, Spire's WNAR is described on tariff sheet nos. 13
6 through 13.9. WNAR rates are provided on sheet no. 13.9. The specific purpose
7 of this testimony is to assure that the \$0.05 per Ccf cap on the WNAR rate¹
8 specified on sheet nos. 13.1 and 13.4 is applied.

9 **Q. What you mean by "the \$0.05 per Ccf cap on the WNAR rate?"**

10 A. In its *Amended Report and Order* in case nos. GR-2017-0215 and GR-2017-0216
11 that established the WNAR for Spire, the Commission's decision required:

12 Spire Missouri shall include the WNAR tariff with a limit of \$0.05
13 per therm (or ccf) on upward adjustments and shall provide that any
14 adjustments falling outside the \$0.05 limit will be deferred for
15 recovery from customers in the next WNAR adjustment.²

16 This cap of \$0.05 per Ccf is found on current Spire tariff sheet no. 13.1 for Spire
17 Missouri East and tariff sheet no. 13.4 for Spire Missouri West.

18 **Q. Have the WNAR rates been capped at \$0.05 per Ccf as required by the**
19 **Commission and specified in the tariff sheets?**

20 A. No. Currently the WNAR rate charged residential customers of Spire East is
21 \$0.07577 per Ccf which is \$0.02577 per Ccf greater than the required cap. Spire
22 West's customers are being charged \$0.05493 per Ccf – \$0.00493 per Ccf over the
23 cap of \$0.05 per Ccf. The Commission approved these rates at the recommendation
24 of its Staff effective September 1, 2024.³

¹ Case nos. GR-2017-0215 and GR-2017-0216, *Amended Report and Order*, pages 85 – 86. Also found on current tariff sheet nos. 13.1 and 13.4.

² *Id.*

³ Case no. GO-2025-0001, *Order Approving WNAR Tariff Sheet*.

Q. If the WNAR is continued in this case, what changes are you recommending to assure this customer protection is followed?

A. I recommend changing the table that provides the calculation of the WNAR rate. The current table, found on tariff sheet no. 13.9,⁴ is duplicated below as Table 1.

Table 1
Applicable for the billing months of September through August 2025

	Spire East	Spire West
Sum of Weather Revenue Adjustments for June 2023 through May 2024 (ARA)	\$32,570,775.11	\$18,638,059.86
True-Up Amount for September 2023 through August 2024 (TA)	\$2,719,567.96	\$1,731,007.39
Interest on True-Up Amount (I _{TA})	\$460,302.14	\$285,486.89
Total Recovery Amount (TRA = ARA + I _{RA} + TA + I _{TA})	\$35,750,645.21	\$20,654,554.14
Annual Volumetric Billing Determinants	471,806,950	376,025,242
Weather Normalization Adjustment Rider Rate (WNAR Rate) (TRA ÷ Annual Volumetric Billing Determinants)	\$0.07577/Ccf	\$0.05493/Ccf

I recommend this table be changed as shown below in Table 2.

⁴ Spire is proposing this same table on its proposed tariff sheet no. 13.3.

Table 2
Applicable for the billing months of September through August 2025

	Spire East	Spire West
Sum of Weather Revenue Adjustments for June 2023 through May 2024 (ARA)	\$32,570,775.11	\$18,638,059.86
Interest on ARA (I_{RA})		
True-Up Amount for September 2023 through August 2024 (TA)	\$2,719,567.96	\$1,731,007.39
Interest on True-Up Amount (I_{TA})	\$460,302.14	\$285,486.89
Deferred from previous recovery (DA)	\$0.00	\$0.00
Interest on DA (I_{DA})	\$0.00	\$0.00
Total Recovery Amount ($TRA = ARA + I_{RA} + TA + I_{TA} + DA + I_{DA}$)	\$35,750,645.21	\$20,654,554.14
Annual Volumetric Billing Determinants in Ccfs	471,806,950	376,025,242
TRA ÷ Annual Volumetric Billing Determinants	\$0.07577/Ccf	\$0.05493/Ccf
Weather Normalization Adjustment Rider Rate (WNAR Rate) The lesser of TRA ÷ Annual Volumetric Billing Determinants or \$0.05000/Ccf	\$0.05000/Ccf	\$0.05000/Ccf
Dollar amount deferred to next recovery period (Excess above \$0.05 x Annual Billing Determinants)	\$12,158,465.10	\$1,853,804.44

Q. What do you recommend regarding the current rate that is above the cap?

A. The cap of \$0.05 per Ccf limits the rate customers pay. It does not cap the collection of the weather normalization adjustment dollar amounts. It merely increases the time over which the amount is collected. If the rate had been capped as required by tariff sheet nos. 13.1 and 13.4, there would be a deferred amount that would be included in the calculation of the rate in the upcoming recovery period.

Since most of the usage in the current recovery period of September 2024 through August 2025 has been incurred, most of the dollar amount to be collected has already been collected from Spire's residential customers. Therefore, I recommend no action other than the adoption of my proposed tariff sheet no. 13.9 to prevent this customer bill protection from being overlooked going forward.

1 **Q. Will the current WNAR rates change before the tariff sheets for this rate case**
2 **are approved and go into effect?**

3 A. Yes. Spire is scheduled to file new WNAR rates at the beginning of July 2025 to
4 be effective September 2025. OPC will be reviewing this filing to make sure that
5 the WNAR rates will not exceed the Commission ordered cap of \$0.05 per Ccf.

6 **Q. Are other changes necessary to the current WNAR tariff sheets?**

7 A. Yes. Spire's proposed tariff sheets include many needed changes to its WNAR
8 tariff sheets. I will address any changes that may be needed in addition to these in
9 my rebuttal testimony.

10 **Q. Does this conclude your Class Cost-of-Service/Rate Design direct testimony?**

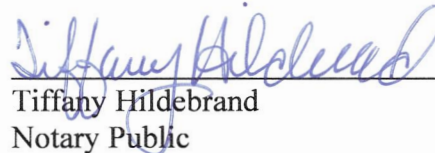
11 A. Yes, it does.

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

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

1. My name is Lena M Mantle. I am a Senior Analyst for the Office of the Public Counsel.
2. Attached hereto and made a part hereof for all purposes is my direct testimony.
3. I hereby swear and affirm that my statements contained in the attached testimony are true and correct to the best of my knowledge and belief.

Subscribed and sworn to me this 30th day of April 2025.



My Commission expires August 8, 2027.