

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held by internet
and audio conference on the
23rd day of September, 2020.

In the Matter of the Establishment of a Working
Case Regarding a Commission Rule Governing
Revenue Stabilization Mechanisms

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File No. AW-2021-0070

**ORDER OPENING A WORKING CASE TO CONSIDER A COMMISSION
RULE REGARDING REVENUE STABILIZATION MECHANISMS**

Issue Date: September 23, 2020

Effective Date: September 23, 2020

The Staff of the Commission filed a motion on September 15, 2020, asking the Commission to open a working case to review and collect comments about a rule to govern the structure, content and operation of revenue stabilization mechanisms, and the procedure for the submission, frequency, examination, hearing, and approval of rate adjustments pursuant to such mechanisms.

Staff asks that stakeholders be invited to offer written comments regarding concepts and provisions that should be included in such a rule. Staff also asks the Commission to provide notice of the establishment of this working case to the stakeholders identified by Staff.

The Commission will establish this working case as requested by Staff. This file will serve as a repository for documents and comments. Using this file, anyone with an interest in this matter may view documents and may submit any pertinent responsive comments or documents. As this is not a contested case, anyone may file a comment without counsel

and without *ex parte* constraints (arising from this matter). Intervention requests are not necessary to submit comments or view documents.

The public is welcome to submit comments by forwarding electronic communications through the Commission's electronic filing and information system (EFIS) or by mailing written comments. You may submit electronic comments at the Commission's website at <http://www.psc.mo.gov>. (Click on the Access EFIS link on the right side of the page. Scroll down and click on the public comment link. Please refer to File No. AW-2021-0070.) Written comments in hard copy should be addressed to the Commission at P.O. Box 360, Jefferson City, Missouri 65102 and should also reference File No. AW-2021-0070. The public can view the contents of the file by following the same link at <http://www.psc.mo.gov>.

THE COMMISSION ORDERS THAT:

1. This case is established as a repository for documents and comments regarding the Commission's consideration of a rule to govern the structure, content and operation of revenue stabilization mechanisms, and the procedure for the submission, frequency, examination, hearing, and approval of rate adjustments pursuant to such mechanisms. . .

2. The Commission's data center shall provide a copy of this order, and a copy of Staff's motion, to the following:

- Union Electric Company d/b/a Ameren Missouri and all intervenors in its most recent general rate case, ER-2019-0335;
- The Empire District Electric Company d/b/a Liberty and all intervenors in its most recent general rate case ER-2019-0374;

- Evergy Metro Inc. d/b/a Evergy Missouri Metro and all intervenors in its most recent general rate case ER-2018-0145;
- Evergy Missouri West, Inc. d/b/a Evergy Missouri West and all intervenors in its most recent general rate case ER-2018-0146;
- Union Electric Company, d/b/a Ameren Missouri and all intervenors in its most recent general rate case GR-2019-0077;
- Spire Missouri, Inc. and all intervenors in its most recent general rate cases GR-2017-0215 and GR-2017-0216;
- Summit Natural Gas of Missouri, Inc. and all intervenors in its most recent general rate case GR-2018-0230;
- The Empire District Gas Company, d/b/a Liberty and all intervenors in its most recent general rate case GR-2018-0229; and
- Liberty Utilities (Midstates Natural Gas) Corp. d/b/a Liberty and all intervenors in its most recent general rate case GR-2018-0013.

3. Any stakeholder wishing to submit written comments regarding the rule being considered by Staff shall do so no later than October 12, 2020.

4. This order shall be effective when issued.



BY THE COMMISSION

Morris L. Woodruff

Morris L. Woodruff
Secretary

Silvey, Chm., Kenney, Rupp, Coleman, and
Holsman CC., concur.

Woodruff, Chief Regulatory Law Judge

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

In the Matter of the Establishment of a Working Case)
Regarding a Commission Rule Governing Revenue) **File No. AW-2021-XXXX**
Stabilization Mechanisms)

STAFF MOTION TO ESTABLISH WORKING CASE

COMES NOW the Staff of the Missouri Public Service Commission (“Staff”), by and through Staff Counsel’s Office, and moves the Commission to establish a working case for a review and consideration of creating two new Commission rules governing revenue stabilization mechanisms (RSM) for electric and gas utilities, located within Chapter 20 and Chapter 40, respectively. In support of its motion Staff states as follows:

1. Subsection 3 of Section 386.266 RSMo. allows for any gas or electric corporation to make “an application to the commission to approve rate schedules authorizing periodic rate adjustments outside of general rate proceedings to adjust rates of customers in eligible customer classes to account for the impact on utility revenues of increases or decreases in residential and commercial customer usage due to variations in either weather, conservation, or both.”
2. Currently, there are no separate filing requirements specifically governing the structure, content and operation of such mechanisms, and the procedure for the submission, frequency, examination, hearing, and approval of rate adjustments pursuant to such mechanisms. Although the lack of a rule may not be a legal impediment to the establishment of any mechanism under Section 386.266.3, RSMo., this working case would explore the potential benefits of separate and clear filing requirements and other procedural rules regarding RSMs.

3. Section 386.040, RSMo., establishes the Commission and grants it authority to promulgate any such rules necessary and proper to effectuate its purpose.¹

Furthermore, Section 386.250, RSMo, more specifically outlays the Commission's power, allowing for:

the adoption of rules as are supported by evidence as to reasonableness and which prescribe the conditions of rendering public utility service, disconnecting or refusing to reconnect public utility service and billing for public utility service. All such proposed rules shall be filed with the secretary of state and published in the Missouri Register as provided in chapter 536, and a hearing shall be held at which affected parties may present evidence as to the reasonableness of any proposed rule;²

4. Therefore, the Staff requests the Commission open a working case to explore the creation of rules, under its statutorily derived authority, governing the structure, content and operation of RSMs, and the procedure for the submission, frequency, examination, hearing, and approval of rate adjustments pursuant to such mechanisms.

5. The Staff requests that the Commission serve its Order Establishing Working Case on all counsel of record for electrical corporations and gas corporations regulated by the Commission, the Public Counsel, and if possible, all interveners in the most recent rate cases of these electric and gas companies.

6. The Staff is in the process of drafting a rule, and would be assisted by any initial input from stakeholders as to concepts or provisions to include. Therefore, Staff requests any initial feedback from stakeholders by October 12, 2020.

¹ A "Public Service Commission" is hereby created and established, which said public service commission shall be vested with and possessed of the powers and duties in this chapter specified, and also all powers necessary or proper to enable it to carry out fully and effectually all the purposes of this chapter.

² Mo. Ann. Stat. § 386.250 (West).

WHEREFORE Staff prays the Commission will establish a working case, serve notice on all interested stakeholders, and grant such other and further relief it deems necessary in the circumstances.

Respectfully submitted,

/s/ Nicole Mers

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Attorney for the Staff of the
Missouri Public Service Commission

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 15th day of September 2020, to all counsel of record.

/s/ Nicole Mers

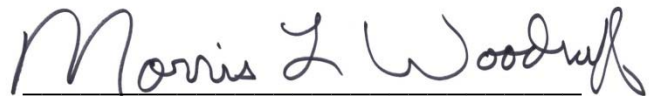
STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 23rd day of September, 2020.




Morris L. Woodruff
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

September 23, 2020

File/Case No. AW-2021-0070

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Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,



**Morris L. Woodruff
Secretary**

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.