

Exhibit No. 804

Exhibit No.:
Issues: Cost of Service; Rate Design
Witness: Brian C. Collins
Type of Exhibit: Rebuttal Testimony
Sponsoring Parties: MIEC and Vicinity
Case No.: GR-2021-0108
Date Testimony Prepared: June 17, 2021

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

**In the Matter of Spire Missouri Inc.'s d/b/a Spire
Request for Authority to Implement a General
Rate Increase for Natural Gas Service Provided
in the Company's Missouri Service Areas**

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)
) **Case No. GR-2021-0108**
)
)

Rebuttal Testimony and Schedule of

Brian C. Collins

On behalf of

**Missouri Industrial Energy Consumers
and Vicinity Energy Kansas City, Inc.**

June 17, 2021



Project 11068

**BEFORE THE PUBLIC SERVICE COMMISSION
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**In the Matter of Spire Missouri Inc.'s d/b/a Spire
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Case No. GR-2021-0108

STATE OF MISSOURI)
) **SS**
COUNTY OF ST. LOUIS)

Affidavit of Brian C. Collins

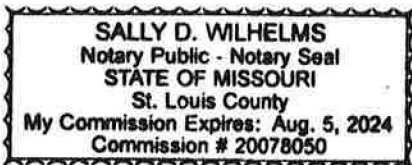
Brian C. Collins, being first duly sworn, on his oath states:

1. My name is Brian C. Collins. I am a consultant with Brubaker & Associates, Inc., having its principal place of business at 16690 Swingley Ridge Road, Suite 140, Chesterfield, Missouri 63017. We have been retained by the Missouri Industrial Energy Consumers and Vicinity Energy Kansas City, Inc. in this proceeding on their behalf.
2. Attached hereto and made a part hereof for all purposes are my rebuttal testimony and schedule which were prepared in written form for introduction into evidence in Missouri Public Service Commission Case No. GR-2021-0108.
3. I hereby swear and affirm that the testimony and schedule are true and correct and that they show the matters and things that they purport to show.



Brian C. Collins

Subscribed and sworn to before me this 17th day of June, 2021.





Notary Public

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**Brian C. Collins
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Rebuttal Testimony of Brian C. Collins

I. Introduction

Q PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A Brian C. Collins. My business address is 16690 Swingley Ridge Road, Suite 140,
Chesterfield, MO 63017.

**Q ARE YOU THE SAME BRIAN C. COLLINS WHO PREVIOUSLY FILED DIRECT
TESTIMONY IN THIS PROCEEDING?**

A Yes. On May 26, 2021, I filed direct testimony on behalf of the Missouri Industrial
Energy Consumers ("MIEC") and Vicinity Energy Kansas City, Inc. ("Vicinity"). The
MIEC is a non-profit corporation that represents the interests of industrial customers in
matters involving utility issues. Those interests include the interests of large industrial
consumers of Spire Missouri Inc. ("Spire" or "Company"). Vicinity is a "heating
company" and a "public utility" as those terms are defined in Sections 386.020(20) and
386.020(43). Vicinity, therefore, is not only a customer of Spire, but also a competitor
with Spire. Vicinity is one of the largest users and transporters of natural gas on the
Spire system.

**Brian C. Collins
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1 **Q WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?**

2 A The purpose of my rebuttal testimony is to respond to the positions of the Missouri
3 Public Service Commission (“MPSC”) Staff contained in the Staff Report on Class Cost
4 of Service (“Staff Report”). Specifically, I will address the following issues:

- 5 1. Staff’s allocation of Income Taxes to customer classes in Spire East and
6 Spire West.¹
- 7 2. Staff’s allocation of Spire East’s underground storage costs to customer
8 classes.
- 9 3. Staff’s allocation of Spire’s gas inventory and propane inventory costs to
10 customer classes.

11 My silence on any aspect of Staff’s filing should not be construed as an endorsement
12 of, or agreement with, Staff’s position.

13 **Q PLEASE SUMMARIZE YOUR CONCLUSIONS AND RECOMMENDATIONS.**

14 A My conclusions and recommendations are as follows:

- 15 1. Although Staff filed revised class cost of service studies on June 9, 2021 for
16 both Spire East and Spire West, Staff has erred in its allocation of Income Taxes
17 to customer classes in both Spire East and Spire West.
- 18 2. Correcting the allocation of Income Taxes in Staff’s class cost of service study
19 for Spire West results in a cost of service for the Transportation class of
20 approximately \$15.5 million. This is \$3.2 million, or 17.0%, less than current
21 rate revenues.
- 22 3. Correcting the allocation of Income Taxes in Staff’s class cost of service study
23 for Spire East results in a class cost of service for the Transportation class of
24 approximately \$7.6 million. This is \$7.2 million, or 48.5%, less than current rate
25 revenues.
- 26 4. Because the Transportation class in Spire West deserves a rate decrease of
27 approximately \$3.2 million, Staff’s recommendation for a \$500,000 increase for
28 the Transportation class in Spire West as shown in Ms. Kliethermes’ revised
29 direct testimony should be rejected. Similarly, recognizing that the Spire East
30 Transportation class deserves a rate decrease of \$7.2 million, the Commission

¹Spire East refers to the service territory previously called Laclede Gas Company. Spire West refers to the service territory previously called Missouri Gas Energy (“MGE”).

- 1 should reject Staff's recommendation to leave the Spire East Transportation
2 class at current revenue levels.
- 3 5. Staff's original direct testimony recommendation of no increase for the
4 Transportation class in Spire West is consistent with Staff's revised class cost
5 of service study results for Spire West, corrected for the allocation of Income
6 Taxes to customer classes.
- 7 6. Staff's allocation of Spire East's underground storage costs to the
8 Transportation class should be rejected because Spire does not incur the cost
9 of underground storage in providing distribution delivery service to
10 Transportation customers. Instead, these costs are incurred entirely for the
11 benefit of sales customers that rely on Spire for the gas supply service.
- 12 7. Staff's allocation of gas inventory costs to the Transportation class in both Spire
13 East and Spire West and the allocation of propane inventory costs to the
14 Transportation class in Spire East should be rejected because these costs are
15 not incurred by Spire to provide distribution delivery service to Transportation
16 customers. Instead, like the storage costs, the propane inventory costs are
17 incurred entirely for the benefit of Spire sales customers.
- 18 8. Removing the allocation of underground storage, gas inventory costs, and
19 propane inventory costs to Transportation customers would result in even larger
20 decreases for the Transportation classes in both Spire East and Spire West.

21 **II. Staff's Allocation of Income Taxes to Customer Classes**

22 **Q DID STAFF FILE REVISED CLASS COST OF SERVICE STUDIES FOR BOTH**
23 **SPIRE EAST AND SPIRE WEST?**

24 A Yes. On June 9, 2021, Staff filed the revised direct testimony of Robin Kliethermes that
25 describes Staff's revised class cost of service studies for Spire East and Spire West.

26 **Q BASED ON YOUR REVIEW OF THOSE REVISED CLASS COST OF SERVICE**
27 **STUDIES FILED BY STAFF, DO STAFF'S STUDIES CONTAIN ANY ERRORS?**

28 A Yes.

1 **Q WHAT ERRORS HAVE YOU IDENTIFIED IN STAFF'S CLASS COST OF SERVICE**
2 **STUDIES?**

3 A Staff has incorrectly allocated Income Taxes to customer classes in both Spire East
4 and Spire West. This is an error that has a significant impact on the calculation of the
5 cost of service for the rate classes, particularly for the Transportation classes in both
6 Spire East and Spire West.

7 Staff has allocated approximately 10.2% of Spire East's Income Taxes to the
8 Transportation class and approximately 22.7% of Spire West's Income Taxes to the
9 Transportation class. This is in contrast to a rate base allocation of approximately 2.7%
10 for the Transportation class in Spire East and approximately 7.2% for the
11 Transportation class in Spire West.

12 Because Income Taxes are paid by Spire as a result of the return earned on
13 rate base, the allocations of Income Taxes to customer classes should track relatively
14 closely to the allocation of rate base to those classes. However, Staff has allocated
15 approximately 4 times the appropriate Income Taxes for the Transportation class in
16 Spire East and approximately 3 times the appropriate Income Taxes for the
17 Transportation class in Spire West.

18 **Q HOW DID STAFF ALLOCATE INCOME TAXES TO THE TRANSPORTATION**
19 **CLASSES IN ITS CLASS COST OF SERVICE STUDIES?**

20 A Staff has allocated Income Taxes to customer classes based on their share of Income
21 Taxes at present rates. However, the Transportation classes are currently over-
22 earning at current rates in both Spire East and Spire West. The percentage shares of
23 Income Taxes under current rates would be much lower if the Transportation classes
24 were producing the system average rate of return at current rates. Therefore, when

1 calculating the Transportation class's cost of service based Income Taxes at the
2 Company's average rate of return for cost of service under proposed rates, the present
3 relationship of actual Income Taxes provided by classes should not be used. When
4 using the present relationship of Income Taxes at current rates, classes that are over-
5 earning at present rates will pay more than their cost of service based allocated Income
6 Taxes under proposed rates, and classes that are under-earning will not pay enough
7 Income Taxes at cost of service under proposed rates.

8 **Q HOW SHOULD INCOME TAXES RESPONSIBILITY BE DETERMINED FOR A**
9 **CLASS'S COST OF SERVICE AT PROPOSED RATES?**

10 A A class's responsibility for Income Taxes at cost of service should be calculated by
11 applying the system average rate of return to that class's allocated rate base. This will
12 determine its return on rate base in dollars. The class's percentage share of the total
13 Company return on rate base in dollars should then be applied to the total Company
14 Income Taxes to derive the class's responsibility for Income Taxes.

15 **Q HAVE YOU CORRECTED THE ALLOCATION OF INCOME TAXES TO CLASSES**
16 **IN STAFF'S CLASS COST OF SERVICE STUDIES?**

17 A Yes. Correcting the allocation of Income Taxes to classes results in the Transportation
18 classes being assigned approximately 7.2% of Income Taxes liability in Spire West and
19 2.7% in Spire East.

1 Q WHAT IS THE RATE IMPACT ON THE TRANSPORTATION CLASSES OF
2 CORRECTING THE ALLOCATION OF INCOME TAXES TO CUSTOMER CLASSES
3 IN STAFF'S CLASS COST OF SERVICE STUDIES?

4 A Correcting the allocation of Income Taxes in Staff's class cost of service study for Spire
5 West results in a cost of service for the Transportation class of approximately
6 \$15.5 million. This is a \$3.2 million, or 17.0%, decrease for the Transportation class
7 as compared to current rate revenues.

8 Correcting the allocation of Income Taxes in Staff's class cost of service study
9 for Spire East results in a class cost of service for the Transportation class of
10 approximately \$7.6 million. This is a \$7.2 million, or 48.5%, decrease for the
11 Transportation class as compared to current rate revenues.

12 Q HOW DO YOU RESPOND TO MS. KLIETHERMES' REVISED REVENUE
13 ALLOCATION FOR THE TRANSPORTATION CLASS IN SPIRE WEST?

14 A Staff originally recommended no increase for the Transportation class in Spire West
15 because under Staff's class cost of service study filed with its direct testimony,
16 Transportation rate revenues at present rates were above this class's cost of service.

17 In revised direct testimony, however, Staff has changed its direct testimony
18 position and now recommends a \$500,000 increase for the Transportation class in
19 Spire West – approximately \$95,000 to bring the Transportation class to cost of service
20 and approximately \$405,000 for a subsidy to the General Services and Large Volume
21 Service classes.

22 However, this recommendation for an increase for the Transportation class in
23 Spire West is based on a flawed class cost of service study. Correcting for the Income
24 Taxes allocation error shows that Staff has an approximate \$3.3 million error in

1 assignment of costs to the Transportation class. The Spire West Transportation class
2 cost of service is actually \$3.2 million below its current rate revenues. Thus, Staff's
3 recommendation for a \$500,000 increase for the Transportation class is not based on
4 the correct class cost of service and is not supported by Staff's corrected class cost of
5 service study.

6 **Q IS STAFF'S ORIGINAL RECOMMENDATION FOR NO INCREASE FOR THE**
7 **TRANSPORTATION CLASS IN SPIRE WEST CONSISTENT WITH THE STAFF'S**
8 **CLASS COST OF SERVICE STUDY RESULTS CORRECTED FOR THE**
9 **ALLOCATION OF INCOME TAXES?**

10 A It is more consistent than the revised recommendation, but Staff's class cost of service
11 study (corrected for the proper allocation of income taxes) supports a significant
12 **decrease** for the Transportation class in Spire West rather than simply not imposing
13 an increase. This same condition for a significant rate **decrease** for the Transportation
14 class exists in Spire East after making the appropriate income tax adjustment.

15 **Q WHAT DO YOU RECOMMEND?**

16 A I recommend that the allocation of Income Taxes to the Transportation class in both
17 Spire East and Spire West be corrected in the Staff class cost of service studies as
18 shown in Schedule BCC-R-1.

1 **III. Staff's Allocation of Spire East's Underground Storage Costs**

2 **Q PLEASE DESCRIBE THE COSTS OF SPIRE EAST'S UNDERGROUND STORAGE.²**

3 A These costs, both capital and expenses, are incurred for the construction and operation
4 of assets designed to store natural gas used to meet the demands of its sales
5 customers who purchase both gas supply and delivery service from Spire.

6 **Q HOW DOES STAFF ALLOCATE THE COSTS OF UNDERGROUND STORAGE TO**
7 **CLASSES?**

8 A Staff incorrectly allocates these costs to all classes, including Spire East's
9 Transportation class. Transportation class customers purchase only delivery service
10 from Spire and purchase their gas supply from a third party and not from Spire.

11 **Q DO YOU AGREE WITH STAFF'S PROPOSAL TO ALLOCATE UNDERGROUND**
12 **STORAGE COSTS TO THE TRANSPORTATION CLASS?**

13 A No, I do not. These costs are not incurred by Spire East to provide delivery service to
14 Transportation customers. As a result, Staff's allocation of underground storage costs
15 to Transportation customers does not reflect cost causation.

16 **Q DOES SPIRE ALLOCATE THE COSTS OF UNDERGROUND STORAGE TO THE**
17 **TRANSPORTATION CLASS IN ITS CLASS COST OF SERVICE STUDY?**

18 A No, it does not. As a result, Spire East's underground storage costs would not be
19 collected in the Transportation tariff's customer, reservation, or volumetric
20 Transportation charges proposed by the Company.

²Spire West does not have storage facilities. As such, it does not incur storage costs.

1 **Q UNDER SPIRE EAST’S TRANSPORTATION TARIFF, ARE TRANSPORTATION**
2 **CUSTOMERS ASSESSED A STORAGE CHARGE?**

3 A Yes. A separate storage service charge is collected from a Transportation customer
4 only when the customer delivers more gas to the Spire East system than the customer
5 consumes. Spire East may need to store that gas if not consumed by the customer,
6 and charges the customer to do so.

7 Under the tariff, Transportation customers pay separately for storage service as
8 needed, but should not pay for it ahead of time in their customer, demand or
9 Transportation volumetric charges. To do so would charge some customers twice for
10 storage service, and charge others for a service they may never use.

11 **Q HOW WOULD STAFF’S PROPOSAL TO ALLOCATE UNDERGROUND STORAGE**
12 **COSTS TO THE TRANSPORTATION CLASS RESULT IN SOME**
13 **TRANSPORTATION CUSTOMERS PAYING TWICE FOR STORAGE SERVICE AND**
14 **OTHER CUSTOMERS PAYING FOR A SERVICE THEY MAY NEVER USE?**

15 A Under Staff’s proposal, Transportation customers would pay for storage in their base
16 rates, and pay the separate Transportation tariff gas storage charge, which currently
17 equals 4 cents per therm, for storage service, but only if and when needed. Customers
18 using storage service thus would pay twice for storage service, while others would pay
19 for storage even if they never needed it. Charging Transportation customers for
20 storage service in base rates regardless of whether they ever use storage service is
21 inappropriate and does not reflect cost causation.

22 The inclusion of storage costs in base rates is contrary to why large customers
23 choose only Transportation service from Spire, which is to purchase gas supply service
24 from a third-party supplier.

1 Q WHAT LEVEL OF INVESTMENT AND EXPENSES FOR UNDERGROUND
2 STORAGE DID STAFF ASSIGN TO THE TRANSPORTATION CLASS?

3 A Staff assigned approximately \$1.3 million in net plant in service for underground
4 storage to the Transportation class. Staff also assigned approximately \$415,000 in
5 natural gas storage expense to the Transportation class, as well as approximately
6 \$52,000 in depreciation expense for underground storage.

7 Q WHAT IS YOUR RECOMMENDATION FOR THE ALLOCATION OF SPIRE EAST'S
8 UNDERGROUND STORAGE COSTS?

9 A I recommend that the costs of underground storage not be allocated to the
10 Transportation class customers. This is consistent with how Spire allocates the costs
11 of underground storage to classes, which excludes the Transportation class. This best
12 reflects cost causation because Spire East does not incur the cost of underground
13 storage in providing distribution delivery service to Transportation customers.

14 **IV. Staff's Allocation of Spire East and Spire West**
15 **Natural Gas Inventory and Propane Inventory Costs**

16 Q PLEASE DESCRIBE THE COSTS OF GAS INVENTORY AND PROPANE
17 INVENTORY.

18 A These costs are associated with gas supply and propane supply used for peaking
19 purposes. These costs are commodity costs associated with gas supply provided to
20 sales customers that take both delivery and gas supply service from either Spire East
21 or Spire West.

1 **Q HOW DOES STAFF ALLOCATE THE COSTS OF GAS INVENTORY AND**
2 **PROPANE INVENTORY TO CLASSES?**

3 A Like underground storage costs on the Spire East system, Staff allocates these costs
4 to all classes, including the Transportation class.

5 **Q DO YOU AGREE WITH STAFF'S PROPOSAL TO ALLOCATE GAS INVENTORY**
6 **AND PROPANE INVENTORY COSTS TO THE COMPANY'S TRANSPORTATION**
7 **CLASS IN BOTH SPIRE EAST AND SPIRE WEST?**

8 A No, I do not. These costs are not incurred by the Company to provide distribution
9 delivery service to Transportation customers. These costs are incurred to provide gas
10 supply service to sales customers. Transportation customers purchase their own gas
11 supply that is transported on Spire's distribution system. As a result, Staff's allocation
12 of these gas supply costs to Transportation customers does not reflect cost causation.

13 **Q DOES SPIRE ALLOCATE THE COSTS OF GAS INVENTORY AND PROPANE**
14 **INVENTORY TO SPIRE'S TRANSPORTATION CLASS IN ITS CLASS COST OF**
15 **SERVICE STUDIES?**

16 A No, it does not.

17 **Q WHAT LEVEL OF INVESTMENT ASSOCIATED WITH GAS AND PROPANE**
18 **INVENTORY DID STAFF ALLOCATE TO SPIRE EAST AND SPIRE WEST**
19 **TRANSPORTATION CUSTOMERS?**

20 A Staff assigned approximately \$6.5 million in gas inventory net plant to the
21 Transportation class in Spire West.

1 Staff assigned approximately \$7.5 million in gas inventory net plant and
2 \$1.3 million in propane inventory net plant to the Transportation class in Spire East.

3 **Q WHAT IS YOUR RECOMMENDATION FOR THE ALLOCATION OF SPIRE'S GAS**
4 **INVENTORY AND PROPANE INVENTORY COSTS?**

5 A I recommend that gas inventory and propane inventory costs not be allocated to the
6 Transportation class. Following my recommendation is consistent with how Spire
7 allocates these costs to classes and best reflects cost causation because these costs
8 are not incurred to provide distribution delivery service to Transportation customers.

9 **Q WHAT IS THE IMPACT OF CORRECTING STAFF'S CLASS COST OF SERVICE**
10 **STUDIES FOR THE ALLOCATION OF GAS AND PROPANE INVENTORY COSTS?**

11 A Removing the allocation of gas and propane inventory costs would result in even larger
12 decreases for the Transportation classes in both Spire East and Spire West as
13 compared to current rate revenues.

14 **Q DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?**

15 A Yes, it does.

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Brian C. Collins
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Spire West - Summary of Staff Revised Class Cost of Service Study (with Income Tax Allocation Error)

Line	Description	Total	Residential	General Services & Large Volume Service	Transportation	Unmetered Gas Light
		(1)	(2)	(3)	(4)	(5)
1	Rate Base	1,177,520,394	879,565,917	212,698,081	85,222,540	33,856
2		100%	74.7%	18.1%	7.2%	0.0%
3	Return on Rate Base (Line 1 x 0.06914)	81,413,760	60,813,188	14,705,945	5,892,286	2,341
4		100%	74.7%	18.1%	7.2%	0.0%
5	Income Taxes	21,197,253	15,554,723	838,596	4,805,043	(1,109)
6		100%	73.4%	4.0%	22.7%	0.0%
7	Total Expenses	176,981,296	139,696,705	28,959,776	8,321,285	3,530
8		100%	78.9%	16.4%	4.7%	0.0%
9	Deferred Income Taxes	(4,921,281)	(3,798,748)	(854,044)	(268,359)	(130)
10		100%	77.2%	17.4%	5.5%	0.0%
11	Total Cost of Service (Line 3 + Line 5 + Line 7 + Line 9)	274,671,028	212,265,868	43,650,273	18,750,255	4,632
12	Current Rate Revenues	222,569,082	173,149,407	30,763,299	18,655,231	1,145
13	COS Based Increase / (Decrease) (Line 11 - Line 12)	52,101,946	39,116,461	12,886,974	95,024	3,487
14	% COS Based Increase / (Decrease)	23%	22.6%	41.9%	0.5%	304.5%

Spire West - Staff Income Tax Allocation Corrected by MIEC/Vicinity

Line	Description	Total	Residential	General Services & Large Volume Service	Transportation	Unmetered Gas Light
		(1)	(2)	(3)	(4)	(5)
1	Rate Base	1,177,520,394	879,565,917	212,698,081	85,222,540	33,856
2		100%	74.7%	18.1%	7.2%	0.0%
3	Return on Rate Base (Line 1 x 0.06914)	81,413,760	60,813,188	14,705,945	5,892,286	2,341
4		100%	74.7%	18.1%	7.2%	0.0%
5	Income Taxes (Line 4 * \$21,197,253)	21,197,253	15,833,595	3,828,906	1,534,142	610
6		100%	74.7%	18.1%	7.2%	0.0%
7	Total Expenses	176,981,296	139,696,705	28,959,776	8,321,285	3,530
8		100%	78.9%	16.4%	4.7%	0.0%
9	Deferred Income Taxes	(4,921,281)	(3,798,748)	(854,044)	(268,359)	(130)
10		100%	77.2%	17.4%	5.5%	0.0%
11	Total Cost of Service (Line 3 + Line 5 + Line 7 + Line 9)	274,671,028	212,544,740	46,640,583	15,479,354	6,350
12	Current Rate Revenues	222,569,082	173,149,407	30,763,299	18,655,231	1,145
13	COS Based Increase / (Decrease) (Line 11 - Line 12)	52,101,946	39,395,333	15,877,284	(3,175,877)	5,205
14	% COS Based Increase / (Decrease)	23%	22.8%	51.6%	-17.0%	454.6%

Spire East - Summary of Staff Revised Class Cost of Service Study (With Income Tax Allocation Error)

Line	Description	Total (1)	Residential (2)	Small General Service (3)	Large General Service (4)	Large Volume (5)	LV Transport (6)	Interruptible Sales (7)	General L.P. Gas (8)	Unmetered Gas Light (9)	Vehicular Fuel (10)
1	Rate Base	1,573,485,550	1,185,493,850	205,442,379	135,033,807	3,425,545	42,062,155	1,537,288	145,698	278,415	66,413
2		100%	75.3%	13.1%	8.6%	0.2%	2.7%	0.1%	0.0%	0.0%	0.0%
3	Return on Rate Base (Line 1 x 0.06914)	108,790,791	81,965,045	14,204,286	9,336,237	236,842	2,908,177	106,288	10,074	19,250	4,592
4		100%	75.3%	13.1%	8.6%	0.2%	2.7%	0.1%	0.0%	0.0%	0.0%
5	Income Taxes	18,881,423	15,641,127	(173,166)	1,351,718	78,319	1,927,786	51,760	(1,205)	1,638	3,446
6		100%	82.8%	-0.9%	7.2%	0.4%	10.2%	0.3%	0.0%	0.0%	0.0%
7	Total Expenses	244,393,537	190,234,686	29,650,479	19,208,773	571,964	4,409,942	260,619	18,330	32,702	6,041
8		100%	77.8%	12.1%	7.9%	0.2%	1.8%	0.1%	0.0%	0.0%	0.0%
9	Deferred Income Taxes	(12,497,346)	(9,706,902)	(1,641,623)	(930,772)	(21,939)	(182,453)	(9,756)	(1,224)	(2,366)	(311)
10		100%	77.7%	13.1%	7.4%	0.2%	1.5%	0.1%	0.0%	0.0%	0.0%
11	Total Cost of Service (Line 3 + Line 5 + Line 7 + Line 9)	359,568,405	278,133,956	42,039,976	28,965,956	865,186	9,063,452	408,911	25,975	51,224	13,768
12	Current Rate Revenues	346,622,068	274,919,487	28,712,915	26,527,299	996,002	14,847,435	540,860	11,803	41,566	24,701
13	COS Based Increase / (Decrease) (Line 11 - Line 12)	12,946,337	3,214,469	13,327,061	2,438,657	(130,816)	(5,783,983)	(131,949)	14,172	9,658	(10,933)
14	% COS Based Increase / (Decrease)	3.7%	1.2%	46.4%	9.2%	-13.1%	-39.0%	-24.4%	120.1%	23.2%	-44.3%

Spire East - Staff Income Tax Allocation Corrected by MIEC/Vicinity

Line	Description	Total (1)	Residential (2)	Small General Service (3)	Large General Service (4)	Large Volume (5)	LV Transport (6)	Interruptible Sales (7)	General L.P. Gas (8)	Unmetered Gas Light (9)	Vehicular Fuel (10)
1	Rate Base	1,573,485,550	1,185,493,850	205,442,379	135,033,807	3,425,545	42,062,155	1,537,288	145,698	278,415	66,413
2		100%	75.3%	13.1%	8.6%	0.2%	2.7%	0.1%	0.0%	0.0%	0.0%
3	Return on Rate Base (Line 1 x 0.06914)	108,790,791	81,965,045	14,204,286	9,336,237	236,842	2,908,177	106,288	10,074	19,250	4,592
4		100%	75.3%	13.1%	8.6%	0.2%	2.7%	0.1%	0.0%	0.0%	0.0%
5	Income Taxes (Line 4 * \$18,881,423)	18,881,423	14,225,622	2,465,256	1,620,371	41,106	504,735	18,447	1,748	3,341	797
6		100%	75.3%	13.1%	8.6%	0.2%	2.7%	0.1%	0.0%	0.0%	0.0%
7	Total Expenses	244,393,537	190,234,686	29,650,479	19,208,773	571,964	4,409,942	260,619	18,330	32,702	6,041
8		100%	77.8%	12.1%	7.9%	0.2%	1.8%	0.1%	0.0%	0.0%	0.0%
9	Deferred Income Taxes	(12,497,346)	(9,706,902)	(1,641,623)	(930,772)	(21,939)	(182,453)	(9,756)	(1,224)	(2,366)	(311)
10		100%	77.7%	13.1%	7.4%	0.2%	1.5%	0.1%	0.0%	0.0%	0.0%
11	Total Cost of Service (Line 3 + Line 5 + Line 7 + Line 9)	359,568,405	276,718,451	44,678,398	29,234,609	827,973	7,640,401	375,598	28,929	52,927	11,119
12	Current Rate Revenues	346,622,068	274,919,487	28,712,915	26,527,299	996,002	14,847,435	540,860	11,803	41,566	24,701
13	COS Based Increase / (Decrease) (Line 11 - Line 12)	12,946,337	1,798,964	15,965,483	2,707,310	(168,029)	(7,207,034)	(165,262)	17,126	11,361	(13,582)
14	% COS Based Increase / (Decrease)	3.7%	0.7%	55.6%	10.2%	-16.9%	-48.5%	-30.6%	145.1%	27.3%	-55.0%