In the Matter of:

Spire Missouri Inc. Unanimous Stipulation and Agreement

GO-2016-0332, ET AL.- VOL 5

June 02, 2020



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1	BEFORE THE PUBLIC SERVICE COMMISSION			
2	STATE OF MISSOURI			
3				
4	TRANSCRIPT OF PROCEEDINGS			
5				
6	On-The-Record Presentation of Unanimous Stipulation and Agreement			
7				
8	In The Matter Of The Application Of)			
9	Spire Missouri Inc. To Change Its) Infrastructure System Replacement) File No.			
10	Surcharge In Its Spire Missouri West) GO-2016-0332 Gas Service Territory)			
11	In The Matter Of The Application Of)			
12	Spire Missouri Inc. To Change Its) Infrastructure System Replacement) File No.			
13	Surcharge In Its Spire Missouri East) GO-2016-0333 Gas Service Territory)			
14	In The Matter Of The Application Of) Spire Missouri Inc. To Change Its)			
15	Infrastructure System Replacement) File No.			
16	Surcharge In Its Spire Missouri West) GO-2017-0201 Service Territory)			
17	In The Matter Of The Application Of)			
18	Spire Missouri Inc. To Change Its) Infrastructure System Replacement) File No.			
19	Surcharge In Its Spire Missouri East) GO-2017-0202 Service Territory)			
20	In The Matter Of The Application Of)			
21	Spire Missouri Inc. To Establish An) Infrastructure System Replacement) File No.			
22	Surcharge In Its Spire Missouri East) GO-2018-0309 Service Territory			
23	In The Matter Of The Application Of)			
24	Spire Missouri Inc. To Establish An) Infrastructure System Replacement) File No.			
25	Surcharge In Its Spire Missouri West) GO-2018-0310 Service Territory			

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2	June 2, 2020 Jefferson City, Missouri			
3				
4	Volume 5			
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7	NANCY DIPPELL, Presiding REGULATORY LAW JUDGE			
8	RYAN A. SILVEY, Chairman			
9	SCOTT T. RUPP, Commissioner MAIDA J. COLEMAN, Commissioner			
10	JASON R. HOLSMAN, Commissioner			
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20	DEDODTED DV.			
21	REPORTED BY: Beverly Jean Bentch, CCR No. 640 TIGER COURT REPORTING, LLC			
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9	FOR: Staff of the Missouri Public Service Commission
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1	PROCEEDINGS			
2	JUDGE DIPPELL: Let's go ahead and go on the			
3	record. Good morning. This is Case Nos. GO-2016-0332,			
4	0333, and GO-2017-0201 and 0202, and GO-2018-0309 and			
5	0310. These cases are the Application of Spire Missouri			
6	Inc. to Establish an Infrastructure System Replacement			
7	Surcharges in the Spire Missouri East and West			
8	Territories for the various periods from 2016 through			
9	2018.			
10	My name is Nancy Dippell. I'm the Regulatory			
11	Law Judge assigned to this matter. We are meeting today			
12	via Webex video and telephone technology due to the			
13	COVID-19 pandemic emergency. I have various parties			
14	online, as well as the Commissioners and Staff and oth			
15	witnesses.			
16	I'm going to begin by asking the attorneys to			
17	make their entries of appearance. If we could begin			
18	with Spire?			
19	MS. BOCKSTRUCK: Good morning, Judge. Can you			
20	hear me okay?			
21	JUDGE DIPPELL: I can hear you. Thank you.			
22	MS. BOCKSTRUCK: All right. Appearing on			
23	behalf of Spire Missouri, Goldie Bockstruck, Matt			
24	Aplington and Mike Pendergast, 700 Market Street, St.			

25

Louis, Missouri 63101.

JUDGE DIPPELL: Thank you. Commission Staff? 1 2 MR. BERLIN: Thank you, Judge. Appearing on behalf of the Staff of the Missouri Public Service 3 Commission is Robert S. Berlin located at the 4 5 Commission's offices in Jefferson City at 200 Madison 6 Street, Jefferson City 65102. Also appearing with me or 7 available today are Staff witnesses Karen Lyons and 8 Jeremy Juliette who are auditors from our Kansas City 9 office and Dave Sommerer from the Jefferson City office who work on the matter of rate design. Thank you. 10 11 JUDGE DIPPELL: Thank you. Office of the 12 Public Counsel? 13 MR. CLIZER: Thank you, Your Honor. 14 Clizer appearing on behalf of the Office of the Public 15 Counsel. Our office is located at 200 Madison Street, 16 Suite 650, Jefferson City, Missouri 65101. 17 JUDGE DIPPELL: Thank you, Mr. Clizer. 18 So the way that I thought that we would handle 19 this today is basically I'm just going to ask if the 20 parties would present the agreement that you've reached, 21 tell us about it, and then the Commissioners will be 22 able to ask questions. 23 If your witnesses need to speak to answer 24 questions, then I will swear them in at that time, I 25 will get their name and their position and who they're

with, and so forth, and I will swear them in and then 1 2 they can answer any questions that there might be. Were the parties intending to offer any 3 4 exhibits or is that not necessary at this time? 5 Mr. Berlin? 6 MR. BERLIN: Judge, Staff would offer, of course, its Direct Report Rebuttal Testimony. If the 7 8 Commission is going to take the testimonies into the 9 record, that would include Staff's exhibits. 10 JUDGE DIPPELL: Had the parties intended the 11 witness testimony to come into the record? 12 MR. CLIZER: Speaking on behalf of the Office of the Public Counsel, I don't know that I had intended 13 I was not anticipating presenting evidence. 14 15 JUDGE DIPPELL: Okay. All right then. Let's go ahead then and begin with the presentation of the 16 17 stipulation. Would Spire like to start us off? 18 MS. BOCKSTRUCK: Sure, Your Honor. Spire 19 would like to thank the Commission and the RLJ for their 20 flexibility in giving Spire and the other parties additional time to reach a final resolution of the 2016, 21 2017, and 2018 ISRS cases. Spire Missouri, the Staff of 22 23 the Commission, and the Office of the Public Counsel 24 have reached an agreement that cumulatively resolves the 25 directive by the Missouri Western District Court of

Appeals as to all six ISRS cases spanning from 2016 through 2018.

As you know, the mandates remanded the cases back to the Commission in order to determine the amount of costs relating to the Court's decision on plastics to be refunded to customers in the 2016 and 2017 ISRS cases, as well as the amount of costs to be refunded to customers in the 2018 cases relating to the Court's decision regarding cast iron and bare steel facilities not shown to be worn out or deteriorated.

Consistent with virtually every settlement, I should note that none of the parties to this agreement shall be deemed to have approved or acquiesced in any ratemaking or procedural principle, a condition that is specifically set out in paragraph 9 of the agreement. That said, the parties worked very hard to reach an agreement on a complicated set of cases and we are very pleased to have reached a result that is acceptable to everyone.

To resolve all of the cases, the parties have agreed that Spire Missouri will refund \$15 million to its customers in the form of a one-time credit on customer bills. The credit will be applied to customer bills rendered this August 2020. The residential credit for Spire East would be \$7.04 per customer bill and for

Spire West, \$17.75 per customer bill. 1 2 The parties also agreed that Spire's current revenue requirement will remain unchanged. We have here 3 4 today Wesley Selinger, Spire's manager of rates and 5 planning, available for Commission questions. 6 you. 7 JUDGE DIPPELL: Thank you. All right. 8 Mr. Chairman, would you like to ask Spire questions at 9 this time or would you want to hear from anyone else 10 first? 11 CHAIRMAN SILVEY: Thank you, Judge. I do have 12 one question and I think it primarily just relates to So I'll ask it now, if that's fine with you. 13 14 JUDGE DIPPELL: Go right ahead. 15 CHAIRMAN SILVEY: So this Stipulation and 16 Agreement just resolves the six remanded cases from 17 2016, '17, and '18 appeals, and I know the issues that 18 are in dispute are different than the 2019 cases, but 19 this agreement doesn't have any impact on the 2019 cases 20 currently pending in the appellate court; is that right? 21 MS. BOCKSTRUCK: That is correct. 22 CHAIRMAN SILVEY: Okay. Thank you. That's my 23 question, Judge. 24 JUDGE DIPPELL: All right. I'm not 100 25 percent sure, Commissioner Kenney, are you on the line?

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I don't think he's joined us yet. Commissioner Rupp,
 1
 2
    did you have any questions for Spire? I'm seeing him
     shake his head no.
 3
 4
               COMMISSIONER RUPP: None today. Thank you.
 5
               JUDGE DIPPELL: Commissioner Coleman, did you
 6
    have questions? Commissioner Coleman, if you're talking
     -- there you are. Commissioner Coleman, are you on the
 7
 8
     line? I can see you but not hear you. All right.
 9
              COMMISSIONER COLEMAN: I am not talking.
10
               JUDGE DIPPELL: Now you are talking.
11
              COMMISSIONER COLEMAN: But I shouldn't have
12
    been. Somehow my mute jumped off. I'll re-mute.
              JUDGE DIPPELL: Okay. I'll take that as no
13
    questions. Commissioner Holsman, did you have
14
15
    questions?
16
              COMMISSIONER HOLSMAN: I do not.
                                                No
17
     questions.
18
              JUDGE DIPPELL: Okay. Thank you, sir. Well,
19
     let me see then. What actions, Ms. Bockstruck, do you
20
     envision from the Commission from here other than
21
     approving the agreement? Are there going to be tariffs
22
     filed to follow this up or how is it going to be
23
     implemented?
              MS. BOCKSTRUCK: We don't believe that a
24
25
     tariff filing will be necessary. We would just issue
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the bill credit in August consistent with the Commission order, assuming this is approved.

2.5

JUDGE DIPPELL: So the only action that's needed from the Commission here to implement this then is to approve the agreement?

MS. BOCKSTRUCK: That's correct.

JUDGE DIPPELL: Okay. All right. Mr. Berlin, did Staff have anything they wanted to present with regard to the agreement?

MR. BERLIN: Briefly, Judge. Staff wants to emphasize again what Spire had mentioned in its opening statement that this settlement agreement is the product of a great deal of negotiation and working together to be able to best meet the Court's mandate, and we believe that this settlement agreement is fair, it's reasonable, it's in the public interest, it provides a refund to the customer and ratepayer that is in the most expeditious manner available per the Court's mandate, and we believe that the Stipulation and Agreement also, of course, satisfies the Court's mandate as well on the remanded cases.

Other than that, Judge, I have nothing else to add other than to make any Staff witnesses available should there be any more technical questions that I may not be able to answer. Thank you, Judge.

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1
               JUDGE DIPPELL: Thank you, Mr. Berlin.
 2
    Mr. Chairman, did you have any questions for Staff?
 3
               CHAIRMAN SILVEY: Thank you, Judge.
               JUDGE DIPPELL: I'm sorry. Was that no?
 4
 5
               CHAIRMAN SILVEY: I said I do not. Thank you,
 6
    Judge.
 7
               JUDGE DIPPELL: Okay. Thank you.
 8
    Commissioner Rupp, did you have any questions for Staff?
 9
               COMMISSIONER RUPP: Not at this time.
                                                      Thank
10
    you.
11
               JUDGE DIPPELL: Thank you. Commissioner
12
    Coleman, any questions? I don't believe she does.
13
     Commissioner Holsman, any questions from you?
14
               COMMISSIONER HOLSMAN:
                                      No questions.
15
               JUDGE DIPPELL: All right.
16
               COMMISSIONER HOLSMAN: No questions.
17
               JUDGE DIPPELL: Thank you, sir. We'll go to
18
    OPC then. Does OPC have anything additional they'd like
19
     to add about the agreement?
20
               MR. CLIZER: Not overly much. Of course, I
    would echo what's been said before, this is obviously
21
22
    the result of a great deal of negotiation. The OPC is
23
    pleased with the ultimate outcome. The only thing I
24
    would add is to point out that where the emphasis of
25
     this settlement is the finality that we are settling all
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six of these cases totally and completely and we hope
 1
 2
     that they will not have to return before the Commission
    at any point in the future, because we have resolved
 3
    what we believe to be all of the issues both from remand
 4
 5
     and any future problems. That finality is the primary
 6
    benefit from this settlement. Other than that, I have
 7
    nothing further to add beyond what has already been said
 8
    and I'd ask the Commission approve the stipulation.
 9
               JUDGE DIPPELL: Thank you, Mr. Clizer.
10
    Mr. Chairman, any questions for Public Counsel?
11
               COMMISSIONER SILVEY: No questions. Thank
12
    you, Judge.
13
               JUDGE DIPPELL: Thank you. Are there any
14
    Commissioner questions from Commissioner Rupp?
15
               COMMISSIONER RUPP: No, thank you.
               JUDGE DIPPELL: Commissioner Coleman, any
16
17
     questions?
18
               COMMISSIONER COLEMAN: No questions.
                                                     Thank
19
    you.
20
               JUDGE DIPPELL: Commissioner Holsman, any
21
    questions?
22
               COMMISSIONER HOLSMAN: No questions.
23
               JUDGE DIPPELL: All right then. Well, I think
24
     that that covers it then unless there are any other
    procedural matters that the parties need to bring up
2.5
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1	before we're done. I appreciate the hard work that
2	everyone did. I appreciate the ability to take this
3	online so that we could maintain our social distance in
4	these interesting times that we're operating in right
5	now. Are there any other issues from the parties that
6	need to come before the Commission?
7	Okay. I don't see any. Then I believe that
8	will conclude this proceeding. Again, thank you all
9	very much for your participation and thank you for
10	settling with this agreement. We can go off the record.
11	(Off the record.)
12	
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1	CERTIFICATE OF REPORTER
2	
3	I, Beverly Jean Bentch, RPR, CCR No. 640,

Certified Court Reporter with the firm of Tiger Court Reporting, LLC, within the State of Missouri, do hereby certify that I was personally present at the proceedings had in the above-entitled cause at the time and place set forth in the caption sheet thereof; that I then and there took down in Stenotype the proceedings had; and that the foregoing is a full, true and correct transcript of such Stenotype notes so made at such time

12 and place.

Beverly Jean Bentch

Beverly Jean Bentch, RPR, CCR No. 640

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