

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held by telephone and internet audio conference on the 24<sup>th</sup> day of February, 2021.

In the Matter of Spire Missouri Inc.'s d/b/a )  
Spire 2018/2019 Purchased Gas/Actual )  
Cost Adjustment filing for its Spire Missouri )  
West Operating Unit )

**File No. GR-2020-0122**

**ORDER ESTABLISHING ENDING ACA BALANCE**

Issue Date: February 24, 2021

Effective Date: March 26, 2021

The Commission opened this file to receive the 2018-2019 Purchased Gas Adjustment (PGA) and Actual Cost Adjustment (ACA) filings for Spire Missouri Inc. d/b/a Spire, specifically for its Spire Missouri West (Spire West) Operating Unit. As directed, the Staff of the Missouri Public Service Commission (Staff) filed a recommendation regarding that ACA filing on December 15, 2020. Staff's recommendation and memorandum indicated Staff had completed an audit of billed revenues and actual natural gas costs, for the period October 1, 2018, through September 30, 2019, that were included in Spire's computation of its ACA balances.

Staff's recommendation and memorandum sets out the ending balance contained in Spire's ACA filing, but does not recommended any monetary adjustments to that ending balance. Staff made non-monetary recommendations regarding school transportation pools and hedging. Spire filed a response of Staff's recommendation on February 1, 2021.

Staff reviewed the incidents of monthly imbalances for transportation customers and pools and compared the estimated imbalances of school aggregation pools to

imbalances of other transportation customers. Staff noted an imbalance incident for every transportation customer or pool for every month in the ACA review period. School pools tend to be less in balance than firm transportation pools. Schools in the Spire West service area are on various billing and metering cycles, so their pool gas nominations and usage cannot all be aligned to the same period for comparison. Spire presently does not have the means to align these meter reads or the technology installed to further automate meter reading in its Spire West division. Staff recommended that Spire review its school aggregation provisions to ensure that they properly incentivize school aggregation pool operators to balance use and deliveries. Spire stated it will continue to review its school aggregation provisions and work to encourage school aggregation pool operators to balance use and deliveries.

Staff also had a general recommendation regarding Spire's hedging program. Staff recommended Spire analyze the benefits and costs based on the outcomes from its hedging strategy, and evaluate any potential improvements to achieve a cost effective hedging outcome as Spire reviews and develops its hedging program each year in its Risk Management Strategy. Spire states that it is constantly evaluating its hedging strategy and tracking its effectiveness, and will continue to perform these evaluations in the future.

After reviewing Staff's recommendations and Spire's response, the Commission concludes that Staff's ending ACA balances should be accepted as a resolution of Spire's 2018-2019 ACA audit.

**THE COMMISSION ORDERS THAT:**

1. The ending over-recovery balance for Spire Missouri Inc.'s d/b/a Spire

2018-2019 Actual Cost Adjustment for its Spire Missouri West Operating Unit is established as \$(21,750,322.69).

2. This order shall become effective on March 26, 2021.
3. This file shall be closed on March 29, 2021.



**BY THE COMMISSION**

A handwritten signature in black ink that reads "Morris L. Woodruff". The signature is written in a cursive, flowing style.

Morris L. Woodruff  
Secretary

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

Clark, Senior Regulatory Law Judge