Exhibit No:	___
Issue:	**Case Overview**
Witness:	**Trisha E. Lavin**
Type of Exhibit:	**Direct Testimony**
Sponsoring Party:	**Spire Missouri Inc.**
Case Nos.:	**GR-2025-**
Date Prepared:	**January 17, 2025**

SPIRE MISSOURI INC.

GR-2025-

DIRECT TESTIMONY

OF

TRISHA E. LAVIN

JANUARY 17, 2025

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DIRECT TESTIMONY OF TRISHA LAVIN

Q: PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A: My name is Trisha E. Lavin and my business address is 700 Market St., St. Louis, Missouri, 63101.

Q: WHAT IS YOUR PRESENT POSITION?

A: I am presently employed as a Senior Regulatory Analyst at Spire Missouri Inc. ("Spire" or the "Company").

Q: PLEASE STATE HOW LONG YOU HAVE HELD YOUR POSITION AND BRIEFLY DESCRIBE YOUR RESPONSIBILITIES.

A: I have been in my current position since September 2022. In my position, I am responsible for assisting in many facets of regulatory research, planning, and modeling. I assist in the preparation of Spire's, and its Spire East and Spire West operating units, regulatory mechanisms, including but not limited to the Company's Infrastructure System Replacement Surcharge ("ISRS") filings.

Q: WHAT WAS YOUR EXPERIENCE PRIOR TO ASSUMING YOUR CURRENT POSITION WITH THE COMPANY?

A: I joined Spire as a Regulatory Analyst in 2018 and prior to that I obtained a bachelor's degree of economics with a minor in international studies from the University of Illinois-Springfield in 2017 and received my master's degree of political science from the same institution in 2019. During the master's program I was a graduate assistant to the Director of the Center for Business and Regulation within the College of Business and Management. In this role, I undertook regulatory research to further understand the relationship between regulators and businesses, as well as assisted in hosting the American Gas Association Rate Schools in Chicago, Illinois for both the introductory and advanced courses.

Q: HAVE YOU PREVIOUSLY FILED TESTIMONY BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION ("COMMISSION")?

A: Yes. I filed testimony in Case Nos. GR-2021-0108, GO-2022-0171, GO-2023-0203, GO-2023-0432, GO-2024-0214, GR-2025-0026 and GR-2025-0107.

PURPOSE

Q: WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?

A: The purpose of my Direct Testimony is to sponsor Spire Missouri's ISRS application and supporting appendices and to provide a general overview of the Company's ISRS requests for its Spire East and Spire West operating units and brief discussion on the Company's competitive bidding process for replacements performed by contractors, and handling of incremental costs. I also will explain the Company's rationale for including ISRS eligible Leaks covered under Blanket Work Orders as well as discuss the ISRS revenue cap that was set in Case No. GR-2022-0179.

FILING OVERVIEW AND APPENDICES

Q: PLEASE PROVIDE A DESCRIPTION OF THE COMPANY'S REQUESTS IN THIS PROCEEDING.

A: The ISRS statutes allow the Company to recover all costs associated with its ISRS eligible projects that help enhance the safety and reliability of our system, including, under § 393.1009(5), RSMo.:

> "any cast iron or steel facilities including any connected or associated facilities that, regardless of their material, age, or condition, are replaced as part of a qualifying replacement project in a manner that adds no incremental cost to a project compared to tying into or reusing existing facilities."

In this case, Spire is requesting recovery of the revenue requirements related to ISRS eligible capital investments made from September 1, 2024 through February 28, 2025. In the Company's most recent rate case, Case No. GR-2022-0179, the Commission approved

a Full Unanimous Stipulation and Agreement ("Stipulation") that included an agreement that there will be a single Spire Missouri Inc. ISRS rate cap, even though the Company will maintain two separate ISRS rates for its Spire East and Spire West operating units.

Q: WHAT IS THE COMPANY'S ISRS RATE CAP AS SET BY THE STIPULATION IN CASE NO. GR-2022-0179?

A: The ISRS rate cap is $72,658,424. The Company's cumulative ISRS revenues since GR-2022-0179 are $53,642,174.

Q. WILL THE COMPANY REACH THE ISRS CAP IN THIS FILING?

A. If all planned investments through February 28, 2025, are made, yes.

Q: WHAT THEN ARE THE COMPANY'S PROPOSED INCREMENTAL ISRS REVENUES IN THIS FILING?

A: Spire East's incremental revenue requirement in this proceeding, including the *pro forma* months of January 2025 and February 2025 is $5,400,118 and Spire's West revenue requirement in this proceeding, including the *pro forma* months of January 2025 and February 2025, is $13,161,132. Spire will update the revenue requirements when actual costs for January and February 2025 are available.

Q: PLEASE DESCRIBE THE WORKPAPERS AND APPENDICES THE COMPANY HAS PROVIDED IN SUPPORT OF ITS APPLICATION IN THIS CASE.

A: The Company's current filing consists of the supporting appendices and schedules for both Spire East and Spire West. Additionally, concurrently with this filing, Spire is providing documentation supporting mandated relocations, work order authorization sheets for all ISRS eligible projects included in the filing, Engineering cost analyses and drawings, and models detailing investments captured under blanket work orders for both Spire East and Spire West.

COMPETITIVE BIDDING PROCESS

Q: WHAT ARE THE ISRS COMPETITIVE BIDDING REQUIREMENTS?

A: Section 393.1012.4 requires that in order for a gas corporation to establish or change an ISRS, it must have developed and filed a pre-qualification process for contractors seeking to participate in competitive bidding to install ISRS-eligible plant. In addition, this section requires that a gas corporation use, "…competitive bidding process for no less than twenty-five (25) percent of the combined external installation expenditures made by the gas corporation's operating units in Missouri."

Q: DOES THE COMPNAY HAVE A PRE-QUALIFICATION PROCESS IN PLACE?

A: Yes. Spire developed and filed its pre-qualification process for contractors with the Commission on April 29, 2021, in Case No. GO-2021-0382.

Q: HAS THE COMPANY COMPEITIVELY BID NO LESS THAN TWENTY-FIVE PERCENT OF ITS COMBINED EXTERNAL INSTALLATION EXPENDITURES FOR ITS ISRS ELIGIBLE PROJECTS?

A: Yes.

Q: **PLEASE BRIEFLY DESCRIBE HOW THE COMPANY DETERMINDED THAT IT MET THE TWENTY-FIVE PERCENT THRESHOLD?**

A: The Company's West service territory uses contractors for ISRS installations, while its East service territory does not. Therefore, all calculations surrounding the twenty-five percent threshold is solely based on Spire West. All ISRS projects for Spire Missouri West that are completed utilizing a contractor for installation are tracked by Operations Analytics. Those projects are then identified as Competitive Bid projects or non-bid projects. The Competitive Bid project bucket total is then divided by the total installation

bucket which results in the Competitively Bid percentage. This calculation is detailed in Schedule TEL-D1 of my testimony.

INCREMENTAL COSTS

Q: HOW IS THE COMPANY TREATING INCREMENTAL COSTS IN THIS FILING?

A: Spire is remaining consistent in the treatment of incremental costs. As with the five previous ISRS filings, after the Engineering Department finishes its analyses, the information is sent to the Regulatory Department. The Regulatory Team then reviews the information provided, and if the analyses show incremental costs are associated with the replacement of the interspersed facilities, that incremental cost is then removed from the ISRS application and recovery is not sought on that incremental piece.

Q: PLEASE PROVIDE A BRIEF EXAMPLE.

A: Assume a particular project costs $100 and the Company's engineering cost analysis for that project indicates that the Company's replacement approach is $10 more than using existing facilities, thus making the total project cost $110. That $10 would then be considered an incremental cost and would be backed out and not included in the ISRS application. Only the $100 of the addition amount would be included for recovery.

LEAK ELIGIBILITY UNDER BLANKET WORK ORDERS

Q: WHAT IS THE METHODOLOGY TAKEN BY THE COMPANY TO IMPROVE LEAK ELIGIBILITY?

A: The Company added a new field to the Blanket Work Order query that had last been updated in 2021. For leak repair work types, the new field identifies whether the leak was exposed in the field. If a leak was not exposed in the field but noted as a repair, then the

decision is made to replace the existing asset, but the specific leak cause remains unidentified. There are instances, however, when the asset/leak is exposed in the field even when the leak cause is still unknown.

Q: WHY DID THE COMPANY MAKE THIS CHANGE?

A: Prior to the Case No. GR-2025-0026, if the Leak Cause was "Unknown" on a Leak Repair Job Type, we would automatically deem that work order ineligible for ISRS recovery. Since the Company utilizes various methods to address leaks, the decision was made to add a new field onto the Blanket Work Order query to denote if a leak was exposed or not in the field to begin tracking this for ISRS purposes. Lack of field exposure should not automatically deem the work ineligible for ISRS recovery, as leaks are being corrected through asset replacement.

Q: HAS THE COMPANY INCLUDED THIS CHANGE IN PREVIOUS FILINGS?

A: Yes. The Company included this new query field in GR-2025-0026. During that case, there were no questions or concerns regarding the change.

CONCLUSION

Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

A. Yes, it does.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Spire Missouri Inc.'s Request to Implement an Infrastructure System Replacement Surcharge for the Company's Missouri Service Areas	)))))	File No. GR-2025-

VERIFICATION

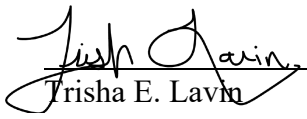
STATE OF MISSOURI	)	
	)	SS.
CITY OF SAINT LOUIS	)	

Trisha E. Lavin, of lawful age, under penalty of perjury, states:

1. My name is Trisha E. Lavin. I am Senior Regulatory Analyst for Spire Missouri Inc. My business address is 700 Market Street, Saint Louis, Missouri 63101.

2. Attached hereto and made a part hereof for all purposes is my direct testimony on behalf of Spire Missouri Inc.

3. My answers to each question in the attached direct testimony are true and correct to the best of my knowledge, information, and belief.



Trisha E. Lavin

1/17/2025
Date

	Sep-Dec	Jan	Feb	Forecast	Total
Contractor	12,273,772	5,658,297	7,129,173	12,787,470	25,061,242
Competitive Bid	6,953,239	2,046,193	5,033,419	7,079,612	14,032,851
Competitvely Bid %	**36.2%**	**26.6%**	**41.4%**	**35.6%**	**35.9%**