

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

In the Matter of Spire Missouri Inc. d/b/a Spire's	)	
Application to Update its Weather Normalization	)	<b>Case No. GO-2026-0001</b>
Adjustment Rider (WNAR) for Spire East and Spire	)	
West	)	

**SPIRE MISSOURI INC.'S RESPONSE**  
**TO THE OFFICE OF PUBLIC COUNSEL'S RESPONSE**  
**TO APPLICATION TO**  
**WEATHER NORMALIZATION ADJUSTMENT**  
**RIDER (WNAR) FOR SPIRE EAST AND SPIRE WEST**

COMES NOW Spire Missouri Inc. ("Spire Missouri" or "Company") and, in response to the Office of Public Counsel's response to the Company's Application to Update its Weather Normalization Adjustment Rider (WNAR) for Spire East and Spire West ("Application"), states as follows:

**Procedural Background**

1. The Company filed its Application and Fourth Revised Tariff Sheet No. 13.9 ("Tariff Sheet") on July 1, 2025 to adjust its revenue to account for the effects of abnormal weather and recover the Company's revenue deficiency.
2. On July 29, 2025, Staff of the Missouri Public Service Commission ("Staff") filed its response to the Application, recommending that the Commission approve the Company's Tariff Sheet.
3. On August 4, 2025, the Office of Public Counsel ("OPC") filed its response to the Application, requesting the Commission to deny the Tariff Sheet and order the Company to file a new tariff sheet.

### Issue

4. The sole issue raised by OPC is whether the Company can request a Weather Normalization Adjustment Rider (“WNAR”) rate of \$0.05128/Ccf for its Spire East service area.<sup>1</sup>

### Argument

OPC argues that the Company is only permitted to set a WNAR rate of \$0.05/Ccf or lower. The basis of OPC’s position lies with the Commission’s order<sup>2</sup> (“WNAR Order”) in a previous general rate proceeding involving the Company. The specific portion of that order to which OPC cites, provides:

“The Commission further finds that the \$0.01 per therm (or ccf) limit on adjustments under the WNAR tariff as proposed by Staff should be eliminated but that a limit of \$0.05 per therm (or ccf) *on upward adjustments* should be included. This will ensure that *any monthly increase* for the average customer *will not be so high as to create rate shock* while providing customers with an opportunity to receive a larger monthly decrease if the weather is exceptionally cold. The WNAR tariff shall also provide that any adjustments falling outside the \$0.05 limit will be deferred for recovery from customers in the next WNAR adjustment. Thus, this mechanism becomes similar to the PGA/ACA process with regard to adjustments and a true-up period.”<sup>3</sup> (emphasis added)

OPC appears to interpret “upward adjustment” as meaning any adjustment from a base line of zero rather than from the existing WNAR rate. Effectively, OPC’s interpretation is that there is a hard cap of \$0.05/Ccf for Spire’s WNAR rate.

OPC’s interpretation of the Commission’s WNAR Order is incorrect. The correct reading of the term “upward adjustment” is the total amount of the increase the Commission may approve to the currently established WNAR rate. In support of its position, the Company applies the rule

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<sup>1</sup> OPC does not raise an issue with the Company’s proposed WNAR rate for its Spire West service area.

<sup>2</sup> Report and Order issued February 21, 2018, effective March 3, 2018 (Case Nos. GR-2017-0215 and GR-2017-0216).

<sup>3</sup> Id. at 83-84.

of *noscitur a sociis*, “a word is known by the company it keeps.”<sup>4</sup> Here, the words of the WNAR Order demonstrate that the Commission’s concern was to prevent an increase to the monthly WNAR rate that would create a rate shock to the customer. If the rate was just capped annually at \$0.05/Ccf, there would be no need for the rate shock concern raised in the WNAR Order. Therefore, it follows that preventing an increase to the rate of more than \$0.05/Ccf, rather than capping the rate itself at \$0.05/Ccf each year, was the Commission’s intent. Accordingly, the Company contends that the Commission’s WNAR Order was to prevent an upward adjustment of more than \$0.05/Ccf from the existing WNAR rate in any given year, not to cap the rate at \$0.05/Ccf.

Moreover, the Commission also stated its intention for the WNAR mechanism to work like the Actual Cost Adjustment (“ACA”) mechanism, allowing for a reconciliation mechanism that would account for over or under recovery caused by weather. Just as the Commission allows adjustments to the ACA to reconcile annual gas costs with the actual recovery of such costs, the Commission intended for the WNAR to do the same. However, capping the WNAR rate at \$0.05/Ccf would never allow the mechanism to actually function like the ACA, and could put the Company at risk of never fully recovering its costs in the event the balance continues to grow.

The current WNAR rate approved for Spire East, set at \$0.07577/Ccf,<sup>5</sup> is above \$0.05/Ccf and was recommended by Staff and approved by the Commission. In its recommendation in both this case and the previous case, Staff appears to be in agreement that the \$0.05 cap refers to the upward WNAR adjustment from the existing WNAR rate, rather than the maximum rate that can be approved. Likewise, the Commission’s approval of the current WNAR rate of \$0.07577/Ccf

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<sup>4</sup> *Union Elec. Co. v. Director of Revenue*, 425 S.W.3d 118, 122 (Mo. banc. 2014).

<sup>5</sup> Order Approving WNAR Tariff Sheet issued August 14, 2024, effective September 1, 2024 (Case No. GO-2025-0001).

demonstrates that the Commission itself takes the WNAR Order of \$0.05/Ccf limit to be a total annual increase, rather than a hard cap of the rate. Spire Missouri is also not the only gas utility in the state with the \$0.05/Ccf upward adjustment limit in its tariff, or the only gas utility with a WNAR rate exceeding \$0.05/Ccf. Similar to the Company's position in this case, the Commission has approved requests for those other gas companies, setting WNAR rates above \$0.05/Ccf. Therefore, approving the Company's request in this case would be consistent with the Commission's prior rulings. Additionally, it is important to note that OPC did not oppose or respond to the Company's previous WNAR rate request of \$0.07577/Ccf.

Finally, the Company has requested a *downward* adjustment from the current WNAR rate, to \$0.05128/Ccf. This request complies with the Commission's WNAR order and has been recommended by Staff. As such, the Commission should reject OPC's recommendation that the Commission deny the Company's proposed tariff sheet.

**WHEREFORE**, having fully responded to the response filed by the Office of Public Counsel, Spire Missouri respectfully requests that the Commission deny the Office of Public Counsel's request, approve the Company's Application, order the proposed WNAR Tariff Sheet to become effective on September 1, 2025, and grant any other relief as is just and reasonable.

Respectfully submitted,

/s/ Sreenivasa Rao Dandamudi

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**ATTORNEY FOR SPIRE MISSOURI INC.**

**CERTIFICATE OF SERVICE**

The undersigned certifies that a true and correct copy of the foregoing Application of Spire Missouri was served to all counsel of record on this 11<sup>th</sup> day of August 2025 by electronic mail.

/s/ Julie Johnson