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) <u>Case No. GO-2026-0001</u>
Normalization Adjustment Rider (WNAR)) Tracking No. JG-2026-0001
for Spire East and Spire West)

ORDER APPROVING WEATHER NORMALIZATION ADJUSTMENT RIDER TARIFF SHEET

Issue Date: August 19, 2025 Effective Date: September 1, 2025

On July 1, 2025, Spire Missouri Inc. (Spire Missouri) filed proposed revisions to its Weather Normalization Adjustment Rider (WNAR) tariff sheet, assigned Tracking Number JG-2026-0001. The proposed changes to the WNAR tariff sheet would decrease the monthly bill of the average residential customer. The tariff sheet bears a September 1, 2025, effective date.

The purpose of the WNAR tariff sheet is to adjust revenues, either positive or negative, for differences between actual heating degree days and normal heating degree days. The WNAR is the measurement of the gas usage response of the residential customers to weather. The tariff sheet filed is a mandatory annual rate filing to adjust Spire Missouri's revenue to account for the effects of abnormal weather. The rate adjustment will be effective for a period of 12 months.

On July 29, 2025, the Staff of the Commission (Staff) filed its recommendation and memorandum. Staff reviewed the tariff sheet and corresponding workpapers and weather data, and recommended approval of the tariff sheet. Staff explained that the WNAR adjustment would decrease the average monthly bill of a Spire East residential customer

consuming 100 ccf¹ of natural gas by an estimated \$2.45. Similarly, a residential customer in the Spire West rate district consuming 100 ccf of gas would receive an estimated bill decrease of approximately \$2.25 compared to the current WNAR rate.

The Commission set a time for responses to the application or Staff's recommendation for approval.

The Office of the Public Counsel (OPC) filed its *Response to Application to Update Weather Normalization Adjustment Rider for Spire East and Spire West* (Response). The Response argues that the Commission had set a limit on the total WNAR rate of \$0.05 per therm (or ccf) in a prior Spire Missouri rate case, Case No. GR-2017-0215.² The Response recommends denial of Spire Missouri's proposed tariff sheet as it exceeds the per therm (or ccf) rate limit.³

The Response's argument relies on a paragraph from the Commission's Amended Report and Order issued in Case No. GR-2017-0215, as follows:

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.

Staff and Spire Missouri each responded to the Response. Both argue that the

¹ Ccf is a volume measurement of natural gas and equals 100 cubic feet of natural gas.

² OPC's concern regarding the limit only applies to the submitted adjustment for Spire East.

³ The Response also recommended that language regarding deferred recovery be ordered by the Commission; however, the requested language is already included in the tariff of Spire Missouri – see Tracking No. YG-2022-0162, P.S.C. MO. No. 9 - Original Sheet No. 13.8.

term 'adjustment' references a limit on the interim (or periodic) changes – in other words each interim upward adjustment is capped at \$0.05 per therm (or ccf). OPC filed its *Reply to the Response of Spire Missouri Inc. and the Staff of the Public Service Commission* (Reply). The Reply argued that the term adjustment refers to the WNAR rate in its entirety. Spire Missouri subsequently filed its *Motion for Leave to File and Surreply to OPC*.

The Commission agrees with the position of Staff and Spire Missouri. The term adjustment is a reference to the interim (periodic) changes to the WNAR, not the WNAR rate in its entirety. The term adjustment is consistently used in the same manner in both the Commission's order in Case No. GR-2017-0215 and Spire Missouri's tariff rider. While it is unfortunate that the word adjustment is used for both the interim change and is used in the title of the tariff rider, the Commission's interpretation is based on the plain language of the Commission's order cited by OPC. Thus, the Commission interprets the language of Spire Missouri's tariff rider as enacting a limit of \$0.05 per therm (or ccf) on the interim (periodic) upward adjustments to the WNAR.

No party has objected to the calculations of the pending adjustments to the WNAR. The Commission has reviewed the tariff sheet and Staff's recommendation and memorandum and finds that the tariff sheet should be approved. To allow the tariff sheet to become effective on the date requested, the Commission finds it reasonable that this order shall go into effect in less than 30 days.

THE COMMISSION ORDERS THAT:

1. The tariff sheet filed by Spire Missouri on July 1, 2025, and assigned Tracking No. JG-2026-0001, is approved to become effective on September 1, 2025, as follows:

P.S.C. MO. No. 9

4th Revised Sheet No. 13.9 Cancelling 3rd Revised Sheet No. 13.9

- 2. This order shall become effective on September 1, 2025.
- 3. This case shall be closed on September 2, 2025.

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BY THE COMMISSION

Nancy Dippell

Nancy Dippell Secretary

Charles Hatcher, Senior Regulatory Law Judge, by delegation of authority pursuant to Section 386.240, RSMo 2016.

Dated at Jefferson City, Missouri, on this 19th day of August, 2025.

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 19th day of August 2025.

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Nancy Dippell Secretary

MISSOURI PUBLIC SERVICE COMMISSION August 19, 2025

File/Case No. GO-2026-0001

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Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,

Nancy Dippell Secretary

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.