MISSOURI
PUBLIC SERVICE COMMISSION

2020

ANNUAL REPORT

PSC COMMISSIONERS

Pictured left to right: Commissioner **Jason R. Holsman**; Commissioner **Scott T. Rupp**; Chairman **Ryan A. Silvey**; Commissioner **Maida J. Coleman**; Commissioner **William P. Kenney**

Missouri Public Service Commission

WILLIAM P. KENNEY
Commissioner

MAIDA J. COLEMAN
Commissioner

RYAN A. SILVEY
Chairman

POST OFFICE BOX 360
JEFFERSON CITY, MISSOURI 65102
573-751-3234
573-751-1847 (Fax Number)
http://psc.mo.gov

SCOTT T. RUPP
Commissioner

JASON R. HOLSMAN
Commissioner

October 20, 2020

The Honorable Michael L. Parson
Governor of Missouri
State Capitol
Jefferson City, Missouri

Dear Governor Parson:

As Chairman of the Missouri Public Service Commission, it is my pleasure to submit the agency's Annual Report for the fiscal year July 1, 2019 through June 30, 2020, as well as additional information for the calendar year 2020. The Commission's work this year included the following:

- **COVID-19 Pandemic:** During this past year, all Missourians have been impacted by the COVID-19 pandemic. All of the regulated public utilities have continued to provide safe and reliable service through the COVID-19 pandemic and the Commission has supported the utilities' voluntary efforts to support their customers during this difficult time. At the request of many utilities, the Commission authorized variances or waivers of certain tariff provisions. The Commission approved several requests by utilities to forgo assessing late payment fees and to suspend the disconnection of service due to non-payment. Due to the specific language in the tariffs, some utilities were able to adopt similar provisions without Commission approval. Some of the low-income programs that utilities offer customers have also been modified to allow continued participation or expansion of the program. Despite closure of the Governor Office Building to the public, the Commission continued to conduct weekly agenda meetings and case hearings via WebEx and streamed live on the Commission's website. The Commission also participated in the Governor's Fusion Cell, sharing information about the impacts of COVID-19 on Commission-regulated industries to help Missourians recover from the pandemic.
- **Working Dockets:** The Commission opened several working dockets during the fiscal year including: Affiliate Transactions Rules; potentially combining electric and natural gas promotional practices into a single promotional practices rule; addressing a proposed rule by the Office of the Public Counsel to establish standardized reporting requirements for utilities to facilitate proper data collection regarding customer service disconnection policies and practices; consideration of possible amendments to rules on electric utility renewable energy standard requirements; and consideration of best practices for the recovery of past-due customer payments after the COVID-19 pandemic emergency.
- **Electric Vehicle (EV) Charging Stations:** The Commission approved an agreement designed to provide for more electric vehicle (EV) charging stations in Ameren Missouri's service territory. Under the agreement, public charging, workplace charging and multi-family charging programs will be established. In February 2019, the Commission approved a pilot program for Ameren Missouri to promote fast Direct Current (DC) electric vehicle charging stations along highway corridors in an effort to expand EV adoption in Missouri.

The Commission also opened a working case to evaluate potential mechanisms for further development of Missouri's electric vehicle charging network.

- **MEEIA Cycle 3 Programs**: The Commission approved a Cycle 3 Missouri Energy Efficiency Investment Act (MEEIA) program for Evergy Missouri Metro and Evergy Missouri West (Evergy Missouri) which includes a three year plan for specific demand-side programs and a six year plan for the income-eligible multi-family program. It also included a one year pilot Pay As You Save® (PAYS®) program. The Commission also approved an extension of Ameren Missouri's Cycle 3 MEEIA which will run through plan year 2022. It includes a Pay As You Save® (PAYS®) program in 2021. The PAYS® program would allow utilities to invest in efficiency upgrades on the customer's side of the meter and recover their costs through a tariffed charge on the participant's bill.
- **Wind Generation/Solar:** The Commission approved a certificate of convenience and necessity (CCN) to Ameren Missouri to build a 299 megawatt wind generation facility in Atchison County.
- **Major Rate Case Decisions:** During the fiscal year, the Commission approved agreements which reduced Ameren Missouri's annual electric revenues by approximately $32 million and reduced the permanent rates of Ameren Missouri natural gas customers by approximately $1 million.
- **Commission Becomes a Part of DCI:** In accordance with Executive Order 19-02 and Reorganization Plan No. 2 of 2019, the Public Service Commission became a part of the Department of Commerce and Insurance (DCI) on August 28, 2019.
- **PSC Organizational Changes:** In September 2019, the Commission announced changes to the organizational structure of the agency effective October 1, 2019. The Commission now has five divisions: Administration, Financial and Business Analysis, Industry Analysis, Staff Counsel and General Counsel.
- **Federal Activity:** The Commission continues to be a strong and active voice for Missouri ratepayers by monitoring and intervening in cases before the Federal Energy Regulatory Commission (FERC) and the Federal Communications Commission (FCC).
- **Local Public Hearings:** The Commission held local public hearings across the state to receive customer comment on contested cases. Due to COVID-19, the Commission developed a virtual local public hearing format, giving consumers an opportunity to comment on a pending case before the PSC through their computer or phone without leaving their home. These hearings provide the Commission with an opportunity to educate consumers on the role of the Commission and to answer any questions they may have about the utility services they receive.
- **Open Proceedings:** Consumers can access the Commission's website and view, in real time, hearings in cases before the Commission or watch the Commission conduct business in its weekly Agenda meeting by accessing the website (psc.mo.gov). In addition, consumers can view all public information filed in cases through the Commission's Electronic Filing and Information System (EFIS).

As we have since the Commission was created in 1913, our agency continues to work hard for the citizens of the state and I am proud of our agency's work and dedication to all Missourians during what has been a very difficult time due to the COVID-19 pandemic.

I hope you will find this Annual Report helpful. If there is any additional information I can provide, please contact me.

Sincerely,

Ryan A. Silvey
Chairman

2020

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CONTACTING THE PSC

Missouri Public Service Commission offices are located in Jefferson City, St. Louis and Kansas City. The PSC's regular business hours are from 8:00 a.m.-12:00 noon and 1:00 p.m.- 5:00 p.m., Monday through Friday, except on state holidays.

Jefferson City: Missouri Public Service Commission

Governor Office Building
200 Madison Street
(Mailing Address: P.O. Box 360)
Jefferson City, MO 65102
Telephone No.: (573) 751-3234
Fax: (573) 751-1847

St. Louis: Missouri Public Service Commission

Wainwright State Office Building
111 North 7th Street, Suite 105
St. Louis, MO 63101
Telephone No.: (314) 340-4700, Ext. 27
Fax: (314) 340-4758

Kansas City: Missouri Public Service Commission

Fletcher Daniels State Office Building
615 E. 13th Street, Room 201
Kansas City, MO 64106
Telephone No.: (816) 889-3944
Fax: (816) 889-3957

Toll-free Consumer Hotline for Complaints/Inquiries: (800) 392-4211

Manufactured Housing/Modular Unit Complaints: (800) 819-3180

Website Address: psc.mo.gov

BUDGET

	Fiscal Year 2021
Public Service Commission	
Public Service Commission-Personal Service	$11,566,798
Public Service Commission-Expense & Equipment	$2,285,028
Public Service Commission-Refunds	$10,000
Total	$13,861,826
Full-Time Employees (F.T.E.)	191.00
Deaf Relay Service and Equipment Distribution Program	
Expense & Equipment Appropriation	$2,495,834
Total	$2,495,834
Full-Time Employees (F.T.E.)	0.00
Manufactured Housing Department	
Personal Service	$399,070
Expense & Equipment	$354,472
Program Specific Distribution & Refunds(MH)	$20,000
MH-Refunds	$10,000
Subtotal	$783,542
Program Specific Distribution MH Consumer Recovery*	$192,000
Total	$975,542
Full-Time Employees (F.T.E.)	8.00
TOTAL BUDGET	**$17,333,202**
TOTAL FTE	**199.00**

*Consumer Recovery Fund Appropriation

COMMISSIONERS

Ryan A. Silvey,
Chairman

Chairman Ryan A. Silvey was appointed to the Missouri Public Service Commission by Governor Eric Greitens on January 2, 2018. He was unanimously confirmed by the Missouri State Senate on January 4, 2018. Silvey was appointed Chairman by Governor Michael Parson on September 17, 2018.

He represents the Missouri Public Service Commission on the Board of Directors for the Organization of MISO States (OMS). Within OMS, he is a member of the Seams Liaison Committee.

Prior to his appointment to the Public Service Commission, Chairman Silvey was a Missouri State Senator, serving the 17th Senatorial District since January 2013. The 17th District is located in the Southwest corner of Clay County, and includes parts of Kansas City, Gladstone, Oaks, Oakwood, Oakwood Park, Oakview, Liberty, Glenaire, Pleasant Valley, Claycomo, North Kansas City, Avondale, Randolph and Birmingham.

While in the Senate, Silvey served as the Chairman of the Committee on Commerce, Consumer Protection, Energy and the Environment, which handled legislation regarding utility regulation. He also served as Vice-Chairman of the Senate Appropriations Committee, as well as Vice-Chairman of the Committee on Governmental Accountability and Fiscal Oversight. Additionally, he served as a member on the Committee for Veterans' Affairs and Health, the Joint Committee on Legislative Research and the Joint Committee on Administrative Rules. Furthermore, he was the Senate Representative on the Missouri Technology Corporation Board.

As an 8th generation Missourian, Chairman Silvey was raised in Clay County, where he attended Meadowbrook Elementary, Antioch Middle and Oak Park High Schools. After graduating from Bob Jones University in Greenville, South Carolina, Chairman Silvey became an advisor to U.S. Senator Christopher S. "Kit" Bond on issues such as Science, Technology, Space Policy and National Defense, where he held a Top Secret security clearance.

Before winning election to two terms in the State Senate, Chairman Silvey served four terms in the Missouri House of Representatives, from 2005 through 2012. During that time he was Chairman of the Appropriations General Administration Committee, Chairman of the Joint Committee on Capital Improvements and Leases Oversight, as well as Vice-Chairman of the Small Business Committee, and Vice-Chairman of the Homeland Security Committee.

In 2011, Silvey became Chairman of the powerful House Budget Committee, making him the youngest Legislative Budget Chairman in the nation. Serving as Budget Chairman in 2011 and 2012, Chairman Silvey guided the state through the "Great Recession" by balancing Missouri's budget without raising taxes. Under his leadership, Missouri remained one of just seven states to boast a AAA bond rating.

Chairman Silvey resides in Jefferson City with his wife, Angela, and their two daughters, Taylor Mansker, and Kally Silvey. They attend Fellowship of Grace Church where Ryan plays acoustic guitar in the music ministry.

William P. Kenney, Commissioner

Commissioner Bill Kenney was appointed to the Missouri Public Service Commission by Governor Jay Nixon on January 9, 2013. On January 24, 2013, he was confirmed by the Missouri Senate to a six-year term.

Commissioner Kenney was born in San Francisco, California and grew up in Southern California with his parents and eight siblings. He received an Associate of Arts Degree from Saddleback Junior College and attended Arizona State University prior to graduating from the University of Northern Colorado with a Bachelor's Degree in Business Management.

Commissioner Kenney was drafted as a quarterback in the National Football League by the Miami Dolphins in 1978. He went on to play professional football for 11 years, 10 with the Kansas City Chiefs. Among his many accomplishments were becoming the National Football League's fourth quarterback to ever throw for 4,000 yards in a single season, Pro Bowl 1983 and Kansas City Chiefs Most Valuable Player in 1983.

Upon his retirement from football, Commissioner Kenney became a licensed real estate broker. He is president of Bill Kenney & Associates, a real estate brokerage and development company. He is also president of Bill Kenney Homes, a residential construction company.

Commissioner Kenney was elected to the Missouri Senate in 1994 and served the citizens of eastern Jackson County until 2002. In 2001, Commissioner Kenney was selected by Senate members to serve as the Majority Floor leader, the first Republican to hold this office in over 50 years.

In 1996, Commissioner Kenney was the Republican nominee for Lieutenant Governor. From January 2011 until accepting his current position, Commissioner Kenney was Chief of Staff for Missouri Lieutenant Governor Peter Kinder.

In August of 2013, Commissioner Kenney was appointed to the National Association of Regulatory Utility Commissioners (NARUC) Committee on Gas.

Commissioner Kenney is married to Sandra (Ehrlich) Kenney. They reside in Lee's Summit and have four adult children.

Scott T. Rupp, Commissioner

Scott T. Rupp was sworn in at the Missouri Public Service Commission in April of 2014. Previously he served two terms in the Missouri State Senate from 2006-2014, and two terms as a State Representative from 2003-2006.

Before his career in public service, Commissioner Rupp founded a college preparatory company, where he assisted parents of high school students in preparing their children for college. Upon his election to the Missouri Senate, he sold his businesses and took a position with UMB Bank, where he served as vice president of business development.

Commissioner Rupp earned his Master of Science degree in Energy and Sustainability through the University of Denver, his MBA from Lindenwood University, and his bachelor's degree from the University of Missouri. Scott is a member of the 2017 graduating class of the National Renewable Energy Labs' Executive Leadership Program.

Commissioner Rupp is passionate about providing information to consumers about the energy industry in an easy to understand and straight forward manner. He writes blog posts and produces podcasts about current events in the energy industry, which can be found at his website SimplifyingEnergy.com. Commissioner Rupp is also active on social media on the following platforms: Twitter: @Scott_Rupp LinkedIn: ScottRupp1.

Maida J. Coleman, Commissioner

Former Senator Maida Coleman was appointed to the Missouri Public Service Commission in August 2015.

In addition to her service on the Public Service Commission, Commissioner Coleman is Chair of the National Association of Regulatory Utility Commissioners (NARUC) Committee on Consumers and the Public Interest. She also serves on NARUC's Board of Directors, Broadband Expansion Task Force, and on the Telecommunications and Supplier and Workforce Diversity Committees. Commissioner Coleman is a member of NARUC and the U.S. Department of Energy's Natural Gas Infrastructure Modernization Partnership. In addition, Commissioner Coleman is a member of the Critical Consumer Issues Forum Advisory Committee, the Center for Public Utilities Advisory Council, and the Advisory Council for the Electric Power Research Institute's Board of Directors.

Commissioner Coleman regularly moderates and speaks for numerous community and energy regulatory events. Commissioner Coleman also facilitated a workshop for the United States Agency for International Development Ethiopia Energy Regulatory Partnership in Addis Ababa, Ethiopia and a Peer Review on Emergency Preparedness and Public Consultation in Colombo, Sri Lanka. Commissioner Coleman is a guest columnist for the *St. Louis County Community News.*

Prior to her appointment, Commissioner Coleman was the Director of the Missouri Office of Community Engagement. She previously served as Executive Director of the Missouri Workforce Investment Board at the Department of Economic Development, and in a leadership role at the Missouri Department of Labor.

From 2001 until 2009, Commissioner Coleman served as a State Representative and State Senator from St. Louis, becoming the first African-American woman in state history to serve as Senate Minority Leader.

While in the Missouri Senate, Commissioner Coleman sponsored the Hot Weather Law which prevents utilities from disconnecting cooling-related service for residential customers during summer weather extremes. She also sponsored legislation that became law to protect children from lead poisoning.

Commissioner Coleman previously held management level positions at the Missouri Secretary of State and the St. Louis Housing Authority. She is a former member of the Board of Directors of Heat-Up/Cool-Down St. Louis.

Commissioner Coleman has a B.A. in Journalism from Lincoln University in Jefferson City and was awarded a Doctor of Humane Letters Degree from Harris-Stowe State University in St. Louis.

Jason R. Holsman, Commissioner

Commissioner Jason Holsman was appointed to the Missouri Public Service Commission on January 13, 2020 by Governor Mike Parson and was unanimously confirmed by the Missouri State Senate on January 16, 2020. In addition to his responsibilities at the Commission, he was also appointed to serve on the National Association of Regulatory Utility Commissioners Energy Resources and the Environment Committee.

Prior to his appointment, Holsman was elected and served nearly two terms as a Missouri State Senator to the 7th District. While in the Senate, Holsman served on numerous legislative committees, including the Commerce, Consumer Protection, Energy and the Environment Committee, the Education Committee, the General Laws Committee, the Transportation and Infrastructure Committee, and the Veterans' Affairs and Health Committee. He also served as Chairman for the Prescription Drug Transparency Interim Committee.

Holsman was first elected to the Missouri House of Representatives in 2006 and served three terms. In that chamber, he served as Chair of the Committee on Renewable Energy, as well as the Joint Committee on Urban Agriculture, in which he fought for environmental awareness in Missouri. He also sponsored multiple pieces of legislation promoting a sustainable economy through energy independence and food security. He also served on the Joint Committee on Education, Utilities and International Trade and Business.

Before embarking on a career in the Legislature, Holsman dedicated his career to the field of education, becoming a social studies instructor for the Kansas City, Missouri School District. He made his mark by teaching several subjects, coaching varsity athletics, and serving as Chair of the Principal's Advisory Committee, among other responsibilities. Holsman earned Bachelor of Arts degrees in Political Science and U.S. History from the University of Kansas and a Masters of Arts degree in Diplomacy and Military Science from Norwich University in Vermont. In 2004, he earned his Missouri State Teaching certificate from Northwest Missouri State University. In 2017, Holsman also became a licensed real estate agent. Commissioner Holsman currently resides in Kansas City with his wife and two children.

Daniel Y. Hall, Commissioner

Commissioner Daniel Yves Hall was appointed to the Missouri Public Service Commission on September 27, 2013 by Governor Jay Nixon, and unanimously confirmed by the Missouri State Senate in January 2014. On August 10, 2015, he was appointed Chairman by Governor Nixon and served as Chairman until September 14, 2018.

Commissioner Hall was an active member of the National Association of Regulatory Utility Commissioners (NARUC), serving on its Board of Directors. He also served as Co-Vice Chair of the NARUC Committee on Water, member of the Washington Action Committee, Vice-Chair of the Subcommittee on Education and Research and member of the Board of Directors of the National Regulatory Research Institute (NRRI). In addition, he served as President of the Organization of MISO States. He also served on the Financial Research Institute's Advisory Board and was a member of the Symposium Planning Committee. He was also a board member on the Public Council for the Water Research Foundation.

Daniel Hall resigned on November 4, 2019, following the expiration of his six-year term.

PSC KEY PERSONNEL

COMMISSIONERS

Ryan A. Silvey, Chairman 751-4221
William P. Kenney, Commissioner 526-7796
Scott T. Rupp, Commissioner 751-0946
Maida J. Coleman, Commissioner.......... 751-4132
Jason R. Holsman, Commissioner 751-0946

ADMINISTRATION DIVISION

Loyd Wilson, Director 751-7435
Jamie Birch, Legislative Director 522-8708
Jay Eastlick, Manager-Consumer Services.......... 751-3160
John Hanauer, Manager-Information Services 522-2453
Kevin Kelly, Public Relations Director.......... 751-9300
Debbie Quick, Public Relations Coordinator 522-2760
Consumer Services Toll-Free Hotline 1-800-392-4211
EFIS Toll-Free Help Desk 1-866-365-0924

GENERAL COUNSEL DIVISION

Shelley Brueggemann, General Counsel 526-7393
Morris Woodruff, Secretary/Chief Regulatory Law Judge 751-2849
Kim Happy, Manager-Data Center 522-6225
Cherlyn Voss, Manager-Regulatory Analysis Department 751-3966

INDUSTRY ANALYSIS DIVISION

Natelle Dietrich, Director 751-7427
Jim Busch, Manager-Water & Sewer Department 751-7529
Claire Eubanks, Manager-Engineering Analysis Department 526-2953
Brad Fortson, Manager-Energy Resources Department.......... 751-7528
Robin Kliethermes, Manager-Tariff/Rate Design Department 522-3782
Kathleen McNelis, Manager-Safety Engineering Department 751-3456
Justin Smith, Manager-Manufactured Housing Department 526-2833
John Van Eschen, Manager-Telecommunications Department 751-5525
Manufactured Housing Toll-Free Hotline 1-800-819-3180

FINANCIAL & BUSINESS ANALYSIS DIVISION

Mark Oligschlaeger, Director 751-7443
Kim Bolin, Manager-Auditing Department 751-5026
Contessa King, Manager-Customer Experience Department 751-5239
David Sommerer, Manager-Procurement Analysis Department.......... 751-4356
Seoungjoun Won, Manager-Financial Analysis Department 526-5164

STAFF COUNSEL DIVISION

Kevin Thompson, Chief Staff Counsel 751-6514

Area Code is 573 unless otherwise noted

THE ROLE OF THE PSC

JURISDICTION AND GOALS

The Missouri Public Service Commission (Commission or PSC) was created in 1913 by the Public Service Commission Law, now Chapter 386 of the Missouri Revised Statutes. The Commission regulates investor-owned electric, natural gas, steam, water and sewer utilities in Missouri. The Commission also has limited jurisdiction over telecommunications providers in the state. In addition, the Commission regulates the operational safety of the state's rural electric cooperatives and municipally-owned natural gas utilities. The Commission also regulates manufacturers and dealers of manufactured homes and modular units, and enforces initial home or unit installation.

The Commission oversees service territory issues involving investor-owned electric utilities, rural electric cooperatives, municipally-owned electric utilities, investor-owned water and sewer utilities and public water supply districts. Under federal law, the Commission acts as a mediator and arbitrator of local telephone service disputes regarding interconnection agreements.

Virtually every Missouri citizen receives utility service, whether it is electric, natural gas, water, sewer or telecommunications, from a company regulated in some manner by the Commission. Utility services and infrastructure are essential to the economy of Missouri. They provide heating and cooling during extreme temperatures. They offer access to emergency services and vital information systems. They provide safe drinking water and ensure the environmentally sound disposal of wastewater. Because utilities fulfill these essential needs, the Commission must assure the rate paying public that quality services will be available on a nondiscriminatory basis at just and reasonable rates.

COMMISSIONERS

The Commission consists of five commissioners who are appointed by the governor with the advice and consent of the Missouri Senate.

The governor designates one member as the chairman who serves in that capacity at the pleasure of the governor.

Commissioners are appointed to six-year terms. These terms are staggered so that no more than two terms expire in any given year.

COMMISSION

The Commission is both quasi-judicial and quasi-legislative. The Commission is responsible for deciding cases brought before it by the utilities it regulates, as well as by the customers of those utilities, or by other interested stakeholders. Many of the Commission's actions or decisions are made after it hears complaints or applications in which the rights of individuals, ratepayers, utilities, or other stakeholders are determined. Such hearings are held in a trial-like setting using appropriate evidentiary standards. The Commission's decisions are subject to review by Missouri's courts.

PSC STAFF

The Commission is assisted by a staff of professionals in the fields of accounting, consumer affairs, economics, engineering, finance, law and management. Duties range from helping individual consumers with complaints to investigating multi-million dollar utility rate requests.

The PSC Staff participates as a party in all cases before the Commission, conducting audits of the books and records of utilities and making recommendations to the Commission. PSC Staff recommendations, like those filed by other parties to a proceeding, are evaluated by the commissioners in reaching a decision. The Commission has established standards for safety and quality of service to which companies must adhere. Routine and special investigations of utilities are conducted by the PSC Staff to ensure compliance.

WEEKLY AGENDA MEETINGS

The Commission holds weekly agenda meetings to discuss various cases, policies and rulemakings, and to issue its decisions. Those meetings are open to the public and are webcast on the Commission's website (psc.mo.gov).

PSC ORGANIZATIONAL FUNCTIONS

LOYD WILSON
Director

ADMINISTRATION DIVISION

The Administration Division is responsible for managing the Commission's human, fiscal and technical resources. The division has agency wide responsibilities with departments that are responsible for the annual budget, fiscal services and procurement, human resources and payroll. The human resources office includes a position dedicated to training, education and recruiting diverse and qualified job applicants.

The Public Policy and Outreach Department develops and distributes information to the media on agency activities, responds to media requests, and provides utility consumers with educational materials. The division's Legislative Director works closely with the General Assembly and utility representatives in addition to assisting with constituent inquiries. The Information Services Department is responsible for supporting all information technology aspects of the Commission, which requires customized applications, specialized equipment and the highest levels of data security.

The division also houses the Consumer Services Department, which serves as a clearinghouse for all utility consumer inquiries. Consumer Services investigates and responds to informal complaints to ensure compliance with Commission rules and utility tariffs. When a consumer has an issue that is not satisfactorily resolved after an initial contact with the utility, the consumer may call the Commission's consumer hotline (**1-800-392-4211**) for assistance.

MARK OLIGSCHLAEGER
Director

FINANCIAL AND BUSINESS ANALYSIS DIVISION

The Financial and Business Analysis Division consists of four departments: Auditing, Financial Analysis, Customer Experience and Procurement Analysis. This division provides expertise to the Commission in the areas of utility accounting, auditing, engineering, finance, management, natural gas procurement, service quality and customer experience.

Staff members perform audits, examinations, analyses and reviews of the books and records of the utilities providing service in Missouri. The PSC Staff in this division express their conclusions and findings in the form of expert testimony and recommendations that are filed with the Commission. These departments are also responsible for investigating and responding to consumer complaints and making recommendations to the Commission regarding their resolution.

NATELLE DIETRICH
Director

INDUSTRY ANALYSIS DIVISION

The Industry Analysis Division consists of seven departments: Energy, Resources, Engineering Analysis, Manufactured Housing, Safety Engineering, Tariff/Rate Design, Telecommunications, and Water and Sewer. These departments support the Commission in meeting its statutory responsibilities by providing technical expertise in safety; utility rates, tariffs, rules and regulations; economic analysis; engineering oversight and investigations; and construction inspections. These departments accomplish their mission by making recommendations to the Commission in the form of expert testimony, formal recommendations and presentations.

KEVIN THOMPSON
Staff Counsel

SHELLEY BRUEGGEMANN
General Counsel

MORRIS WOODRUFF
Secretary of the Commission /
Chief Regulatory Law Judge

STAFF COUNSEL DIVISION

The Staff Counsel Division represents the PSC Staff in all matters related to the regulation of Missouri investor-owned natural gas, electric, water, sewer, steam and telecommunications utilities as well as manufactured housing. Its primary duties include assisting and advising the PSC Staff in the preparation and filing of evidence in legal proceedings, and preparing and presenting legal arguments before the Commission.

GENERAL COUNSEL DIVISION

The General Counsel is authorized by statute to represent the Commission in all actions and proceedings, whether arising under the Public Service Commission Law or otherwise. Attorneys in the General Counsel's Office appear in state and federal trial and appellate courts on behalf of the Commission. When authorized by the Commission, the General Counsel seeks civil penalties from persons or companies that have violated the Public Service Commission Law or the Commission's regulations or orders. The External Litigation Department manages and processes these cases. The General Counsel also provides legal advice to the Commission and each Commissioner as requested.

The Regulatory Analysis Department, within the General Counsel's Division, represents the Commission's interests in various forums related to federal energy issues, including providing assistance in cases before FERC, along with providing technical expertise, support and analysis on state and federal issues facing the Commission.

The Adjudication Department is the Commission's quasi-judicial component and is part of the General Counsel Division. Regulatory law judges within the Adjudication Department handle cases from their filing until their resolution. The judge assigned to a case presides over any hearing, rules on objections and motions, and drafts orders, as directed or delegated by the Commission.

SECRETARY OF THE COMMISSION / CHIEF REGULATORY LAW JUDGE

The Secretary of the Commission is statutorily responsible for the records of the Commission and, acting through the Data Center, manages, maintains and preserves the official case files, tariffs and other official documents of the Commission. The Secretary, again acting through the Data Center, receives all incoming pleadings and issues all Commission orders.

The Chief Regulatory Law Judge oversees the operations of the Adjudication Department.

GENERAL ISSUES

CASE FILINGS REGARDING COVID-19

During this past year, all Missourians have been impacted by the COVID-19 pandemic. All of the regulated public utilities have continued to provide safe and reliable service through the COVID-19 pandemic, and the Commission has supported the utilities' voluntary efforts to support their customers during this difficult time.

At the request of many utilities, the Commission authorized variances or waivers of certain tariff provisions. The Commission approved several requests by utilities to forgo assessing late payment fees and to suspend the disconnection of service due to non-payment. (**See File Nos. EE-2020-0290, GE-2020-0291, GE-2020-0289, AO-2020-0237, AO-2020-0184, AO-2020-0335, and GE-2020-0296**). Summit Natural Gas of Missouri, Inc. (Summit Natural Gas), a natural gas utility that serves areas in south central Missouri, including Branson and Lake of the Ozarks, also requested and received a variance on charging customers a reconnection fee **(File No. GE-2020-0322).**

Due to the specific language in the tariffs, some utilities were able to adopt similar provisions without Commission approval, such as the Missouri-American Water Company (Missouri-American) voluntarily reconnected all previously disconnected customers to ensure that the customers had running water available through the lockdown. The Commission has opened another file (**File No. AW-2020-0356**) to consider the best practices for recovery of past-due customer payments after the COVID-19 pandemic emergency.

Some of the low-income programs that utilities offer customers have also been modified to allow continued participation or expansion of the program. For example, in **File No. EE-2020-0314**, Union Electric Company d/b/a Ameren Missouri (Ameren Missouri) requested and received modification of its "Keeping Current" low income program provision that prevented customers with missed, late, or partial payments from continued participation.

Spire Missouri, Inc., (Spire Missouri) the natural gas company that serves St. Louis (Spire East), Kansas City (Spire West), and other areas of Missouri, expanded its Low-Income Energy Affordability Program by using unspent funds in other programs to devote approximately $940,000 of additional funding to customers in the form of one-time credits of up to $100 to customers whose household income falls between 136% and 185% of the federal poverty level (**File No. GT-2020-0316**). Spire Missouri, later requested to expand the program to customers whose household income falls between 0% and 185% of the federal poverty level.

Based on an agreement between Ameren Missouri and the Office of the Public Counsel (OPC), which the Commission approved, Ameren Missouri will also donate $3.5 million for low-income energy assistance in calendar year 2020 (**File No. ER-2019-0335**). Evergy Missouri Metro and Evergy Missouri West received approval of COVID-19 Customer Programs that, among other things, provided incentives to customers who had payments in arrears (**File No. EO-2020-0383**).

Other COVID-19 Commission Activities

The Commission is also participating in the Governor's Fusion Cell. The goal of the fusion cell is to share information about the impacts of the Coronavirus on Commission-regulated industries to help Missourians recover from the pandemic. This group also provides the Governor with data necessary to guide policy decisions.

COVID-19 Emergency Working Case

(**Case No. AW-2020-0356**)
On May 13, 2020, the Commission issued its *Order Opening A Working Case to Consider Best Practices for Recovery of Past-Due Utility Customer Payments after the Covid-19 Pandemic Emergency.* In its Order, the Commission noted that in response to the pandemic, utilities have taken action to suspend disconnections for customer non-payment of utility bills. The Commission stated, "As a result of those economic disruptions and continued provision of utility service to customers who are unable to pay for those services, the utilities will likely experience a sharp rise in the level of past-due customer-payment accounts-receivable. Once the emergency has passed, the utilities will be faced with the question of how to collect those past-due accounts-receivable without unduly burdening their vulnerable customers."

Comments were filed by utilities and interested stakeholders. Staff filed a report summarizing the comments and providing other relevant background information on August 3, 2020. On August 12, 2020, the Commission directed several utilities, and allowed other interested stakeholders, to provide a response to Staff's report by August 31, 2020, specifically addressing whether it is possible to implement the various recommendations that were suggested by stakeholders.

COMMISSION RULEMAKINGS

Rulemaking Update

On August 28, 2019, the Commission moved to the Department of Commerce and Insurance. As a result, all Commission rules were renumbered from 4 CSR 240-XXX to 20 CSR 4240-XXX.

(Case No. AW-2017-0336)
The Commission opened a working case on June 14, 2017, to facilitate the review of Commission rules pursuant to Executive Order 17-03. The internal review process was completed by December 31, 2017, and concluded with PSC Staff (Staff) making several recommendations on rules that could be consolidated, streamlined, or otherwise improved for user-friendliness. As noted below, the Commission continues to address several of Staff's working case and rulemaking recommendations, as well as considering new rulemaking issues.

Current Rulemakings

(Case Nos. EX-2020-0006, HX-2018-0391, AX-2020-0077, AX-2020-0078)
In these rulemakings, Staff and other stakeholders continue to make recommendations to consolidate filing requirements and simplify language.

(Case No. GX-2020-0112)
This rulemaking amends certain Commission gas safety rules, and became effective July 30, 2020.

Current Working Cases

(Case Nos. AW-2018-0393, AW-2018-0394, WW-2018-0392)
At the direction of the Commission, Staff is considering comments stakeholders filed and presented at workshops regarding the Commission's Affiliate Transactions Rules. Staff filed amendments to the Affiliate Transactions Rules with the intent to incorporate water and sewer utilities, to clarify language and to streamline filing requirements.

In early 2020, the Commission directed utilities to provide an estimate of the cost of complying with draft rules. Staff continues to work with stakeholders on the draft rulemakings.

(Case No. AW-2018-0385)
In June 2018, the Commission opened this docket to assist Staff in its review and consideration of a rewrite of the Commission's rules regarding electric and natural gas promotional practices into a single promotional practices rule. Staff prepared a draft of a revised and consolidated rule. A workshop was held in January 2020, and stakeholders provided comments. Staff continues to work on proposed rule revisions.

(Case No. AW-2020-0148)
In November 2019, OPC filed a motion asking the Commission to open a working docket to address a proposed rule OPC drafted to establish standardized reporting requirements for utilities to facilitate proper data collection regarding residential customer service disconnection policies and practices, and to discuss any other concerns related to the collection and aggregation of customer disconnection data. The Commission opened the working case on December 11, 2019. Comments were filed in February, and stakeholders are working on setting up a workshop to address the proposal.

(Case No. EW-2020-0377)
On May 28, 2020, the Commission opened a working docket to assist Staff in its consideration of amendments to the Commission's rule on electric utility renewable energy standard requirements found at 20 CSR 4240-20.100. Staff's motion asking the Commission to initiate the file includes details about the problems Staff has identified with the existing rule and possible solutions to those problems. Initial stakeholder comments were provided on June 29, 2020.

STATE LEGISLATION

While there were numerous bills related to utilities in the 2020 regular legislative session, only one utility-related bill was passed by the General Assembly and signed into law by Governor Parson. House Bill 2120 makes several changes related to utility infrastructure and includes several subjects. The provisions related to the gas infrastructure system replacement surcharge (ISRS) have direct impacts within the PSC's jurisdiction.

House Bill 2120 makes several changes to the gas ISRS statutes. Specifically, the bill:

- Redefines what projects are eligible for gas ISRS;
- Requires a competitive bidding process for related infrastructure replacement projects;
- Sunsets the gas ISRS on August 28, 2029;
- Directs how refunds are to be handled if a court of competent jurisdiction finds the ISRS charges were unlawful and inappropriate;
- Specifies what costs can be included in the surcharge calculations;
- Extends timelines for PSC Staff and the Commission to respond to petitions; and,
- Corrects a misreference in 393.1012.

House Bill 2120 also includes provisions related to water safety and security for certain small water systems, addresses lead testing in schools, extends the broadband internet grant program sunset date, and extends the Uniform Small Wireless Facility Deployment Act.

ELECTRIC

Ameren Missouri

(Case No. ER-2019-0335)

On July 3, 2019, Ameren Missouri filed an electric rate case with the Commission seeking to decrease annual electric revenues by approximately $800,000. According to Ameren Missouri, main drivers of the requested rate decrease included continued investment in generation and energy delivery systems and increases in labor related expenses offset by lower pension and other post-employment benefit costs, and lower net energy costs, among other changes in its revenue requirement since base rates were last reset.

On March 18, 2020, the Commission approved a non-unanimous agreement filed by the parties in the case which authorized Ameren Missouri to decrease annual electric revenues by $32 million with rates effective on April 1, 2020. The rate reduction authorized by the Commission also reflected all impacts associated with recent decreases in federal and state corporate income tax rates as part of permanent rates.

Under the agreement approved by the Commission in this case, the budget for a program (called Keeping Current) designed to provide bill payment assistance to eligible low-income customers will increase by approximately $700,000 above its current budget of $1.3 million. The agreement also called for continuation of a low-income weatherization program. Ameren Missouri's Fuel Adjustment Charge will be continued with customer bills being adjusted periodically to reflect any future increases or decreases in fuel and purchased power costs.

Ameren Missouri is currently in the process of installing new customer meters (Advanced Metering Infrastructure or AMI) throughout its service territory. As part of the agreement approved by the Commission in this case, Ameren Missouri is required to provide each customer notice at least 30 days prior to the installation of an AMI meter. As residential customers receive AMI meters, the company will begin providing bill estimates for service under different rate options. If the customer takes no action to opt-in to an alternative rate, the customer will be placed on a "mild" differential Time Of Use (TOU) rate six months after the AMI meter is installed. This "mild" differential TOU rate will also be the default rate for new accounts on premises that are AMI equipped.

The Empire District Electric Company

(Case No. ER-2019-0374)

On August 14, 2019, The Empire District Electric Company (Empire) filed an electric rate case with the Commission seeking to increase annual electric revenues by approximately $26.5 million.

According to the Empire filing, recovery of new investments made since April 2016, increased costs for property taxes and depreciation expense stemming from the additional capital investment and normal and inflationary increases in operating costs were among the factors creating the need for increased customer rates.

On July 23, 2020, the Commission issued its Amended Report and Order for this case increasing Empire's revenues by approximately $992,400.

As part of the Commission's decision, Empire will establish an Accounting Authority Order to defer costs and revenues associated with the closure and retirement of the Asbury power plant.

OTHER ELECTRIC ISSUES

Electric Vehicle (EV) Charging Stations

On February 6, 2019, the Commission issued its Report and Order in **Case No. ET-2018-0132**, *In the Matter of Union Electric Company d/b/a Ameren Missouri for Approval of Efficient Electrification Program.*

As part of that order, the Commission found the need for a stakeholder process to evaluate potential models for facilitating installation of EV charging stations. The Commission did not want the workshop process to delay the timely and appropriate development of an EV charging station network. Rather, in light of an Appeals Court decision that EV charging equipment owned by the electric utility can be considered "plant" and other recent EV proposals that have been presented, the Commission intended that the workshop process be expedited so that all interested stakeholders can work toward finding the best solutions for developing Missouri's EV charging network as quickly as practicable.

On February 14, 2019, the Commission issued an order in **Case No. EW-2019-0229** establishing a working case

to evaluate potential mechanisms for facilitating the installation of EV charging. Although the participants in the workshop process could consider and evaluate any additional model or combination of models they choose, the Commission directed the stakeholders to evaluate the following three models:

1) A model similar to the one stipulated to by the parties and approved by the Commission in Kansas City Power & Light Company's last rate case, where the company can own and operate the charging stations.
2) A "Make Ready" tariff proposal that includes an option to waive line extension charges from a customer seeking a line extension for separately metered EV charging that meets specific public policy considerations.
3) An alternate incentive program where program parameters, implementation, and cost recovery would be evaluated and defined in the context of a future rate proceeding.

A workshop was held on March 21, 2019. Stakeholders attended the workshop and submitted comments as requested by the Commission. On September 30, 2019, Staff filed its report which compiled stakeholder comments and provided information on EV charging programs from other states.

Ameren Missouri Deployment of Automated Metering Infrastructure

(Case Nos. EE-2019-0382 and EE-2019-0383)
On June 4, 2019, Ameren Missouri requested the Commission approve waivers of various tariffs to enable the deployment of Automated Metering Infrastructure (AMI or Smart Meters) beginning in 2020 (**Case No. EE-2019-0382**).

The Commission approved a Partial Stipulation and Agreement on May 28, 2020. The Partial Stipulation and Agreement granted variances regarding customer meter readings and estimation routines. A second Unanimous Stipulation and Agreement related to Ameren Missouri's variance requests regarding door hangers/contact and reduction of reconnection fee for AMI customers was approved by the Commission on July 29, 2020.

Additionally, Ameren Missouri requested the Commission approve waivers of meter testing requirements in anticipation of deployment of AMI meters in August 2019. The Commission granted the waiver of meter testing requirements on October 30, 2019. (**Case No. EE-2019-0383**)

Ameren Missouri began deploying AMI meters in the St. Charles area in the summer of 2020.

Empire and Liberty Utilities

(Case No. AO-2020-0237)
Empire and Liberty Utilities (Missouri Water) requested the Commission approve waivers of meter testing requirements and approve tariffs in anticipation of deployment of AMI meters on February 5, 2020. The Commission granted the request on March 19, 2020.

Empire began deploying AMI meters in the second quarter of 2020.

KCP&L Greater Missouri Operations Company

(Case No. EO-2019-0244)
On July 12, 2019, KCP&L Greater Missouri Operations Company (n/k/a Evergy Missouri West) filed an application seeking authority from the Commission for a special incremental load rate for a steel production facility in Sedalia, Missouri. In its application, the utility company states it "was part of a statewide team that included the Governor's Office, the Missouri Department of Economic Development and other agencies that crafted an incentive package for Nucor."

As part of this package, the utility company requested "a special incremental load contract rate for Nucor's $250 million steel mill in Sedalia." and further stated, that, "[w]hen completed, the mill will employ more than 250 people. Nucor has broken ground on the facility, has completed significant construction and installation of equipment, and plans to be fully operational by January 1, 2020." The utility company asked for a Commission decision by December 1, 2019, so the special rate could take effect January 1, 2020.

A non-unanimous Stipulation and Agreement resolving all the issues, recommending approval of the contract between Evergy Missouri West and Nucor, and recommending approval of a Special Incremental Load Tariff was filed on September 19, 2019.

On November 13, 2019, the Commission approved the Stipulation and Agreement, approved the special contract between Evergy Missouri West and Nucor, and approved the tariff that implemented the agreement. On January 28, 2020, the Midwest Energy Consumers Group filed an appeal of the Commission's decision.

Fuel and Purchased Power (FAC) Prudence Reviews

All four investor-owned electric utilities, Ameren Missouri, Empire, Evergy Missouri Metro (f/k/a "KCP&L"), and Evergy Missouri West (f/k/a "GMO"), have Commission-approved FACs through which the electric utility recovers from or refunds to customers, 95% of its fuel and purchased power costs, net of off-system sales revenues, which have been under-collected or over-collected relative to a base amount set in the utility's last general rate case.

Commission rules require that a prudence review of the costs and revenues subject to each approved FAC be conducted by Staff no less frequently than at 18 month intervals. All amounts ordered refunded by the Commission shall include interest at the electric utility's short-term borrowing rate. During this review, Staff also conducts a review of the commitment status of generating facilities into the utility's respective regional transmission organization (RTO) to determine if any negative impacts might be occurring as a result of such actions.

In fiscal year 2020, Staff completed prudence reviews of the fuel and purchased power costs and revenues included in the FACs of Ameren Missouri (**Case No. EO-2019-0257**), Empire (**Case No. EO-2020-0059**), Evergy Missouri Metro (**Case No. EO-2019-0068**), and Evergy Missouri West (**Case No. EO-2019-0067**)[1].

Staff investigated each utility to determine whether the conduct of the utility's decision-makers was reasonable at the time, under all the circumstances, considering the utility had to make decisions prospectively rather than relying on hindsight. As a result of these prudence reviews, Staff found no imprudence by the decision-makers of Ameren Missouri, Empire, and Evergy Missouri West. However, Staff alleged imprudence by Evergy Missouri Metro in its management of its Renewable Energy Credits (REC). The Commission ultimately found no imprudence on this issue.

1 The Evergy Missouri West and Evergy Missouri Metro FAC prudence review Staff Reports were filed in February 2019, however the disputed issues were carried into fiscal year 2020.

Electric Utility Resource Planning Filings

The fundamental objective of the Chapter 22 Electric Utility Resource Planning process is to provide the public with energy services that are safe, reliable, and efficient, at just and reasonable rates, in compliance with all legal mandates, and in a manner that serves the public interest and is consistent with state energy and environmental policies.

The fundamental objective also requires that the utility consider and analyze demand-side resources, renewable energy, and supply-side resources on an equivalent basis, subject to compliance with all legal mandates that may affect the selection of electric utility energy resources, in the resource planning process. Further, Chapter 22 requires that electric utilities normally file on April 1 of each year either a triennial compliance filing or an update filing to comply with 20 CSR 4240-22.080(1) or 20 CSR 4240-22.080(3), respectively.

- Empire filed an annual update filing on March 20, 2020 (**Case No. EO-2020-0284**).
- Evergy Missouri Metro filed an annual update filing on March 10, 2020 (**Case No. EO-2020-0280**).
- Evergy Missouri West filed an annual update filing on March 10, 2020 (**Case No. EO-2020-0281**).

Missouri Energy Efficiency Investment Act

The purpose of the Missouri Energy Efficiency Investment Act (MEEIA), Section 393.1075 RSMo, is to encourage investor-owned electric utilities to develop and implement demand-side management (DSM) programs, which are commonly called energy efficiency programs or demand response programs.

Rules to implement MEEIA provide procedures for filing and processing applications for approval, modification, and discontinuance of electric utility demand-side programs and for the establishment and operation of demand-side program investment mechanisms (DSIM), and also allow for periodic adjustments in customer rates between general rate cases related to the recovery of 1) DSM program costs, 2) lost fixed operating costs due to the programs, and 3) an earnings opportunity based on after-the-fact measured and verified energy and demand savings.

On June 4, 2018, Ameren Missouri requested approval of demand-side programs, a technical resource manual (TRM), and a DSIM for MEEIA Cycle 3 (**Case No. EO-2018-0211**). On October 25, 2018, the Commission approved a Stipulation and Agreement resolving this case. Ameren Missouri's MEEIA Cycle 3 went into effect on March 1, 2019. On May 13, 2020, Ameren Missouri filed for a one-year extension to its MEEIA Cycle 3. On August 5, 2020, the Commission approved Ameren Missouri's MEEIA Cycle 3 extension.

On November 29, 2018, Evergy Missouri Metro and Evergy Missouri West requested approval of demand-side programs, a TRM, and a DSIM for a MEEIA Cycle 3 (**Case Nos. EO-2019-0132** and **EO-2019-0133** were consolidated into **EO-2019-0132**). On February 15, 2019, the Commission approved a Stipulation and Agreement extending Evergy Missouri Metro and Evergy Missouri West's MEEIA Cycle 2 for up to nine months with a new end date of not later than December 31, 2019. On December 11, 2019, the Commission issued its Report and Order approving Evergy Missouri Metro and Evergy Missouri West's MEEIA Cycle 3. Evergy Missouri Metro and Evergy Missouri West's MEEIA Cycle 3 went into effect on January 1, 2020.

Commission rules require that a prudence review of the costs subject to each approved DSIM be conducted by Staff no less frequently than at 24 month intervals. All amounts ordered refunded by the Commission shall include interest at the electric utility's short-term borrowing rate.

In fiscal year 2020, Staff completed its second prudence review of costs for the DSIMs of Evergy Missouri Metro (**Case No. EO-2020-0227**) and Evergy Missouri West (**Case No. EO-2020-0228**). Staff also completed its second prudence review of costs for the DSIM of

Ameren Missouri (**Case No. EO-2019-0376**). PSC Staff investigated the utility to determine whether the conduct of the utility's decision-makers was reasonable at the time, under all the circumstances, considering the utility had to make decisions prospectively rather than relying on hindsight.

As a result of its fiscal year 2020 DSIM prudence review, Staff alleged that Ameren Missouri, Evergy Missouri Metro, and Evergy Missouri West imprudently included certain non-MEEIA costs in their DSIM. Subsequently, the Commission ordered that $50,000, which includes interest, be returned to Ameren Missouri customers in the next DSIM Rider rate adjustment filing. The Evergy Missouri Metro and Evergy Missouri West disputed costs by Staff are still pending before the Commission.

NATURAL GAS RATE CASES

Ameren Missouri

(Case No. GR-2019-0077)

On December 3, 2018, Ameren Missouri filed a permanent rate increase case for its natural gas operations in the amount of $4.26 million. At the same time and in the same filing, Ameren Missouri proposed an interim rate reduction in the amount of $1.05 million to take effect in early January, 2019 in order to pass on the financial impact of the TCJA to its customers on a more accelerated basis.

This gas rate case was the first filed by Ameren Missouri in almost 10 years. Ameren Missouri attributed the need to seek a change in its gas rates to the following factors: (1) increases in its plant investment and changes in depreciation rates since the last gas rate case; (2) to reflect on a timely basis the reduction in federal income tax rates in its cost of service; and (3) to enable Ameren Missouri to resume filing for infrastructure system replacement surcharges following this rate proceeding.

On December 14, 2018, a Stipulation and Agreement was filed requiring Ameren Missouri to reduce its rates on an interim basis in the amount of $1.94 million to account for the TCJA income tax rate reduction and flow back of excess accumulated deferred income taxes to customers. The Commission approved the Stipulation and Agreement on December 22, 2018, with the rate reduction becoming effective on January 2, 2019.

In late July 2019, a series of Stipulations and Agreements were filed in this case that in combination resolved all issues between the parties in the permanent rate increase case. The agreements called for Ameren Missouri to increase its customer rates by a total of $940,000 above

the rate level established in January 2019 after the earlier interim rate decrease. The combined impact of the initial interim rate decrease and the later permanent rate increase would be a net reduction in rates to customers of $1 million compared to the levels that existed prior to Ameren Missouri's December 2018 rate case filing.

As part of the Stipulation and Agreements entered into by the rate case parties, Ameren Missouri will implement a Volume Indifference Reconciliation to Normal (VIRN) rate rider mechanism. The VIRN is intended to allow for periodic rate adjustments outside of a general rate case to reflect the effects of increases or decreases in certain customer usage due to variations in weather, conservation or both. The VIRN will appear on customer bills as the "Delivery Charge Adjustment" or DCA.

The Commission approved the agreements in an order issued on August 21, 2019. New permanent natural gas rates took effect on September 1, 2019.

OTHER NATURAL GAS ISSUES

Natural Gas Certificates of Convenience and Necessity

Summit Natural Gas

(Case No. GA-2020-0251)

On February 21, 2020, Summit Natural Gas filed an application for two service area Certificates of Convenience and Necessity (CCNs). Summit's application requested to complete a system upgrade in Laclede and Webster Counties.

The upgrades will serve multiple purposes to address pressure and capacity issues on the Rogersville system, and to allow for continued customer growth. Upgrade costs will be recovered from existing and future customers served within Summit's existing certificated areas, all of whom will benefit from increased pressure and capacity.

All revenue requirement impacts from this project will be evaluated in the Company's next general rate case.

After review of the Company's application, the Commission granted Summit's request for area CCNs on May 6, 2020.

Spire Missouri
(Case No. GA-2020-0235)
On February 3, 2020, Spire Missouri submitted a second application for a CCN. This application was to construct, install, own, and operate a natural gas distribution system to provide natural gas service in Lafayette County. This was an expansion of Spire's existing certificated area.

The CCN request was to allow Spire to provide natural gas service to an individual maintenance building project in the county.

The Commission determined that the project met all necessary requirements and approved Spire's CCN request on May 6, 2020.

Spire Missouri
(Case No. GA-2020-0236)
On February 3, 2020, Spire Missouri submitted an application to the Commission for a CCN. Spire's application sought to construct, install, own, and operate a natural gas distribution system to provide gas service in Lawrence County, Missouri. It is a further expansion of Company's existing certificated area.

The CCN was needed to serve potential customers that had contacted Spire with a need for a distribution system extension to serve poultry operations near Pierce City and Verona, Missouri.

On May 28, 2020, the Commission granted the Company's application.

Spire Missouri
(Case No. GA-2020-0105)
On October 14, 2019, Spire Missouri applied for a CCN to serve a poultry operation in Newton County. Spire sought to extend service to the poultry operation and to also serve between one and four existing customers, as well as accommodate future customer growth. To facilitate this expansion of the existing system, the main and service line size needed to be increased.

The Commission granted the CCN request on December 30, 2019. All revenue requirement impacts from this project will be evaluated in the Company's next general rate case.

PROCUREMENT ANALYSIS

Natural Gas ACA Activities
There are several natural gas local distribution companies (LDC) serving Missouri – Ameren Missouri, Liberty Utilities, The Empire District Gas Company, Spire Missouri and Summit Natural Gas.

The Procurement Analysis Department conducts an annual Actual Cost Adjustment (ACA) review for each natural gas local distribution company after the LDCs close out their records following the end of each ACA period. A primary purpose of the ACA process is to reconcile the company's actual natural gas costs with what it charged customers (its billed revenues).

In its purchased gas adjustment (PGA) filings, the company estimates its natural gas costs for the upcoming year. In the ACA, the estimate is reconciled with the actual prudently incurred cost of natural gas. In this function, the Procurement Analysis Department reviews the LDC's true-up of natural gas costs for the period under review. A comparison of billed revenue recovery with actual natural gas costs will normally yield either an over-recovery or under-recovery of the ACA balances to be either returned to customers or charged to customers, respectively.

Another purpose of the ACA process is to examine the prudence of the LDC's natural gas purchasing and operating decisions during the ACA period. For its analysis, the Procurement Analysis Department reviews the estimated peak day requirements and the capacity levels to meet those requirements; peak day reserve margin and the rationale for this reserve margin; natural gas supply plans for various weather conditions; and hedging activities for the ACA period.

In its prudence reviews, the Procurement Analysis Department will consider the financial impact on customers of the LDC's use of its natural gas supply, transportation, and storage contracts in light of the conditions and information available when the operational decisions were made.

The Procurement Analysis Department held discussions with all of the LDCs regarding their hedging activities for the 2019/2020 winter. These discussions were held to inquire as to whether they were taking cost-effective actions to mitigate the effects of potential winter price spikes on their price of natural gas during the ACA periods.

Other Proceedings

Although focused largely on natural gas ACA activities, because of its knowledge of natural gas issues, the Procurement Analysis Department also assists in the review of LDC complaint cases, certificate cases, proposed tariff changes, and natural gas rate cases. The Procurement Analysis Department also assisted in the review of affiliated transactions that impacted the recovery of natural gas costs.

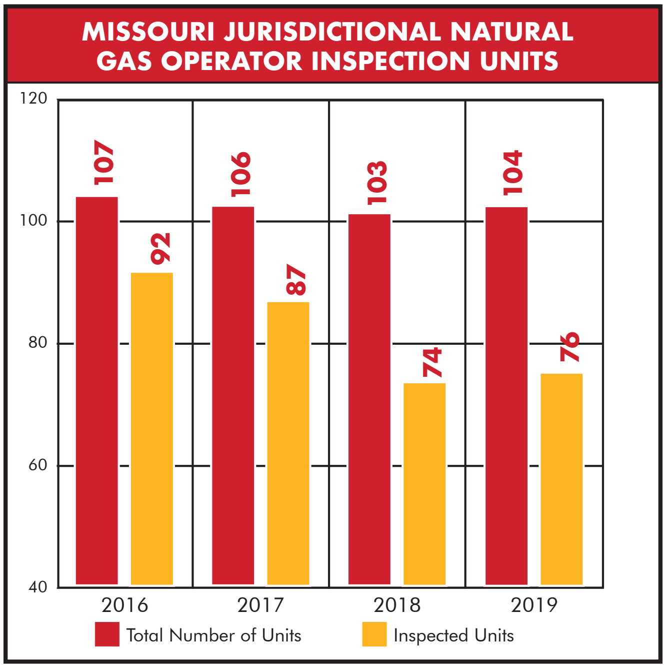
The Procurement Analysis Department is also responsible for the rate design review of gas Infrastructure System Replacement Surcharges (ISRS).

NATURAL GAS PIPELINE SAFETY PROGRAM

The Commission has safety jurisdiction over intrastate natural gas pipeline operators in Missouri which includes: six intrastate transmission-only pipelines, five investor-owned natural gas distribution utilities (all of which additionally operate intrastate transmission pipelines and all of which have multiple operating districts/inspection units), 41 municipally-owned natural gas distribution systems (one of which also has an intrastate transmission pipeline), one natural gas distribution system owned and operated by a private company on a U.S. Department of Defense facility at Fort Leonard Wood, one pipeline system that supplies landfill gas directly to a combined heat and power system and operators of master meter systems. In 2019, there were a total of 63 natural gas operators over which the PSC had safety jurisdiction.

In 2019, the Missouri intrastate natural gas pipeline operators were divided into 104 "inspection units" for purposes of the Program's comprehensive inspections, which included approximately 28,000 miles of natural gas distribution mains, approximately 1,000 miles of intrastate natural gas transmission pipelines and over 1.5 million natural gas service lines.

PSC Safety Engineering Department Staff are in the field throughout the year inspecting and evaluating these pipeline systems. During the 2019 calendar year, Safety Engineering Department Staff conducted over 120 individual inspections, including comprehensive records and field, compliance follow-up, construction, operator qualification, temporary/mobile liquefied natural gas, distribution and transmission integrity management, control room management procedures and operations, anti-drug and alcohol misuse programs, and incident investigations.



REGULATORY ACTIVITY

The Commission's natural gas pipeline safety program is carried out under a cooperative agreement with the U.S. Department of Transportation – Pipeline and Hazardous Materials Safety Administration (PHMSA). As a part of this Program, the Commission has adopted the applicable federal pipeline safety regulations, including 49 CFR Parts 40, 191, 192, 193 and 199 that make up the minimum federal safety standards applicable to natural gas pipelines. The most recent changes to the Commission's natural gas pipeline safety regulations adopting amendments to applicable federal regulations (**Case No. GX-2020-0112**) took effect on July 30, 2020.

The Commission continues to take a proactive approach in Missouri to improve the safety and integrity of each pipeline system. This approach includes conducting on-site inspections, including: tracking and evaluating various vintage pipeline replacement programs, leak survey inspections, evaluation of leak and damage responses, response to public reported gas leaks/odors, leak investigations and classifications, corrosion control of metallic pipelines, pipeline integrity management, operator procedures and qualifications, public awareness programs and effectiveness, control room management procedures and operations and incident investigations.

COVID-19 Related Waivers

In response to the national COVID-19 emergency, the Commission granted temporary waivers from certain pipeline safety rules and prior Commission orders. On March 25, 2020, the Commission granted a temporary waiver from a pipeline safety rule requiring natural gas service providers to enter customer premises to visually inspect customer piping following turn-on of natural gas. This waiver was applicable to all private and municipal gas systems providing natural gas distribution service in Missouri. The initial term of this waiver ended on June 16, 2020. On July 15, 2020, the Commission extended the term of the waiver through December 31, 2020, with additional requirements for recordkeeping and customer notifications (**Case No. GE-2020-0297**).

On June 11, 2020, the Commission granted temporary waivers to Spire Missouri for both its East and West service areas to allow Spire Missouri time to adapt to the disruption caused by COVID-19. One waiver permits Spire Missouri to defer certain safety inspections on Spire Missouri-owned facilities installed inside customer premises until December 31, 2020, and a second order approves delays in Spire Missouri's scheduled replacement of cast iron and unprotected steel pipe (**Case No. GE-2020-0373**).

Asset Transfer to St. Louis University

On July 8, 2020, the Commission approved the sale and transfer of five individual segments of natural gas distribution main and service pipelines from Spire Missouri to St. Louis University. This transfer will enable St. Louis University to own and operate the gas distribution system that serves its campus, and to purchase natural gas at wholesale rates (**Case No. GM-2020-0292**).

FEDERAL NATURAL GAS AND ELECTRIC CASES

The Missouri Public Service Commission (MoPSC) actively participates in proceedings at the Federal Energy Regulatory Commission (FERC) because FERC regulates interstate natural gas and electric companies and its decisions directly affect Missouri natural gas and electric customers.

The MoPSC filed its notice of intervention (NOI) in 24 cases at FERC during the fiscal year ending June 30, 2020. An NOI allows the MoPSC to participate in a case before FERC as a party to the case. As a party to a FERC case, the MoPSC has access to all confidential documents provided to parties throughout the case and may participate in settlement negotiations to resolve any issues brought by the parties to the case. In FERC cases where the MoPSC has specific concerns, either comments or a protest may be filed. The MoPSC filed either comments or protests in eight of the cases to which it was a party in fiscal year 2020.

The MoPSC continued to negotiate settlements in cases from prior fiscal years. The MoPSC also monitors a variety of FERC cases filed from other regions of the country, where it does not file an NOI, when issues that may have a future impact on Missouri are raised.

FEDERAL NATURAL GAS ACTIVITIES

FERC regulates interstate natural gas pipeline companies and its regulatory decisions directly affect Missouri natural gas consumers. The MoPSC actively participates at FERC in company specific and generic proceedings, focusing on those pipelines having the greatest impact on Missouri consumers and/or those where representation of Missouri interests are otherwise limited or absent. The MoPSC strives to ensure that Missouri consumers receive reliable natural gas transportation service at reasonable rates.

Missouri's Local Distribution Companies (LDCs), including both natural gas utilities and electric utilities that generate energy with natural gas-powered combustion turbines, must rely on FERC regulated interstate pipelines for storage and delivery of their natural gas supplies. Currently 13 interstate pipelines physically located within the boundaries of the state of Missouri are able to serve Missouri utility companies, with an additional 4-6 upstream pipelines providing transportation and, in some cases, natural gas storage service.

Three pipelines deliver the majority of the state's natural gas to Missouri LDCs: Panhandle Eastern Pipe Line Company, LP (Panhandle), Southern Star Central Gas Pipeline Inc. (Southern Star), and Enable Mississippi River Transmission Corporation, LLC (MRT). Southern Star has several pipelines that serve the Kansas City, St. Joseph, Springfield and Joplin areas as well as a small lateral terminating in St. Louis. Panhandle serves Kansas City, central Missouri and St. Louis. MRT serves St. Louis and portions of southeast Missouri. In addition, Natural Gas Pipeline Company of America (NGPL), Ozark Gas Transmission, LLC and Texas Eastern Transmission serve southeastern Missouri; Tallgrass Interstate Gas Transmission, LLC and KPC Pipeline, LLC serve the Kansas City area; ANR Pipeline Company serves northern Missouri; Spire STL Pipeline serves the St. Louis area and parts of Illinois, and MoGas Pipeline serves from St. Louis to Rolla. Rockies Express Pipeline, LLC also crosses the state of Missouri.

Spire STL Pipeline

(FERC Docket No. CP17-40)

Spire STL Pipeline filed an application for a CCN on January 26, 2017 to construct, own and operate a new interstate natural gas pipeline to serve the St. Louis, Missouri area. Spire Missouri has entered into a precedent agreement with Spire STL Pipeline, its affiliate, for firm transportation capacity to deliver natural gas to its LDC customers.

The MoPSC filed a conditional protest in the case raising concerns requesting FERC to thoroughly examine all of the circumstances and impacts of the proposed pipeline as it determines whether Spire STL Pipeline has shown that construction of the pipeline is in the public interest in light of the capacity needs for the areas served, and requesting FERC not issue a decision that inadvertently treads into traditionally state jurisdictional decision-making authority.

Comments and protests from other parties were also filed in the case raising additional issues. FERC approved the CCN, noting that the prudence and reasonableness of the considerations underlying Spire Missouri's decision to obtain transportation service from Spire STL Pipeline and enter into the precedent agreement are squarely within the jurisdiction of the MoPSC.

The majority of the pipeline was constructed in Illinois connecting to the Rockies Express Pipeline to provide the St. Louis area with access to shale gas from the eastern United States. Spire STL Pipeline, however experienced a number of delays in completion of the pipeline application.

On October 28, 2019, FERC issued an order amending the certificate and approving a rate increase related to additional construction costs associated with 2019 flooding along the Missouri and Mississippi Rivers. Spire STL Pipeline commenced service on November 18, 2019 for its facilities in the Missouri counties of St. Louis and St. Charles and Scott, Greene and Jersey Counties in Illinois. The last remaining section of pipe was to be completed by the spring of 2020.

In May of 2020, citing suspension of construction activities due to COVID-19, Spire STL Pipeline requested a one-year extension of time to complete the project. On June 18, 2020, FERC granted Spire's request for a one-year extension of time, through August 3, 2021, to complete and put into service the last section of the pipe. The MoPSC continues to monitor the case.

Enable Mississippi River Transmission (MRT)

(FERC Docket Nos. RP18-923 and RP20-131)
MRT filed a rate case on June 29, 2018 to increase its natural gas pipeline transportation rates by more than double the current rates at the time. MRT alleged that its rate increase was materially affected by the construction of Spire STL Pipeline and the resulting turn back of capacity contracts by Spire Missouri.

MRT serves St. Louis (Spire Missouri), the Missouri municipal natural gas systems of Potosi and Bismarck, and industrial customers. MRT also serves portions of Arkansas and Illinois including a number of municipal natural gas systems. The pipeline's west line extends from Harrison County, Texas traveling east into Louisiana and then north to St. Louis. MRT's east line extends from St. Louis to Clay County, Illinois.

The MoPSC protested the rate increase. Other parties to the case, including Ameren Missouri, Ameren Illinois, Spire Missouri and a collective group of municipal utility and industrial customers filed protests to the rate increase as well. The protests challenged a number of costs included in MRT's cost of service. The MoPSC challenged the inclusion of income taxes because MRT's parent company is a master limited partnership (MLP).

FERC recently modified its policy on the inclusion of income taxes in the rates of MLPs because of a D.C. Circuit Court of Appeals decision (**No. 11-1479**) that addressed the double recovery of income taxes through FERC's application of a Discounted Cash Flow analysis for the return on equity of pass-through entities. The MoPSC and the other parties also challenged the absence of Spire Missouri capacity billing determinants in the calculation of MRT's rates.

FERC agreed with the MoPSC and parties and required MRT to file revised tariff records and supporting work papers to remove the proposed tax allowance from its cost of service and to adjust its billing determinants to reflect the current status of service to Spire Missouri. These changes resulted in a reduction from the proposed combined field and market zone reservation rate by 46 percent or from \$16.0038/Dth/mo to \$8.6143/Dth/mo.

While settlement negotiations occurred, after reaching an impasse, testimony was filed on July 25, 2019. On August 23, 2019, FERC issued an order to temporarily suspend the procedural schedule and extend the procedural time line for five weeks to allow more time for a possible settlement. On September 26, 2019, MRT filed a notice to inform FERC that a settlement would be filed on November 1, 2019. In the meantime, MRT filed a new rate case (**RP20-131**) on October 30, 2019 that included the impact of the lost Spire Missouri capacity contracts on MRT's revenue requirement.

The procedural schedule of **RP18-923** was extended to November 22, 2019. An Offer of Settlement was filed on November 5, 2019 in both rate cases and a request to amend the settlement was filed on December 13, 2019. FERC approved the amendment, and the settlement was approved on March 26, 2020. Ultimately, MRT customers' rates were increased because of MRT's reduced customer capacity contracts.

Panhandle Eastern Pipe Line Company (Panhandle)

(FERC Docket Nos. RP19-78 and RP19-1523)
FERC issued **Order No. 849** on July 18, 2018 requiring natural gas pipeline companies to file FERC Form No. 501 G to assist it in determining which jurisdictional natural gas pipelines may be collecting unjust and unreasonable rates in light of the income tax reductions

provided by the Tax Cuts and Jobs Act. The MoPSC subsequently filed a complaint against Panhandle and its affiliate, Southwest Gas Storage Company (Southwest) (**RP19-257**), alleging that information provided on their FERC Form 501 G, estimated that both entities were overearning and that their rates were not just and reasonable.

The MoPSC intervened in both complaint cases with at least 35 other parties including Ameren Missouri and Spire Missouri. Southwest's complaint case settled with a $6 million rate reduction with the issue of a negotiated contract between Panhandle and Southwest carried over to the Panhandle complaint case. Panhandle filed a rate case on August 30, 2019 asking for a cost of service of $408 million. The initial impact of the rate case filing was to eliminate customer refunds from the Panhandle complaint case.

FERC Staff filed testimony in the Panhandle rate case supporting a $236 million cost of service, $172 million less than requested by Panhandle. Several Panhandle customers (including Ameren Services), customer groups (including municipals and industrial), the Michigan Public Service Commission and the MoPSC also filed testimony challenging Panhandle's cost of service. Main issues are rate of return, accumulated deferred income taxes, depreciation/negative salvage, operation and maintenance costs, and storage costs. Small customer transmission rates for a number of municipal customers in Missouri will also be impacted by Panhandle's rate case.

The Panhandle rate case hearing begins on August 25, 2020 and will continue for several weeks. The initial decision is due by January 26, 2021 with the final decision likely to be issued later in 2021.

Texas Eastern Transmission (Texas Eastern)

(FERC Docket No. RP19-343)

Texas Eastern filed its rate case on November 30, 2018 asking for an approximate $364.6 million increase in revenues. The cost of service underlying the rate changes in this rate case is $1.85 billion excluding costs that are recovered through established tracker mechanisms. Texas Eastern's transportation and storage rates have not changed since **Docket No. RP98-198**. Texas Eastern's total plant in service reflected in its filing was $11.7 billion and stretched from Texas to New York passing through southeastern Missouri.

The MoPSC intervened in this rate case along with many other parties including Ameren Missouri. There were a number of settlement conferences attended by parties, including the MoPSC. A Settlement was filed on October 28, 2019 and the FERC Order Approving Uncontested Settlement was filed on February 25, 2020. The settlement resulted in a rate decrease from the rates requested by Texas Eastern in its original filing. Texas Eastern began issuing refunds in the case and filed its initial base rate refund report in June of 2020. The total refunds to customers exceeded $177 million.

FEDERAL ELECTRIC ACTIVITIES

The MoPSC actively participates in FERC cases filed by transmission-owning members or filed on their behalf by the Midcontinent Independent System Operator (MISO) or the Southwest Power Pool (SPP). Missouri's electric investor-owned utilities are members of these two regional transmission operators (RTOs).

MISO Transmission Customers v. MISO Transmission Owners

(FERC Docket No. EL14-12)

Several organizations of large industrial electric energy consumers in Illinois, Indiana, Michigan, Minnesota and Wisconsin filed an overearnings complaint case against MISO transmission owners in November 2013. The complainants challenged the just and reasonableness of the 12.38% base return on equity (ROE) being collected by MISO transmission owners through transmission formula rates.

The MoPSC intervened in this case and also supported the collective efforts by the state commissions within the MISO service territory. The MoPSC contributed to the comments filed by the Organization of MISO States (OMS) and the litigation strategy leading up to the August 2015 hearing.

The initial decision issued on December 22, 2015 in this case lowered the base ROE to 10.32% and ordered refunds for the difference collected plus interest. The refund period covered revenues collected from November 12, 2013 through February 11, 2015. FERC issued a decision in this case on September 28, 2016 supporting the initial decision. Refunds were issued to MISO members in February 2017, including Ameren Missouri.

In November 2018, FERC requested participants to the **EL14-12** and **EL15-45** proceedings to submit briefs regarding its proposed changes to its ROE methodology. FERC's reconsideration of its ROE methodology stems from the 2017 U.S. District of Columbia Circuit Court of Appeals decision to vacate and remand FERC's **Opinion No. 531** (***Emera Maine v. FERC***).

The MoPSC, along with the Mississippi Public Service Commission and the Missouri Joint Municipal Electric Utility Commission and the other MISO Complainant Aligned parties filed initial briefs in February 2019 and reply briefs in April. FERC issued **Opinion No. 569** on November 21, 2019 that revised its methodology for analyzing the return on equity (ROE) component of public utility rates. FERC authorized the use of both the discounted cash flow (DCF) model and capital-asset pricing model instead of just the DCF model. It also established a range of presumptively just and reasonable ROEs based on the quantiles of the zone of reasonableness. FERC applied its revised ROE methodology to both complaint cases, but denied refunds in the **EL15-45** case. Many issues in the case remain subject to motions for rehearing and/or are on appeal to the United States Court of Appeals for the District of Columbia Circuit Court, which the MoPSC continues to participate in, and are not likely to be finally resolved until 2021 or later.

MISO Transmission Customers v. MISO Transmission Owners

(FERC Docket No. EL15-45)

This case was filed to provide for refunds beginning February 12, 2015 through May 11, 2016 because FERC electric complaint cases only provide for refunds covering a 15 month period. The arguments in this case expanded those filed in **Docket No. EL14-12** and extended out in time the Discounted Cash Flow analysis period used in determining the base ROE.

The MoPSC partnered with the Mississippi Public Service Commission, Missouri Joint Municipal Electric Utility Commission and Resale Power Group of Iowa to sponsor rebuttal testimony challenging the current 12.38% base ROE received by shareholder-owned MISO members with transmission formula rates. MISO transmission owners earn a rate of return on rate base that is included in the revenue requirement setting the transmission formula rate. The initial decision issued on June 30, 2016 reduced the base ROE to 9.7%. Refunds with interest were also ordered in this case.

However, FERC issued **Opinion No. 569-A** on May 21, 2020 in response to MISO transmission owners rehearing requests. FERC dismissed **Docket No. EL15-45**, the second complaint case, after applying its revised ROE methodology stating that no refunds should be issued for the later refund period as a result of its resolution of the second complaint case. The MoPSC continues to participate along with other interested parties in rehearing requests and appeals of FERC's decisions in these complaint cases at the United States Court of Appeals for the District of Columbia Circuit Court.

PSC Participation in Corn Belt Power Cooperative (Corn Belt) FERC Docket No. ER15-2028 and Northwest Iowa Power Cooperative (NIPCO) FERC Docket No. ER15-2115 Transmission Formula Rate Cases

The Corn Belt and NIPCO cases were two of many that were filed by new members of the Southwest Power Pool (SPP) after the Western Area Power Administration (WAPA) joined SPP in 2015.

The MoPSC participated in settlement negotiations in both the Corn Belt and NIPCO cases and had negotiated for reductions from the proposed ROEs in both cases and for improved protocol language for NIPCO, which were included in proposed settlements for FERC approval. Protocols document the transmission owner's filing requirements for providing interested parties access to information about the transmission formula rate cost of service through informal discovery and an informal and formal challenge process. The protocols also provide for a public meeting annually to discuss the FERC Form 1 inputs to a transmission owner's transmission formula rate.

The settlements in the Corn Belt and NIPCO cases led to comments and protests by parties after the settlement agreements were filed. Both cases had a similar remaining issue that required a FERC decision regarding the rate treatment of loads served under "Grandfathered" transmission agreements (GFAs). These GFAs were

entered into by Corn Belt and NIPCO prior to membership in SPP. The MoPSC continues to take no position on this issue in these cases.

FERC issued orders in both Corn Belt and NIPCO on the contested settlements in June 2019 rejecting in both cases, the settlements, and remanding the proceedings to the Chief Judge to resume hearing procedures. Because of the FERC Order, the negotiated settlement of the ROE and protocol issues were no longer valid. The parties have continued settlement negotiations in these cases with a partial settlement approved by FERC in the NIPCO case with only the GFA issue remaining. Revised procedural schedules have NIPCO hearings scheduled to begin in October 2020 and Corn Belt hearings scheduled to begin in November 2020, with a decision by FERC expected on the cases in 2021.

Regional Electric Transmission Activity

The MoPSC regularly participates in the stakeholder processes of the two Regional Transmission Organizations (RTOs) whose regions include Missouri: the Midcontinent Independent System Operator (MISO); and the Southwest Power Pool (SPP).

RTOs are organizations created by Title 16 USC §824 and FERC to operate the interstate Electric Transmission Grid (the Grid), plan upgrades to, and expansions of the Grid, manage wholesale bulk electric markets through which utilities buy and sell electricity to one another and to ensure reliable supplies of electric power are always available. The MoPSC participates in RTO activities to ensure Missouri electric rate payers and customers receive reliable and safe services at reasonable rates due to these federal activities.

Staff in the General Counsel Division of the Regulatory Analysis Department Bulk Regional Transmission Unit (BRTU) of the MoPSC, provide updates and briefings on RTO and FERC activities to the Commissioners, and spearhead the MoPSC's monitoring and interaction of RTOs to promote Missouri's interests.

Southwest Power Pool (SPP)

There are three Missouri jurisdictional electric utilities that are members of SPP: Evergy Missouri Metro, Evergy Missouri West and Empire.

City Utilities of Springfield, Independence Power and Light, and many smaller Missouri municipal utilities and cooperatives are also members of, or participate in SPP and its bulk wholesale energy markets. The SPP serves 14 states in which it manages over 68,000 miles of high-voltage transmission lines and facilities, conducts ongoing future transmission expansion and upgrades planning, operates day-ahead and real-time wholesale energy markets, coordinates local electric utilities and cooperatives activities, conducts inter-RTO operations and manages federal utility compliance services with FERC for its members.

SPP Regional State Committee (RSC)

MoPSC Commissioner Scott Rupp became the MoPSC's representative to the SPP Regional State Committee (RSC) in January 2018. Commissioner Rupp provides Missouri perspectives and input to the RSC as it provides collective state-regulatory commission guidance to the SPP Board of Directors. The SPP delegated to the RSC, authority to set resource adequacy requirements and transmission cost recovery policies oversight, and authorizes the RSC to compel SPP to submit filings before the FERC when it deems it necessary. The MoPSC Staff assists the MoPSC in its oversight of, and participation in, SPP stakeholder working groups and transmission planning activities.

SPP Holistic Integrated Tariff Team (HITT)

In March 2018, the SPP Board approved the creation of the Holistic Integrated Tariff Team (HITT). HITT was established to reexamine a number of SPP's practices: transmission project cost allocation protocols;

transmission planning; generator interconnection practices; and the impacts of variable generation resources including wind powered generation. Cost allocation of transmission projects received special attention from MoPSC Staff, as authority of that issue resides within the RSC. A MoPSC Staff representative serves on HITT.

Starting in fiscal year 2019 and continuing through fiscal year 2021, the RSC and the Cost Allocation Working Group (CAWG, noted below) worked on implementing the recommendations of the HITT. HITT established its recommendations on July 23, 2019 on a number of issues including cost allocations and generator interconnection charges.

This work is expected to continue through fiscal year 2021. CAWG will act as the lead on issues of cost allocation and resource adequacy, including possibly implementing a surgical approach to resolve issues of fairness related to lower voltage facilities in wind rich areas.

RSC's Cost Allocation Review Working Group (CAWG)

The CAWG is a state-staff level working group that reviews, monitors and performs analysis of any and all SPP proposals and practices, and reports and makes recommendations to the RSC and its president. The CAWG also monitors and participates in other SPP stakeholder working groups to ensure adequate state oversight. The CAWG chair coordinates its activities with the SPP staff and the RSC sets the CAWG agenda.

Other RSC duties include oversight of resource adequacy in the SPP region. To fulfill that duty, MoPSC Staff working with the CAWG also monitor SPP's Supply Adequacy Working Group (SAWG) as it reviews technical policy and operational details to ensure SPP region-wide resource adequacy.

In June 2020, the SAWG validated and re-established the current 12% planning reserve margin (the amount of generation load serving entities must maintain in reserve to ensure SPP's members have the ability to generate required amounts of electricity at any time). The SAWG is also developing the metrics by which renewable energy resources and storage resources will be accredited so adequate generation and reserves will be available for years into the future to satisfy electric demand (even under adverse circumstances) while minimizing wholesale energy costs.

MoPSC Staff also represents the CAWG on SPP's Network Resource Interconnection Service/Energy Resource Interconnection Service and Deliverability Taskforce as that working group seeks to develop protocols and recommendations to modify SPP's generation interconnection process to shorten the amount of time the generator interconnection process requires and to enhance the value of network transmission.

CAWG members also participate on other SPP stakeholder working groups that review transmission planning processes, transmission project construction engineering and cost reviews, and electric energy markets rules reviews.

Midcontinent Independent Transmission System Operator (MISO)

MISO serves Ameren Missouri, Columbia Water and Light, and smaller municipalities and cooperatives generally on the eastern side of Missouri. MISO coordinates operations of electric utilities across 15 states, the City of New Orleans and the Canadian province of Manitoba. MISO manages almost 72,000 miles of transmission lines and conducts on-going transmission grid expansion planning, operates wholesale day-ahead and real-time energy markets, coordinates inter-RTO grid management and manages federal utility compliance services with FERC for its members.

Calendar Year 2020 Resource Adequacy

On April 14, 2020, MISO conducted its annual Planning Resource Auction (PRA). The PRA is the mechanism used by MISO to determine how much generating capacity it will need to meet its region-wide peak load for the coming planning year (June 1-May 31), how much capacity to hold in reserves for contingencies and what to pay generator owners per megawatt for capacity. This year MISO determined a planning reserve requirement of 136 gigawatts will be required to meet load plus reserves. Missouri's forecasted requirements are slightly over 8,450 megawatts and will receive a capacity payment of $5.00/megawatt-day; Missouri's generators will be able to meet this requirement and have additional capacity to sell in the capacity market.

Organization of MISO States Leadership and Participation

MoPSC Chairman Ryan Silvey currently serves on the Organization of MISO States (OMS) Board of Directors. As a member of the OMS Board, Chairman Silvey coordinates with other states through the OMS as it monitors MISO and federal activities and regional activities that affect Missouri and provides input to policy direction and formation, works with MISO management to ensure states' interests are adequately reflected and represented in MISO's markets and planning policies.

OMS-SPP RSC Seams Liaison Committee

Where the regions of an RTO meet another RTO or non-RTO region and their transmission and generation operations impact those of the other RTO or non-RTO is called a “seam”. Seams impacts include congestion on transmission facilities which have monetary and non-monetary costs.

In fiscal year 2019, SPP RSC and OMS Commissioners joined together under the leadership of MoPSC Commissioner and then OMS President Daniel Hall to form the SPP RSC-OMS Seams Liaison Committee (Seams Liaison Committee) and sought to find ways to reduce the cross seam impacts of the RTOs and reduce the ultimate seams costs borne by retail ratepayers.

The Seams Liaison Committee is comprised of four SPP RSC Commissioners, four OMS Commissioners, and the current president of NARUC as an ex-officio member. Commissioner Thomas of Arkansas, who succeeded MoPSC Commissioner Hall, and Commissioner Albrecht of Kansas were the two co-chairs of the Seams Liaison Committee as of June 2020. The Seams Liaison Committee began meeting with a telephone call in September 2018, and had its first in person meeting at NARUC in Orlando, Florida in November 2018. The Committee has met 11 times through July 2020. The Seams Liaison Committee has been heavily supported by the MoPSC Staff. The Seams Liaison Committee has performed the following actions in FY 2020:

- Requested and analyzed feedback from stakeholders on a whitepaper on the history of the MISO/SPP seam and on potential analysis to be performed on markets, operations and transmission planning issues on the MISO/SPP seam;
- Contracted with the SPP Market Monitoring Unit and the MISO Independent Market Monitor to perform analysis on the markets and operations issues on the MISO/SPP seam, with four reports delivered in fiscal year 2020.

WATER AND SEWER DEPARTMENT

The main functions of the Water and Sewer Department (W/S Department) are to conduct inspections of utility operations, assist customers, investigate customer complaints, work on tariff filings, review small and large company rate requests, and review applications for certificates of convenience and necessity to ensure that water and sewer utilities are providing safe and adequate service to their customers.

Another major role fulfilled by the W/S Department is investigating customer complaints regarding quality of service issues. W/S Department personnel spend many hours in the field investigating complaints and working with the customer and the company to find solutions to the customer’s concerns.

There are approximately 45 regulated water and/or sewer companies in the State of Missouri. Most of these companies are considered small or very small based upon those definitions as provided by the National Regulatory Research Institute (NRRI). Typically, these systems have less than 500 customers. One of the major challenges is providing the utility with reasonable revenue to make needed repairs and comply with Missouri Department of Natural Resources (DNR) mandated upgrades, while at the same time keeping rates reasonable for consumers.

In fulfilling its duties, the W/S Department also works very closely with DNR whose responsibilities include ensuring that the utilities are complying with the applicable federal and state environmental and water quality laws and regulations.

Small Rate Cases

During fiscal year 2020, there were three small utilities that filed for a small company rate increase. A small water or sewer utility is a utility that serves fewer than 8,000 customers. The first rate case was filed by Confluence Rivers Utility Operating Company (Confluence Rivers) (**Case No. WR-2020-0053**). Confluence Rivers provides water and sewer service in various areas of the state.

A major outcome of this rate case was the Commission’s approval of a consolidated rate for Confluence Rivers’ water customers and a consolidated rate for its sewer customers. Although the individual systems are located throughout the State, they are all small. Consolidated rates allows for costs to spread out over a larger customer base, thus helping to mitigate the impacts of large investments on small systems. The Commission approved the rate increase in April, 2020. However, due to the COVID-19 pandemic, the Commission asked Confluence Rivers to postpone the rate increase until July 1.

The other two rate cases filed during the 2020 fiscal year were by the Raytown Water Company (**Case No. WR-2020-0264**) and Elm Hills Operating Utility (**Case No. WR-2020-0275**). Both cases are still pending before the Commission.

Large Rate Case

On June 30, 2020, Missouri-American Water Company filed a water and sewer rate increase request with the MoPSC.

In its rate case filing (**Case No. WR-2020-0344**), Missouri-American Water Company has requested a future test year to use as a measure to establish rates as opposed to an historical test year. Missouri-American Water Company is also requesting a Revenue Stabilization Mechanism, a mechanism that would allow rates to change between rate cases due to increases or decreases in the overall revenues collected by the company. A decision in this case should be determined in the spring of 2021.

Receivership Actions

When the Commission determines that an owner is unwilling and/or unable to provide safe and adequate service, the Commission can place the utility under control of a receiver. It is the receiver's general duty to operate the system in a manner that provides safe and adequate service and to prepare the utility for ultimate sale to a provider that will take over the operations. Receivers are not owners and do not have the ability or resources to make investments that are usually necessary to solve all issues at these troubled utilities.

In **Case No. WA-2019-0185**, Osage Utility Operating Company (OUOC) filed an application to purchase the Osage Water Company. The Commission approved this transaction and OUOC is now operating this system.

Needed Investment

Many of Missouri's small systems are older systems with much needed investment requirements, but the operators do not always have the financial means to make improvements to the systems. The W/S Department is constantly engaged with the small systems that are regulated by the Commission, and other interested entities, to look for creative solutions so that the utilities can make the appropriate upgrades and continue to provide safe and adequate service at just and reasonable rates.

Even with this engagement, some small systems still have trouble making the appropriate investment. A trend that has been occurring over the past several years is larger, financially stable utilities acquire smaller systems that are unable to continue to make the needed investment into their systems. These smaller systems are sometimes already regulated by the Commission. Others are municipalities or other non-regulated systems. Regardless, acquisition by larger utilities allows for the continuation of safe and adequate service. This is a trend that will continue in the foreseeable future.

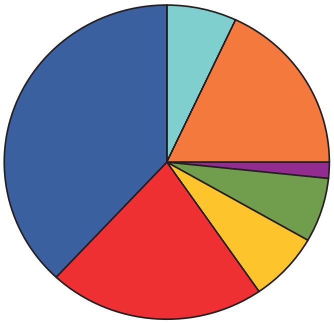
TELECOMMUNICATIONS

Commission Authority/Responsibilities

The Commission's jurisdiction over telecommunications is primarily limited to wholesale matters, telephone numbering and administering telecommunications-related programs and funds. Companies providing various forms of landline telecommunications services and Interconnected Voice over Internet Protocol (IVoIP) service must be certificated or registered with the Commission. Companies offering video service have the option to seek authorization through the Commission rather than through a local municipality.

During the past year, the overall number of authorized providers slightly increased from 532 to 536. In general, IVoIP providers, ILECs, CLECs and IXCs are subject to various reporting and assessment requirements. During the past year the MoPSC streamlined the annual report form filed by these companies and suspended the Missouri universal service fund assessment.

TELECOMMUNICATIONS, IVOIP, AND VIDEO SERVICE PROVIDERS



Video Service	59
I-VoIP	169
Shared Tenant Services (STS)	10
Private Payphone	20
Incumbent Local Exchange (ILEC)	43
Competitive Local Exchange (CLEC)	134
Interexchange (IXC)	214

Universal Service Fund Programs

The Federal Communications Commission (FCC) administers the federal Universal Service Fund (USF). This federal fund is used for a variety of different programs; however, the FCC relies on state commissions to specifically help in the administration of the high-cost program and the Lifeline program. In general, any landline or wireless company operating in Missouri wanting to receive financial support from the high-cost program or the Lifeline program must first obtain status from the Commission as an eligible telecommunications carrier (ETC). ETC status ensures a company meets certain qualifications and makes certain commitments for complying with various program requirements. Minimum ETC requirements are identified in FCC rules; however, a state commission may expand upon those requirements. A total of 74 companies have ETC status in Missouri.

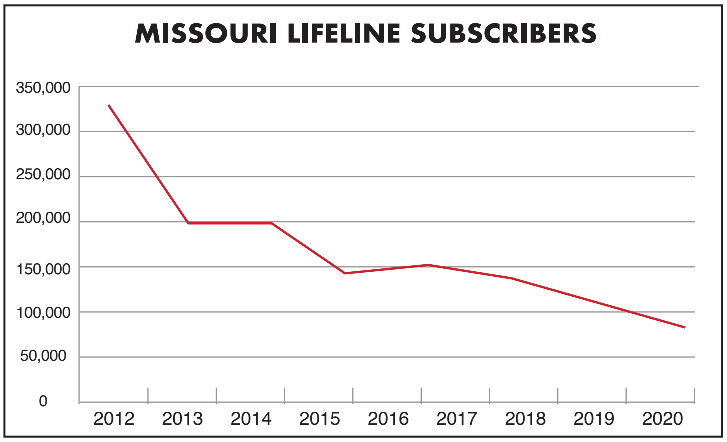
High-Cost Support Program: The high-cost program is solely funded through the federal universal service fund and is intended to ensure voice and broadband services are available to consumers throughout the nation at comparable rates. Essentially the high-cost support program provides financial support to companies serving high-cost areas such as rural and sparsely-populated areas. In Missouri, 51 landline companies and three wireless companies received approximately $195.1 million in federal high-cost support in 2019.

The FCC relies on state commissions to annually certify companies receiving high-cost support payments. This certification process is intended to ensure a carrier's high-cost support was used in the preceding calendar year and will be used in the coming calendar year only for the provision, maintenance and upgrade of facilities and services for which the support is intended. Failure to obtain this state certification results in termination of a company's high-cost support. The Commission has established rules identifying requirements for obtaining annual certification. In addition, Staff periodically conducts on-site visits evaluating a company's facilities and overall operations.

This past year, a total of 54 companies received such certification from the MoPSC. For calendar year 2019, these companies received a total of $195,147,608 in federal high cost USF support to help provide telecommunications and broadband services in designated high-cost Missouri areas.

Lifeline Program: The Lifeline program is designed to provide discounted phone service to qualifying low-income consumers. Landline and wireless companies participate in the Lifeline program, which has been in existence since 1985 and is overseen by the FCC in partnership with the states. Funding for the Lifeline program comes from the federal universal service fund and the Missouri universal service fund.

Lifeline program funding significantly changed this past year. Despite receiving comments from many parties, including the MoPSC, the FCC proceeded with its plan to begin phasing out federal Lifeline support for voice-only service. Effective December 1, 2019, federal monthly Lifeline support was reduced from $9.25 to $7.25 for a Lifeline subscriber with voice-only service, but federal support remained at $9.25 for a Lifeline subscriber with broadband service. Shortly thereafter, the MoPSC increased Missouri USF support from $6.50 to $14.75 and $16.75 depending on if the Lifeline service is a bundled voice/broadband service or voice-only service, respectively. Consequently, a landline Lifeline subscriber with voice service in Missouri currently receives a total discount of $24.00 per month. Providers could implement the change in the support amount as early as December 13, 2019 and no later than February 1, 2020. Per Missouri law, Missouri USF support is not offered for broadband-only service and is not available to wireless providers.



Consumers participating in the following programs are eligible for the Lifeline program: Missouri HealthNet, food stamps, supplemental security income, federal public housing and Veterans and Survivors Pension Benefit program. Consumers with a household annual income at or below 135% of the federal poverty level are eligible for the Lifeline program. In June 2018, the universal service administrator, USAC, began launching, on a state-by-state basis, the National Verifier, which requires USAC to review each enrollment and independently verify an applicant's eligibility. Missouri's launch began March 5, 2019.

As of June 2020, there were approximately 7.3 million Lifeline subscribers nationwide. Missouri has 84,376 Lifeline subscribers, which is a decrease from the prior year of 97,126 Lifeline subscribers. Of these subscribers, approximately 3,000 receive Missouri USF support.

In 2018 and 2019, the MoPSC opened cases to formally investigate whether a couple Lifeline providers were complying with Lifeline program requirements in Missouri. Both providers are also being investigated by the FCC. One company voluntarily relinquished its ETC status. The other acknowledged the violations and refunded improperly received funds.

Disabled Program: The disabled program is similar to the Lifeline program in that it provides discounted phone service to consumers participating in the following programs: veterans' administration disability benefits, state blind pension, state aid to blind persons, state supplemental disability assistance payments, or federal social security disability program. In contrast to the Lifeline program, the disabled program is solely funded through the Missouri USF. The disabled program is limited to landline providers and offers a $24.00 a month discount to a qualifying customer with voice service or a bundled voice and broadband service. The disabled program does not support broadband-only service. Approximately 300 subscribers were participating in the program in June 2020 versus 330 subscribers a year earlier.

Funds Administered by the Commission

Missouri Universal Service Fund: The Missouri Universal Service Board, consisting of the MoPSC and OPC, oversees the Missouri USF pursuant to Section 392.248, RSMo. Commissioner Bill Kenney serves as President of the Universal Service Board. The Missouri USF currently provides funding to landline carriers for the provisioning of discounted voice service to qualifying Lifeline and disabled customers. The Missouri USF is funded through a percentage-based assessment on retail net jurisdictional revenues of landline telecommunications companies and interconnected VoIP providers. This assessment is ultimately paid for by consumers and shows up as the Missouri USF surcharge on monthly bills. Fund administration is handled by a third party selected through a competitive bid process.

The Missouri USF fund balance has decreased from $2,758,460 to $2,645,612 during the June 2019 through June 2020 time period. In **Case No. TO-2019-0346**, the MoPSC suspended the Missouri USF assessment effective January 1, 2020 through December 31, 2020. As previously mentioned, the Missouri USF support amount also increased from $6.50 to $14.75 for a bundled voice/broadband Lifeline service and to $16.75 for voice-only Lifeline service. Missouri USF support increased from $6.50 to $24.00 for Disabled program subscribers.

Relay Missouri Fund: The MoPSC oversees the Relay Missouri Fund (a.k.a. Deaf Relay Service and Equipment Distribution Program Fund) pursuant to Section 209.258, RSMo. This fund provides financial support to ensure deaf, hearing-impaired and speech-impaired consumers have reasonable access to telephone service. More specifically, the Relay Missouri Fund provides financial support for Relay Missouri service, Captioned Telephone service (CapTel) and the Telephone Access Program. Missouri Assistive Technology administers the Telephone Access Program while the Commission oversees the provisioning of relay and CapTel services in Missouri. The MoPSC contracts with a party to provide relay and CapTel services.

The Relay Missouri Fund balance has declined from $2,700,118 to $2,071,879 during the July 1, 2019 to June 2020 time period. The Relay Missouri Fund is funded by a $.04 per line monthly surcharge applied to each landline providing basic local telecommunications service or interconnected VoIP service.

Pricing Reforms

Effective August 28, 2014, all retail telecommunications rates were de-regulated. Terms, conditions and rates associated with telecommunications services can either be maintained in a tariff filed with the MoPSC or by maintaining rates on a company's website. Currently 72 companies maintain their rates on their website.

Telephone Numbering

The MoPSC serves as an impartial telephone numbering administrator in Missouri, working closely with the National Number Pool Administration to implement industry guidelines to include telephone number reclamation procedures, and the issuance of new telephone numbers in quantities sufficient to serve new telephone numbering needs.

The MoPSC also serves in a capacity to review, and potentially reverse, decisions by federal authorities which have denied additional telephone numbers to telephone companies when specific utilization guidelines are not met. Often referred to as "safety valve" requests, such authority permits the MoPSC to examine and verify telephone numbering needs involving individualized company-specific situations. In the 2020 fiscal year, the MoPSC was asked to examine and make determinations in eight situations.

AREA CODE	PROJECTED DATE OF TELEPHONE NUMBER EXHAUSTION*	PERCENTAGE OF NUMBERS ASSIGNED TO CARRIERS
314	3rd quarter of 2023	57%
417	3rd quarter of 2028	37%
573	3rd quarter of 2028	29%
636	*Exhaust date exceeds 30 years*	39%
660	*Exhaust date exceeds 30 years*	28%
816	3rd quarter of 2025	40%

**Forecast as approved by the FCC in April 2020. The exhaust dates are reviewed twice a year by numbering authorities.*

Other Wholesale Matters

State and federal laws provide the MoPSC with authority over wholesale telecommunications issues. Interconnection agreements are documents identifying the charges and how telecommunications providers interconnect with incumbent local telephone companies. During the past year a total of 13 new interconnection agreements were filed with the MoPSC and 44 interconnection agreements were revised. Two complaints were also formally filed with the MoPSC alleging violations of the terms contained within the applicable interconnection agreements.

MANUFACTURED HOUSING AND MODULAR UNITS PROGRAM

The Manufactured Housing and Modular Units Program (Program) of the Commission is responsible for overseeing the annual registration of dealers and manufacturers of manufactured homes and modular units, as well as the licensing of installers of new manufactured federal Housing and Urban Development (HUD) homes.

REGULATORY ACTIVITY

Program Staff also prescribes and enforces uniform construction, safety and installation standards by conducting inspections, which include enforcement of tie down and anchoring requirements.

The Commission has a toll-free hotline number, **1-800-819-3180**, for consumers who have questions or complaints regarding manufactured homes or modular units. Program Staff conducts free home inspections for consumers requesting an inspection if the consumer is the first owner of the home and the home is less than two years old. Additional information is available on the Commission website at **www.psc.mo.gov/manufacturedhousing.**

During the 2020 fiscal year, the Program licensed 147 manufacturers, 197 retail dealers, and 63 installers. Field Staff conducted a total of 12 consumer complaint inspections. At the start of 2020, five installer training classes were scheduled, but because of the COVID-19 pandemic, three of the five had to be canceled. The Commission continues to review potential alternatives to in-person trainings.

Program Staff regularly conducts home inspections. On-site inspections can help identify any installation problems and those problems can be repaired before the installation of the home is completed, reducing repair costs and ensuring that the consumer has a properly installed, longer lasting home. In many cases, these on-site inspections are initiated or requested by the home installer, dealer or the home owner to ensure the site is properly prepared before the home is placed on the site.

STATISTICS FOR FISCAL YEAR 2020

Registered Manufacturers	147
Registered Dealers	197
Registered Installers	63
Homes Sold (New & Used)	1,994
Consumer Complaint Inspections	12
On-Site Inspections	441
Dealer Lot Inspections	18
Dealer Lot Investigations	5
Modular Unit Seals Issued	910
Modular Unit Plans Approved	303
Installer Decals Issued	1,336

Oversight and Regulation

Structures that are not properly installed may result in very expensive repairs which can take weeks to complete. Most of today's homes and commercial units are multi-section structures installed on crawl spaces or basement foundations or below frost grade footings. Many of these structures have high-pitched hinged roofs and require specialized equipment to install.

Many multi-section units require several weeks to fully complete from site preparation to final close up and interior finish. Program Staff work with local communities around the state to ensure manufactured homes and modular units are built to the applicable building and safety codes and are set up and installed according to applicable state and federal standards.

Manufactured Homes and Modular Unit Sales

Approximately 1,101 new manufactured homes and new modular units were sold in Missouri during the 2020 fiscal year. In addition, 893 used homes were sold in the state.

Modular and manufactured homes fill a major housing void in many rural areas where site built homes are difficult to construct in a timely manner. Manufactured homes also offer an affordable alternative to site built homes.

Commercial modular units range from small single section units to large 16 to 20 section multi-family structures. Other commercial units include specialized units such as medical facilities, banks and jails. Many of these commercial units can be delivered and fully operational within a very short period of time. Program Staff work with local building and code officials to ensure these structures meet the applicable commercial building code requirements under the International Building Codes (IBC).

Modular unit classrooms are a major component of affordable classrooms in many school districts throughout the state. Modular classrooms can provide schools the opportunity to add classrooms at a fraction of the cost of building traditional site built classrooms.

Recent Projects

The department has overseen multiple manufactured housing communities across the state that have brought in a large number of homes this year. Program inspectors make it a priority to be at the communities before and while these homes are being installed to ensure code compliance, but also to work with Commission-licensed installers to deliver a quality installation that will serve the home buyers for many years to come.

At the beginning of 2020, COVID-19 abruptly changed everyone's lives personally and professionally. Throughout the year, the department has adapted to the new way of life, including; successfully working from home and understanding how to protect field inspectors and the people we serve while still performing necessary inspections.

CUSTOMER EXPERIENCE DEPARTMENT

The Customer Experience Department (CXD) provides testimony and recommendations on customer experience matters before the Commission. Defining customer experience varies by industry and organization but the one invariable definition is that customer experience focuses on customers' overall journey or experience with a company. An effective customer experience business strategy takes a holistic assessment of customer contact at every level of an organization.

CXD Staff consists of Research/Data Analysts and Senior Research/Data Analysts. CXD Staff participated in a diverse range of cases and audit projects during 2020 fiscal year including small utility rate cases, formal complaints, general rate cases, certificate applications, investigatory dockets, tariffs, rulemakings and working groups.

CXD Staff monitors and responds to certain public comments, provides testimony and analysis on customer service issues, participates in energy advisory groups and attends local public hearings and other outreach and education events. CXD Staff participates in the Telecommunications Department's review of USF certifications for selected telecommunications companies.

CXD Staff performed service quality analysis during the 2020 fiscal year on a number of small water and sewer companies in the context of rate increase requests, acquisitions and certificate cases. Audits of small water and sewer companies provide CXD Staff an opportunity to recommend improvements, and in some cases, compliance in areas including customer billing, payment remittance, credit and collections, complaint handling, business office operations and record retention.

During the 2020 fiscal year, CXD Staff filed testimony or a Staff Report in a number of cases including: *In the Matter of The Empire District Electric Company's Request for Authority to File Tariffs Increasing Rates for Electric Service Provided to Customers in its Missouri Service Area* (**Case No. ER-2019-0335**); *In the Matter of The Empire District Electric Company's Request for Authority to File Tariffs Increasing Rates for Electric Service Provided to Customers in its Missouri Service Area* (**Case No. ER-2019-0374**); *In the Matter of the Application of Osage Utility Operating Company, Inc. to Acquire Certain Water and Sewer Assets and for a Certificate of Convenience and Necessity* (**Case No. WA-2019-0185**); *In the Matter of the Application of Confluence Rivers Utility Operating Company, Inc., for Authority to Acquire Certain Water and Sewer Assets and for a Certificate of Convenience and Necessity* (**Case No. WA-2019-0299**); *and In the Matter of Confluence Rivers Utility Operating Company, Inc.'s Request for a Water Rate Increase* (**Case No. WR-2020-0053**).

CXD Staff receives and reviews quality of service reports from various companies as a result of mergers and rate cases. These reports contain information regarding customer service, including data on staffing levels, call center indicators (such as average speed of answer), abandoned call rate, and the number of billing estimates performed. CXD Staff monitors various aspects of customer experience including the call center performance of the state's largest regulated natural gas and electric companies as well as Missouri-American Water Company.

CXD Staff meets frequently with large utility companies to discuss customer experience issues. Service quality is continuously reviewed with the companies to examine utility performance and customer service.

CONSUMER SERVICES DEPARTMENT

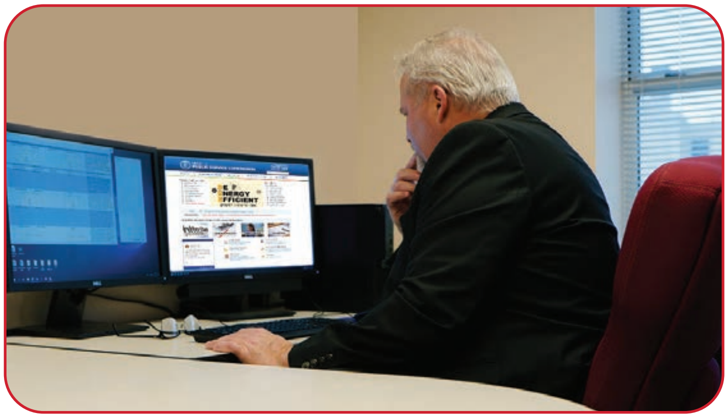
The Consumer Services Department (Consumer Services):

- Responds to information requests, consumer complaints and inquiries regarding utility service. Consumer Services also handles the submission of public comments regarding pending cases related to rate increases, certificate requests, formal complaints and working cases.
- Ensures utility compliance with Commission rules and regulations as well as with the utility's Commission-approved tariffs.
- Works to educate customers, utilities and the public on utility-related consumer service issues, rights and responsibilities, with a focus on promoting understanding to prevent disputes.

Consumer Services has full-time investigators who handle a variety of consumer issues including billing problems, payment arrangements, denial of service issues, disconnection and service connection issues, enforcement of rules and regulations and safety issues. Consumer Services is the link between consumers and the utility company that serves them. Consumer Services handles all contacts in a prompt, fair and practical manner.

All parties are encouraged by Consumer Services to focus on preventing problems before they occur. When consumer issues are found, investigators guide the parties to identify and correct the cause.

The Commission received over 6,100 customer-related contacts in fiscal year 2020. Contacts include complaints, inquiries regarding rules and regulations, information requests, non-jurisdictional requests and public comments related to pending utility cases.



RATE CASES DECIDED DURING THE 2020 FISCAL YEAR

ELECTRIC

Date of Order	Case No.	Company	Rate Request	PSC Decision
03/18/20	ER-2019-0335	Ameren Missouri	($800,000)	($32 million)

NATURAL GAS

Date of Order	Case No.	Company	Rate Request	PSC Decision
08/21/19	GR-2019-0077	Ameren Missouri	$4.26 million	($1 million)

WATER AND SEWER

Date of Order	Case No.	Company	Rate Request	PSC Decision
04/08/20	WR-2020-0053	Confluence Rivers	$ 368,360	$ 306,355
04/08/20	SR-2020-0054	Confluence Rivers	$ 527,721	$ 345,597

STEAM

Date of Order	Case No.	Company	Rate Request	PSC Decision
12/03/19	HR-2018-0231	Evergy Missouri West	$ *	$ **

* On February 18, 2018, the PSC Staff filed a show cause case regarding the impact of the 2017 federal Tax Cuts and Jobs Act (TCJA) on Evergy Missouri West steam heat operations.

** The Commission approved an agreement which authorized a 9% increase in steam revenues.

ELECTRIC STATISTICS

Calendar Year 2019 (Missouri Jurisdictional)

Company Name	Operating Revenues	MWhs Sold	Residential Customers	Total Customers
Liberty Utilities, Empire District Electric Co.	$ 482,470,623	4,210,798	131,105	155,426
Evergy Missouri Metro (1)	$ 980,189,161	8,404,298	259,924	292,686
Evergy Missouri West (2)	$ 762,564,881	8,133,619	290,951	347,402
Ameren Missouri (3)	$2,716,289,088	32,119,373	1,066,035	1,230,246
Totals:	**$4,869,513,753**	**52,868,088**	**1,748,015**	**2,025,760**

Source: MoPSC FERC Form 1, 2019 Annual Reports (Missouri Jurisdictional)
(1) Formerly Kansas City Power & Light Company
(2) Formerly KCPL-Greater Missouri Operations Company
(3) Union Electric Company d/b/a

STEAM STATISTICS

Calendar Year 2019 (Missouri Jurisdictional)

Company Name	Operating Revenues	MMBtus Sold	Residential Customers	Total Customers
Evergy Missouri West (1)	$ 15,300,257	2,670,814	0	5
Veolia Energy Kansas City, Inc. (2)	$ 18,974,301	1,797,831	0	48
Totals:	**$ 34,274,558**	**4,468,645**	**0**	**53**

Source: 2019 Annual Report
(1) Formerly KCPL-Greater Missouri Operations Company
(2) Reported in MLB's

NATURAL GAS STATISTICS

Calendar Year 2019 (Missouri Jurisdictional)

Company Name	Operating Revenues	Mcfs Sold	Residential Customers	Total Customers
Liberty Utilities	$ 54,604,450	8,474,812	45,685	52,585
Empire District Gas Co.	$ 37,932,258	8,151,248	37,522	43,021
Spire Missouri East (1)	$ 710,768,050	91,029,158	613,447	654,616
Spire Missouri West (2)	$ 509,377,380	82,771,531	487,898	521,949
Summit Natural Gas Co. (3)	$ 32,046,796	3,395,997	15,010	18,290
Ameren Missouri (4)	$ 127,230,469	20,216,454	118,689	132,352
Totals:	**$1,471,959,403**	**214,039,200**	**1,318,251**	**1,422,813**

Source: MoPSC FERC Form 2 2019 Annual Reports (Missouri Jurisdictional)
(1) Formerly Laclede Gas Company
(2) Formerly Missouri Gas Energy, a division of Laclede Gas Company
(3) Formerly Missouri Gas Utility and Southern Missouri Gas Company, L.P. d/b/a
(4) Union Electric Company d/b/a

STAND ALONE WATER AND SEWER COMPANIES FISCAL YEAR 2020*

NAME OF WATER COMPANY	CUSTOMERS
Argyle Estates	52
Environmental Utilities	21
Gascony Water Company	195
Indian Hills Utility Operating Company, Inc.	656
Middlefork Water Company**(1)	2
Raytown Water Company	6,629
Rex Deffenderfer Enterprises, Inc.	1,067
Stockton Hills Water Company	167
Village Greens Water Company	95
Whiteside Hidden Acres, LLC	34
Total Number of Customers	**9,057**

NAME OF SEWER COMPANY	CUSTOMERS
Cannon Home Association	117
Central Rivers Wastewater Utility, Inc.	295
Mid-MO Sanitation	31
North Oak Sewer District	81
Raccoon Creek Utility Operating Company	522
TBJ Sewer Systems, Inc.	75
Taneycomo Highlands	26
Timber Creek Sewer Company	2,268
TUK LLC	27
United Services, Inc.	297
Warren County Sewer Company	34
Total Number of Customers	**3,773**

*Active Companies as of 6/30/20
**Middlefork provides water to Grant City and Stanberry which buy the water wholesale to provide service to approximately 2,100 customers.
(1) Sale / Transfer Pending

COMBINATION WATER AND SEWER COMPANIES FISCAL YEAR 2020*

COMPANY NAME	WATER CUSTOMERS	SEWER CUSTOMERS
188 N. Summit	44	44
Branson Cedars Resort (1)	64	60
Carl R. Mills	7	7
Cedar Green Land Acquisition	54	52
Confluence Rivers Utility Operating Company, Inc.	547	637
Elm Hills Utility Operating Company, Inc.	119	361
Foxfire Utility Company	257	254
Hillcrest Utility Operating Company	244	245
Holtgrewe Farms Water Company	33	33
Lake Northwoods Utility Company	17	17
Liberty Utilities	7,732	539
Lincoln County Water & Sewer	202	202
Missouri-American Water Company	469,544	14,644
Osage Water and Sewer	402	420
Port Perry Service Company (1)	373	254
SK&M Water & Sewer Company	259	162
Terre Du Lac Utilities (1)	1,312	1,295
Total Number of Customers	**481,210**	**19,226**

*Active Companies as of 6/30/20
(1) Sale / Transfer Pending

YEAR-IN-REVIEW

JULY 3 Ameren Missouri files an electric rate case with the Public Service Commission seeking to reduce annual electric revenues by approximately $800,000.

JULY 10 Public Service Commission grants a CCN to Missouri-American Water Company to construct, own, operate and maintain a sewer system in the Hillers Creek Subdivision in Callaway County.

JULY 10 Public Service Commission approves an application authorizing the transfer of water system assets from Franklin County Water Company, Inc. to Liberty Utilities (Missouri Water) LLC d/b/a Liberty Utilities.

JULY 31 Public Service Commission approves a third territorial agreement between The Empire District Electric Company and Ozark Electric Cooperative.

AUGUST 7 Public Service Commission approves a joint application filed by Farmers' Electric Cooperative, Inc. and the City of Gallatin which sought Commission approval to a previous territorial agreement between the two which was first approved by the Commission in 1997.

AUGUST 14 The Empire District Electric Company files an electric rate case with the Public Service Commission seeking to increase annual electric revenues by approximately $26.5 million.

AUGUST 15 Public Service Commission approves an agreement which grants a CCN to Ameren Missouri to construct, own and operate an approximate 299 megawatt wind generation facility (known as the Outlaw Project) in Atchison County.

AUGUST 21 Public Service Commission approves an agreement in a natural gas rate case filed by Ameren Missouri which reduces permanent annual natural gas revenues by approximately $1 million. When Ameren Missouri filed its natural gas rate case with the Commission on December 3, 2018, it sought to increase permanent natural gas revenues by approximately $4.26 million. This rate case reflects savings associated with the federal Tax Cuts and Jobs Act of 2017.

AUGUST 26 Confluence Rivers Utility Operating Company, Inc. files water and sewer rate cases with the Public Service Commission seeking to increase annual water operating revenues by approximately $368,360 and sewer operating revenues by approximately $527,721.

AUGUST 28 Public Service Commission moves to a new state department. The Commission is now a part of the Missouri Department of Commerce and Insurance (DCI). The Commission was previously under the Missouri Department of Economic Development (DED).

SEPTEMBER 6 Missouri Public Service Commission supports National Lifeline Awareness Week.

OCTOBER 1 Public Service Commission organizational changes take effect. The Commission now oversees five divisions: Administration, Financial and Business Analysis, Industry Analysis, Staff Counsel and General Counsel.

OCTOBER 9 Public Service Commission grants a CCN to Carl Mills to install, own and operate a water system in Stone County near Branson West.

OCTOBER 17 Public Service Commission approves an agreement designed to provide for more electric vehicle (EV) charging stations in Ameren Missouri's service territory. Under the agreement, public charging, workplace charging and multi-family charging programs will be established.

OCTOBER 23 Public Service Commission approves a third addendum to a previously approved territorial agreement between Ameren Missouri and Farmers' Electric Cooperative.

OCTOBER 30 Public Service Commission approves an agreement which authorizes the indirect merger by stock acquisition and related encumbrance between AIP Project Franklin Bidco, Inc., Veolia Energy North America Holdings, Inc. Thermal North America Holdings, Inc., Veolia Energy Missouri, Inc. and Veolia Energy Kansas City, Inc.

NOVEMBER 1 Public Service Commission's Cold Weather Rule takes effect.

NOVEMBER 4 Commissioner Daniel Hall resigns following the expiration of his six-year term.

NOVEMBER 13 Public Service Commission approves a special load rate contract between Evergy Missouri West (formerly KCP&L Greater Missouri Operations Company) and Nucor Steel Sedalia, LLC.

NOVEMBER 21 Public Service Commission approves modifications to the Missouri Universal Service Fund. The Commission increased the Missouri Universal Service Fund support amount for the Lifeline and Disabled programs and suspended the assessment that provides the funding for both programs starting January 1, 2020.

DECEMBER 3 Public Service Commission approves an agreement which authorizes Evergy Missouri West to increase steam operating revenues by approximately nine percent. The increase incorporates a reduction in the federal corporate income tax rate from 35 percent to 21 percent under the federal Tax Cuts and Jobs Act of 2017.

DECEMBER 11 Public Service Commission opens a working case to consider a proposed residential customer disconnection data reporting rule filed by the Office of the Public Counsel.

DECEMBER 11 Public Service Commission approves, with modifications, the Missouri Energy Efficiency Investment Act (MEEIA) Cycle 3 plans put forth by Evergy Missouri Metro and Evergy Missouri West (Evergy Missouri). Evergy Missouri's portfolio of MEEIA Cycle 3 programs consist of a three-year plan for specific demand-side programs and a six-year plan for the income-eligible multi-family program. The Commission's decision includes a one year pilot program called Pay As You Save (PAYS).

DECEMBER 30 Public Service Commission grants a CCN to Spire Missouri, Inc. to construct, own, operate and maintain a natural gas distribution system in Newton County which will be a further expansion of the Company's existing certificated area.

– 2020 –

JANUARY 13 Jason R. Holsman is appointed as a commissioner to the Public Service Commission by Governor Michael Parson. Commissioner Holsman was confirmed by the Missouri Senate on January 16, 2020.

JANUARY 21 Public Service Commission grants a CCN to Missouri-American Water Company to construct, own, operate and maintain a sewer system serving the Clinton Estates Subdivision in Clinton County near Trimble.

MARCH 18 Public Service Commission grants Spire request for temporary variances from Company tariffs/Commission rules to allow Spire to suspend disconnect activities and waive late payment charges due to COVID-19 pandemic.

MARCH 18 Public Service Commission grants Ameren Missouri request for temporary variance from Commission rules/Company tariffs to allow Ameren Missouri to forego the collection of fees related to late payments and reconnections due to the COVID-19 pandemic.

MARCH 18 Public Service Commission grants Liberty Utilities (Missouri Water) LLC a CCN to install, operate and maintain a sewer system in Cape Girardeau County.

MARCH 18 Public Service Commission approves agreement which reduces the annual electric operating revenues of Ameren Missouri by approximately $32 million. When Ameren Missouri filed its rate case on July 3, 2019, it sought to reduce annual electric operating revenues by approximately $800,000.

MARCH 25 Public Service Commission grants Ameren Missouri request for a variance from company tariffs/Commission rules to allow it to waive collection of fees related to late payments and reconnection of service for natural gas customers due to COVID-19 pandemic.

MARCH 25 Public Service Commission grants Summit Natural Gas of Missouri, Inc. request for a temporary variance from certain Commission rules and company tariffs to allow it to waive late payment fees and service disconnection requirements due to the COVID-19 pandemic.

MARCH 25 Public Service Commission grants a request filed by the PSC Staff to temporarily waive part of a Commission rule which requires Missouri natural gas companies and Missouri municipal natural gas operators to visually inspect customer gas piping and all connected equipment at the time an operator physically turns on the flow of natural gas to a customer. Temporary waiver sought due to the COVID-19 pandemic.

APRIL 1 Public Service Commission recognizes April as national safe digging month.

APRIL 8 Public Service Commission approves joint application which authorizes the purchase of the water system assets of The Empire District Electric Company by Liberty Utilities (Missouri Water) LLC.

APRIL 8 Public Service Commission approves an agreement which authorizes Confluence Rivers Utility Operating Company to increase annual water and sewer revenues by approximately $651,952. When Confluence Rivers Utility Operating Company filed its rate requests on August 29, 2019, it sought to increase annual water and sewer operating revenues by approximately $896,081.

APRIL 8 Public Service Commission grants the purchase of the Osage Water Company by the Osage Utility Operating Company.

APRIL 15 Public Service Commission grants Summit Natural Gas of Missouri request for a variance from Company tariffs/Commission rules which will allow it to waive fees for reconnection of service to assist customers during the COVID-19 pandemic.

APRIL 15 Public Service Commission grants Ameren Missouri request for a variance from the company's Keeping Current Low-Income Pilot tariff which will allow Ameren Missouri to waive, indefinitely, the program's requirement that limits the missed, late or partial payments that a customer may make and remain in the Keeping Current Program. This request is due to the COVID-19 pandemic.

APRIL 15 Public Service Commission grants Spire request to revise its low-income tariff in order to provide approximately $940,000 in one-time bill credits to customers financially impacted by COVID-19.

APRIL 15 Public Service Commission approves the purchase of the sewer system assets of Central Rivers Wastewater Utility, Inc. by the Elm Hills Utility Operating Company.

APRIL 22 Public Service Commission approves Spire request to extend suspension of disconnect activities and the waiving of late payment fees due to the COVID-19 pandemic. The Commission first granted Spire's request on March 18, 2020.

MAY 6 Public Service Commission approves Summit Natural Gas of Missouri, Inc. request seeking CCNs to construct, own, operate and maintain a natural gas distribution system providing natural gas service in Laclede and Webster counties. These CCNs would be a further expansion of the Company's existing certificated areas in those counties.

MAY 6 Public Service Commission approves Spire Missouri, Inc. request seeking a CCN to construct, own, operate and maintain a natural gas distribution system providing natural gas service in Lafayette County near Higginsville. This CCN would be a further expansion of the Company's existing certificated area.

MAY 13 Public Service Commission approves request filed by The Empire District Electric Company, The Empire District Gas Company, Liberty Utilities (Missouri Water) LLC and Liberty Utilities (Midstates Natural Gas) Corp., all subsidiaries of Liberty Utilities Company, for a temporary variance from Company tariffs, which will allow them to continue to forego collection of late payment fees, to not send collection or disconnection notices, and to reconnect recently disconnected customers during the COVID-19 emergency.

MAY 13 Public Service Commission opens working case to consider best practices for the recovery of past-due customer payments after the COVID-19 pandemic emergency.

JUNE 9 Public Service Commission recognizes name change of Grain Belt Express Clean Line LLC to Grain Belt Express LLC.

JUNE 30 Missouri-American Water Company files water and sewer rate increase requests with the PSC seeking to increase current annual water and sewer revenues by approximately $73.5 million.

COMMISSIONERS PAST & PRESENT

COMMISSIONER	LENGTH OF SERVICE
John M. Atkinson	1913-1916
William F. Woerner	1913-1914
John Kennish	1913-1917; 1920
Frank A. Wightman	1913-1915
Howard B. Shaw	1913-1917
Edwin J. Bean	1914-1925
Eugene McQuillin	1915-1917
William G. Busby	1916-1921
David E. Blair	1917-1920
Noah W. Simpson	1917-1923
Edward Flad	1917-1921
John A. Kurtz	1920-1923
Hugh McIndoe	1921-1923
A.J. O'Reilly	1921-1925
Richard H. Musser	1923-1925
Merrill E. Otis	1923-1924
Thomas J. Brown	1923-1928
D.E. Calfee	1925-1929
Almon Ing	1925-1933
S.M. Hutchinson	1925-1931
J.H. Porter	1925-1933
James P. Painter	1928-1929
Milton R. Stahl	1929-1933
J. Fred Hull	1929-1934
George H. English	1931-1936
J.C. Collet	1933-1935
William Stoecker	1933-1936
W.M. Anderson	1933-1938
Harry E. McPherson	1934-1935
Sam O. Hargus	1935-1937
John S. Boyer	1935-1941
Albert D. Nortoni	1936-1938
John A. Ferguson	1936-1944
J.D. James	1937-1942
Marion S. Francis	1938-1941
Scott Wilson	1938-1941
Paul Van Osdol	1941-1943
Frederick Stueck	1941-1943
Kyle Williams	1941-1952
Charles L. Henson	1942-1959
Albert Miller	1943-1944
Agnes Mae Wilson	1943-1949
Richard Arens	1944-1945
E.L. McClintock	1945-1967
Morris E. Osburn	1945-1952
John P. Randolph	1949-1951
Henry McKay Cary	1950-1955
Maurice Covert	1952-1953
Tyre W. Burton	1952-1965
Frank Collier	1953-1954
M.J. McQueen	1954-1956
D.D. McDonald	1955-1961
William Barton	1956-1965
Frank J. Iuen	1959-1963
Frank W. May	1961-1967
Donal D. Guffey	1963-1968
William R. Clark	1965-1975
Charles J. Fain	1965-1977
Howard Elliot, Jr.	1967-1970
Marvin E. Jones	1967-1973
Willard D. Reine	1968-1975
James F. Mauze	1971-1975
A. Robert Pierce, Jr.	1973-1977
James P. Mulvaney	1975-1977
Stephen B. Jones	1975-1979
Hugh A. Sprague	1975-1979
Charles J. Fraas	1977-1983
Leah Brock McCartney	1977-1983
Alberta Slavin	1977-1981
Stephanie Bryant	1979-1981
Larry W. Dority	1979-1983
John C. Shapleigh	1981-1984
Charlotte Musgrave	1981-1988
Allan G. Mueller	1983-1996
Connie Hendren	1983-1989
James M. Fischer	1984-1989
William D. Steinmeier	1984-1992
David Rauch	1989-1993
Kenneth McClure	1990-1997
Ruby Letsch-Roderique	1990-1991
Patricia Perkins	1991-1995
Duncan Kincheloe	1992-1997
Harold Crumpton	1993-2000
M. Dianne Drainer	1995-2001
Karl Zobrist	1996-1997
Connie Murray	1997-2009
Robert Schemenauer	1998-2001
Sheila Lumpe	1997-2003
Kelvin Simmons	2000-2003
Bryan Forbis	2001-2003
Steve Gaw	2001-2007
Robert Clayton III	2003-2011
Linward "Lin" Appling	2004-2008
Jeff Davis	2004-2012
Terry Jarrett	2007-2013
Kevin Gunn	2008-2013
Robert S. Kenney	2009-2015
Stephen M. Stoll	2012-2017
Daniel Y. Hall	2013-2019
William P. Kenney	**2013-present**
Scott T. Rupp	**2014-present**
Maida J. Coleman	**2015-present**
Ryan A. Silvey	**2018-present**
Jason R. Holsman	**2020-present**

Missouri Public Service Commission
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