# INFORMATION SHEET Spire Missouri, Inc. (Spire) Natural Gas Rate Case

(Case No. GR-2021-0108)

#### Introduction: The Missouri Public Service Commission.

The Missouri Public Service Commission regulates investor-owned electric, natural gas, steam, water and sewer companies and has limited authority over telephone providers in the state. The Commission ensures the public has access to safe, reliable and reasonably priced utility service. The Commission must balance the interests of the public – ratepayers – as well as company shareholders. In proceedings before the Commission, rates are set to give the utility company an opportunity – but not a guarantee – to earn a reasonable return on its investment after recovering its prudently incurred expenses.

In addition, the Commission regulates the state's rural electric cooperatives and municipally-owned natural gas utilities for operational safety. The Commission also oversees service territory issues involving investor-owned electric utilities, rural electric cooperatives and municipally-owned electric utilities as well as those involving privately-owned water utilities, public water supply districts and municipally-owned water districts. Utility services and infrastructure are essential to the economy of Missouri. Virtually every Missouri citizen receives some form of utility service (electric, natural gas, telecommunications, water or sewer) from a company regulated by the Missouri Public Service Commission.

## When did Spire file its request and what is the company seeking?

Spire filed its rate increase request with the Missouri Public Service Commission on December 11, 2020. According to its filing, Spire seeks a net increase in its annual distribution rates of approximately \$65 million. Spire is also requesting to reassign \$47 million of improvements, currently collected under the Infrastructure System Replacement Surcharge (ISRS), to base rates. The amount related to the ISRS is already being collected in rates and does not represent an increase to Spire's annual distribution rates. If approved as filed, Spire states a residential customer using 63 therms a month would see monthly natural rates increase by approximately \$3.28 a month (5.6%). Spire also seeks, to the extent possible, to consolidate the rate structures of its two service areas known as Spire East and Spire West.

# This rate case involves "non-gas" costs. What are "non-gas" costs?

"Non-gas" costs are operating and maintenance expenses in providing natural gas to customers in a safe and useful form. It also includes a return on investment in plant (such as meters, mains and service lines that deliver natural gas to your home or business). The cost of the natural gas is **NOT** a part of this rate case. The actual cost of the natural gas makes up 50% to 55% of your total monthly natural gas bill. The

wholesale cost of natural gas is unregulated (not regulated by the Missouri Public Service Commission) and is primarily driven by supply, demand and the weather. The Public Service Commission reviews the natural gas purchasing practices of Spire to ensure prudent decisions are made in securing natural gas supplies for its customers.

#### Who are the parties in this case?

- 1. Spire Missouri, Inc. (the applicant).
- 2. Staff of the Missouri Public Service Commission.
- 3. The Office of the Public Counsel.
- 4. Midwest Energy Consumers Group.
- 5. Consumers Council of Missouri.
- 6. Missouri Industrial Energy Consumers.
- 7. National Housing Trust.
- 8. Renew Missouri.
- 9. Legal Services of Eastern Missouri, Inc.
- 10. Missouri School Boards' Association.
- 11. Vicinity Energy Kansas City, Inc.

#### Has the Commission decided this case?

**No.** The Commission will review all of the information filed in this case and then render a decision based on the evidence.

Formal evidentiary hearings are scheduled for July 26-30, 2021 and August 2-6, 2021, in Room 310 of the Governor Office Building, 200 Madison Street, Jefferson City. Hearings will be streamed live on the Commission's website (psc.mo.gov). Click on the "Events Now Streaming" link at the top of the page.

## What is the format of this local public hearing?

There will be a question-and-answer session followed by the formal local public hearing.

- Question-and-Answer Session: Those attending the question and answer session can ask questions of representatives from the company, the PSC Staff and the Office of the Public Counsel. Comments on the case should not be made during this part of the public hearing.
- 2) Formal Local Public Hearing: After the question-and-answer session, there will be a formal local public hearing where members of the public can make statements under oath. Those statements will be transcribed by a court reporter and will become part of the case record. Only the Commissioners or the Regulatory Law Judge may ask questions during the formal local public hearing.

The questions and answers made during the question-and-answer session WILL NOT be part of the case record or considered by the Commission when it decides whether to grant the request.

#### What is the purpose of a local public hearing?

The purpose of a local public hearing is to give you the chance to express your opinions, concerns and requests on the record.

## May I testify?

Yes and your comments at today's local public hearing will become part of the case record. Comments will be limited to five minutes per person.

You may also send written comments to the Public Service Commission regarding the rate case or any service related issues. Please see the information below as to how to submit written comments to the Public Service Commission. When sending in written comments, please reference case number **GR-2021-0108**.

# Will I be able to ask the Commissioners questions during the local public hearing?

**No.** You may express your concerns to the Commission, but the Commissioners will not be able to answer your questions. They are prohibited, by law, from expressing an opinion until they have heard all of the evidence.

# Written comments may be mailed to:

#### **Public Service Commission**

P.O. Box 360 Jefferson City, Missouri 65102-0360 or sent electronically to: <a href="mailto:pscinfo@psc.mo.gov">pscinfo@psc.mo.gov</a> or through the Commission's website at <a href="mailto:psc.mo.gov">psc.mo.gov</a> (Please reference Case No. GR-2021-0108)
<a href="mailto:psc.mo.gov">PSC TOLL-FREE HOTLINE: 1-800-392-4211</a>

#### Office of the Public Counsel

P.O. Box 2230, Jefferson City, Missouri 65102 1-866-922-2959 or 573-751-4857 opcservice@opc.mo.gov (Please reference Case No. GR-2021-0108)

Thank You for Attending Today's Local Public Hearing