

SPIRE INC
 Form 10-Q
 February 01, 2018
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UNITED STATES
 SECURITIES AND EXCHANGE COMMISSION
 Washington, D. C. 20549

FORM 10-Q
 (Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 or 15 (d) OF THE SECURITIES EXCHANGE ACT
 [X] OF 1934

For the quarterly period ended December 31, 2017

OR

TRANSITION REPORT PURSUANT TO SECTION 13 or 15 (d) OF THE SECURITIES EXCHANGE ACT
 [] OF 1934

For the transition period from to

Commission File Number	Name of Registrant, Address of Principal Executive Offices and Telephone Number	State of Incorporation	I.R.S. Employer Identification Number
1-16681	Spire Inc. 700 Market Street St. Louis, MO 63101 314-342-0500	Missouri	74-2976504
1-1822	Spire Missouri Inc. 700 Market Street St. Louis, MO 63101 314-342-0500	Missouri	43-0368139
2-38960	Spire Alabama Inc. 2101 6th Avenue North Birmingham, AL 35203 205-326-8100	Alabama	63-0022000

Indicate by check mark whether each registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such report) and (2) has been subject to such filing requirements for the past 90 days.

Spire Inc. Yes [X] No []

Spire Missouri Inc. Yes [X] No []

Spire Alabama Inc. Yes [X] No []

Indicate by check mark whether each registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Spire Inc. Yes [X] No []

Spire Missouri Inc. Yes [X] No []

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Spire Alabama Inc. Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

	Large accelerated filer	Accelerated filer	Non- accelerated filer	Smaller reporting company	Emerging growth company
Spire Inc.	X				
Spire Missouri Inc.			X		
Spire Alabama Inc.			X		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Spire Inc.
 Spire Missouri Inc.
 Spire Alabama Inc.

Indicate by check mark whether each registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Spire Inc. Yes No
 Spire Missouri Inc. Yes No
 Spire Alabama Inc. Yes No

The number of shares outstanding of each registrant’s common stock as of January 29, 2018, was as follows:

Spire Inc.	Common Stock, par value \$1.00 per share	48,344,121
Spire Missouri Inc.	Common Stock, par value \$1.00 per share (all owned by Spire Inc.)	24,577
Spire Alabama Inc.	Common Stock, par value \$0.01 per share (all owned by Spire Inc.)	1,972,052

Spire Missouri Inc. and Spire Alabama Inc. meet the conditions set forth in General Instructions H(1)(a) and (b) to Form 10-Q and are therefore filing this Form 10-Q with the reduced disclosure format specified in General Instructions H(2) to Form 10-Q.

This combined Form 10-Q represents separate filings by Spire Inc., Spire Missouri Inc., and Spire Alabama Inc. Information contained herein relating to an individual registrant is filed by that registrant on its own behalf. Each registrant makes no representation as to information relating to the other registrants, except that information relating to Spire Missouri Inc. and Spire Alabama Inc. are also attributed to Spire Inc.

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GLOSSARY OF KEY TERMS AND ABBREVIATIONS

APSC	Alabama Public Service Commission	O&M	Operation and maintenance expense
ASC	Accounting Standards Codification	PGA	Purchased Gas Adjustment
ASU	Accounting Standards Update	PRP	Potentially responsible party
Degree days	The average of a day's high and low temperature below 65, subtracted from 65, multiplied by the number of days impacted	RSE	Rate Stabilization and Equalization
EPS	Earnings per share	SEC	US Securities and Exchange Commission
FASB	Financial Accounting Standards Board	Spire	Spire Inc.
FERC	Federal Energy Regulatory Commission	Spire Alabama	Spire Alabama Inc. Spire EnergySouth Inc., the parent of Spire Gulf and Spire Mississippi
GAAP	Accounting principles generally accepted in the United States of America	Spire EnergySouth	
Gas Marketing	Segment including Spire Marketing, which is engaged in the non-regulated marketing of natural gas and related activities	Spire Gulf	Spire Gulf Inc.
Gas Utility	Segment including the regulated operations of the Utilities	Spire Marketing	Spire Marketing Inc.
GSA	Gas Supply Adjustment	Spire Mississippi	Spire Mississippi Inc.
ISRS	Infrastructure System Replacement Surcharge	Spire Missouri	Spire Missouri Inc.
Missouri Utilities	Spire Missouri, including Spire Missouri East and Spire Missouri West, the utilities serving the Missouri region	Spire Missouri East	Spire Missouri's eastern service territory
MMBtu	Million British thermal units	Spire Missouri West	Spire Missouri's western service territory
MoPSC	Missouri Public Service Commission	TCJA	The Tax Cuts and Jobs Act of 2017
MSPSC	Mississippi Public Service Commission	US	United States Spire Missouri, Spire Alabama and the subsidiaries of Spire EnergySouth
NYSE	New York Stock Exchange	Utilities	

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PART I. FINANCIAL INFORMATION

The interim financial statements included herein have been prepared by three separate registrants — Spire Inc. (Spire or the Company), Spire Missouri Inc. (Spire Missouri or Missouri Utilities) and Spire Alabama Inc. (Spire Alabama) — without audit, pursuant to the rules and regulations of the US Securities and Exchange Commission (SEC). These financial statements should be read in conjunction with the financial statements and the notes thereto included in the registrants' combined Form 10-K for the fiscal year ended September 30, 2017.

The Financial Information in this Part I includes separate financial statements (i.e., balance sheets, statements of income and comprehensive income, statements of shareholders' equity and statements of cash flows) for Spire, Spire Missouri and Spire Alabama. The Notes to Financial Statements and Management's Discussion and Analysis of Financial Condition and Results of Operations are also included and presented herein on a combined basis for Spire, Spire Missouri and Spire Alabama.

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Item 1. Financial Statements

SPIRE INC.
 CONDENSED CONSOLIDATED STATEMENTS OF INCOME
 (UNAUDITED)

(In millions, except per share amounts)	Three Months Ended December 31,	
	2017	2016
Operating Revenues:		
Gas Utility	\$541.9	\$472.3
Gas Marketing and other	19.9	22.8
Total Operating Revenues	561.8	495.1
Operating Expenses:		
Gas Utility		
Natural and propane gas	240.8	193.8
Operation and maintenance	97.9	99.4
Depreciation and amortization	40.3	37.7
Taxes, other than income taxes	36.7	33.4
Total Gas Utility Operating Expenses	415.7	364.3
Gas Marketing and other	41.0	41.7
Total Operating Expenses	456.7	406.0
Operating Income	105.1	89.1
Other Income	2.2	0.5
Interest Charges:		
Interest on long-term debt	20.7	19.1
Other interest charges	3.7	3.0
Total Interest Charges	24.4	22.1
Income Before Income Taxes	82.9	67.5
Income Tax (Benefit) Expense	(33.1)	22.3
Net Income	\$116.0	\$45.2
Weighted Average Number of Shares Outstanding:		
Basic	48.2	45.5
Diluted	48.4	45.7
Basic Earnings Per Share	\$2.40	\$0.99
Diluted Earnings Per Share	\$2.39	\$0.99
Dividends Declared Per Share	\$0.5625	\$0.525

See the accompanying Notes to Financial Statements.

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SPIRE INC.
 CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
 (UNAUDITED)

(In millions)	Three Months Ended December 31,	
	2017	2016
Net Income	\$116.0	\$45.2
Other Comprehensive Income (Loss), Before Tax:		
Cash flow hedging derivative instruments:		
Net hedging gains arising during the period	0.1	11.5
Reclassification adjustment for (gains) losses included in net income	(0.4	) 0.2
Net unrealized (losses) gains on cash flow hedging derivative instruments	(0.3	) 11.7
Net gains on defined benefit pension and other postretirement plans	0.1	0.1
Net unrealized losses on available for sale securities	(0.1	) (0.1)
Other Comprehensive (Loss) Income, Before Tax	(0.3	) 11.7
Income Tax (Benefit) Expense Related to Items of Other Comprehensive Income	(0.1	) 4.3
Other Comprehensive (Loss) Income, Net of Tax	(0.2	) 7.4
Comprehensive Income	\$115.8	\$52.6

See the accompanying Notes to Financial Statements.

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SPIRE INC.
 CONDENSED CONSOLIDATED BALANCE SHEETS
 (UNAUDITED)

(Dollars in millions, except per share amounts)	December 31, 2017	September 30, 2017	December 31, 2016
ASSETS			
Utility Plant	\$ 5,351.7	\$ 5,278.4	\$ 4,893.2
Less: Accumulated depreciation and amortization	1,641.0	1,613.2	1,561.4
Net Utility Plant	3,710.7	3,665.2	3,331.8
Non-utility Property (net of accumulated depreciation and amortization of \$8.6, \$8.6 and \$8.2 at December 31, 2017, September 30, 2017, and December 31, 2016, respectively)	105.3	52.0	19.7
Goodwill	1,171.6	1,171.6	1,161.4
Other Investments	66.3	64.2	61.9
Total Other Property and Investments	1,343.2	1,287.8	1,243.0
Current Assets:			
Cash and cash equivalents	6.7	7.4	10.6
Accounts receivable:			
Utility	333.6	140.5	310.4
Other	135.3	149.2	133.4
Allowance for doubtful accounts	(21.3	) (18.3	) (21.1
Delayed customer billings	7.5	3.4	5.3
Inventories:			
Natural gas	171.6	194.9	161.9
Propane gas	12.0	12.0	12.0
Materials and supplies	21.3	18.9	16.6
Natural gas receivable	3.5	1.9	8.4
Derivative instrument assets	4.7	5.9	18.7
Unamortized purchased gas adjustments	77.9	102.6	52.2
Other regulatory assets	71.4	72.9	82.3
Prepayments and other	28.3	34.2	24.9
Total Current Assets	852.5	725.5	815.6
Deferred Charges:			
Regulatory assets	716.6	791.1	786.4
Other	78.1	77.1	133.3
Total Deferred Charges	794.7	868.2	919.7
Total Assets	\$ 6,701.1	\$ 6,546.7	\$ 6,310.1

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SPIRE INC.
 CONDENSED CONSOLIDATED BALANCE SHEETS (Continued)
 (UNAUDITED)

	December 31, 2017	September 30, 2017	December 31, 2016
CAPITALIZATION AND LIABILITIES			
Capitalization:			
Common stock (par value \$1.00 per share; 70.0 million shares authorized; 48.3 million, 48.3 million and 45.7 million shares issued and outstanding at December 31, 2017, September 30, 2017 and December 31, 2016, respectively)	\$ 48.3	\$ 48.3	\$ 45.7
Paid-in capital	1,324.9	1,325.6	1,175.7
Retained earnings	703.0	614.2	572.1
Accumulated other comprehensive income	3.0	3.2	3.2
Total Equity Attributable to Spire Shareholders	2,079.2	1,991.3	1,796.7
Noncontrolling interest	6.5	—	—
Total Equity	2,085.7	1,991.3	1,796.7
Long-term debt (less current portion)	2,030.0	1,995.0	1,821.3
Total Capitalization	4,115.7	3,986.3	3,618.0
Current Liabilities:			
Current portion of long-term debt	105.5	100.0	250.0
Notes payable	583.6	477.3	506.4
Accounts payable	245.6	257.1	273.8
Advance customer billings	27.3	32.0	60.2
Wages and compensation accrued	29.6	38.7	29.6
Dividends payable	28.1	26.6	24.8
Customer deposits	35.9	34.9	35.7
Interest accrued	26.3	14.6	22.3
Taxes accrued	36.0	61.0	39.7
Unamortized purchased gas adjustments	1.0	1.0	1.4
Other regulatory liabilities	20.5	21.6	42.8
Other	71.9	33.1	55.5
Total Current Liabilities	1,211.3	1,097.9	1,342.2
Deferred Credits and Other Liabilities:			
Deferred income taxes	441.0	707.5	636.5
Pension and postretirement benefit costs	233.6	237.4	296.3
Asset retirement obligations	299.7	296.6	208.7
Regulatory liabilities	335.1	157.2	132.1
Other	64.7	63.8	76.3
Total Deferred Credits and Other Liabilities	1,374.1	1,462.5	1,349.9
Commitments and Contingencies (<u>Note 10</u>)			
Total Capitalization and Liabilities	\$ 6,701.1	\$ 6,546.7	\$ 6,310.1

See the accompanying Notes to Financial Statements.

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SPIRE INC.

CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(UNAUDITED)

(Dollars in millions)	Common Stock		Paid-in Capital	Retained Earnings	AOCI*	Total Equity Attributable to Spire Shareholders	Noncon- trolling Interest	Total
	Outstanding Shares	Par						
Balance at September 30, 2016	45,650,642	\$45.6	\$1,175.9	\$ 550.9	\$(4.2)	\$ 1,768.2	\$ —	\$1,768.2
Net income	—	—	—	45.2	—	45.2	—	45.2
Dividend reinvestment plan	5,610	—	0.3	—	—	0.3	—	0.3
Stock-based compensation costs	—	—	1.7	—	—	1.7	—	1.7
Stock issued under stock-based compensation plans	110,136	0.1	(0.1)) —	—	—	—	—
Employee's tax withholding for stock-based compensation	(33,615)	) —	(2.1)	) —	—	(2.1)	) —	(2.1)
Dividends declared	—	—	—	(24.0)	) —	(24.0)	) —	(24.0)
Other comprehensive income, net of tax	—	—	—	—	7.4	7.4	—	7.4
Balance at December 31, 2016	45,732,773	\$45.7	\$1,175.7	\$ 572.1	\$ 3.2	\$ 1,796.7	\$ —	\$1,796.7
Balance at September 30, 2017	48,263,243	\$48.3	\$1,325.6	\$ 614.2	\$ 3.2	\$ 1,991.3	\$ —	\$1,991.3
Net income	—	—	—	116.0	—	116.0	—	116.0
Business combination	—	—	—	—	—	—	6.5	6.5
Dividend reinvestment plan	4,618	—	0.3	—	—	0.3	—	0.3
Stock-based compensation costs	—	—	1.9	—	—	1.9	—	1.9
Stock issued under stock-based compensation plans	105,434	0.1	(0.1)) —	—	—	—	—
Employee's tax withholding for stock-based compensation	(33,581)	) (0.1)	(2.8)	) —	—	(2.9)	) —	(2.9)
Dividends declared	—	—	—	(27.2)	) —	(27.2)	) —	(27.2)
Other comprehensive loss, net of tax	—	—	—	—	(0.2)	(0.2)	) —	(0.2)
Balance at December 31, 2017	48,339,714	\$48.3	\$1,324.9	\$ 703.0	\$ 3.0	\$ 2,079.2	\$ 6.5	\$2,085.7

* Accumulated other comprehensive income (loss)

See the accompanying Notes to Financial Statements.

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SPIRE INC.
 CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
 (UNAUDITED)

	Three Months Ended December 31,	
(In millions)	2017	2016
Operating Activities:		
Net Income	\$116.0	\$45.2
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	40.4	37.8
Deferred income taxes and investment tax credits	(33.6)	22.1
Changes in assets and liabilities:		
Accounts receivable	(176.7)	(186.8)
Unamortized purchased gas adjustments	34.6	5.1
Accounts payable	(2.1)	85.5
Delayed/advance customer billings – net	(8.7)	(13.7)
Taxes accrued	(25.0)	(16.9)
Inventories	20.9	11.8
Other assets and liabilities	50.3	18.5
Other	1.8	1.7
Net cash provided by operating activities	17.9	10.3
Investing Activities:		
Capital expenditures	(110.8)	(89.3)
Business acquisitions	(16.0)	3.8
Other	0.1	(0.4)
Net cash used in investing activities	(126.7)	(85.9)
Financing Activities:		
Issuance of long-term debt	30.0	—
Issuance of short-term debt – net	106.3	107.7
Issuance of common stock	0.3	0.1
Dividends paid	(25.8)	(22.8)
Other	(2.7)	(4.0)
Net cash provided by financing activities	108.1	81.0
Net (Decrease) Increase in Cash and Cash Equivalents	(0.7)	5.4
Cash and Cash Equivalents at Beginning of Period	7.4	5.2
Cash and Cash Equivalents at End of Period	\$6.7	\$10.6
Supplemental disclosure of cash (paid) refunded for:		
Interest, net of amounts capitalized	\$(13.3)	\$(14.3)
Income taxes	—	(0.1)

See the accompanying Notes to Financial Statements.

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SPIRE MISSOURI INC.
 CONDENSED STATEMENTS OF INCOME
 (UNAUDITED)

(In millions)	Three Months Ended December 31,	
	2017	2016
Operating Revenues:		
Utility	\$392.3	\$363.6
Total Operating Revenues	392.3	363.6
Operating Expenses:		
Utility		
Natural and propane gas	206.2	191.3
Operation and maintenance	60.3	60.5
Depreciation and amortization	24.8	22.7
Taxes, other than income taxes	26.2	24.6
Total Operating Expenses	317.5	299.1
Operating Income	74.8	64.5
Other Income	1.2	0.1
Interest Charges:		
Interest on long-term debt	9.9	8.3
Other interest charges	1.7	1.4
Total Interest Charges	11.6	9.7
Income Before Income Taxes	64.4	54.9
Income Tax (Benefit) Expense	(25.0)	16.9
Net Income	\$89.4	\$38.0

See the accompanying Notes to Financial Statements.

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SPIRE MISSOURI INC.
CONDENSED STATEMENTS OF COMPREHENSIVE INCOME
(UNAUDITED)

(In millions)	Three Months Ended December 31,	
	2017	2016
Net Income	\$ 89.4	\$ 38.0
Other Comprehensive Income, Net of Tax	—	0.2
Comprehensive Income	\$ 89.4	\$ 38.2

See the accompanying Notes to Financial Statements.

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SPIRE MISSOURI INC.
 CONDENSED BALANCE SHEETS
 (UNAUDITED)

	December 31,	September 30,	December 31,
(Dollars in millions, except per share amounts)	2017	2017	2016
ASSETS			
Utility Plant	\$ 3,141.2	\$3,091.8	\$ 2,794.7
Less: Accumulated depreciation and amortization	696.1	681.6	646.4
Net Utility Plant	2,445.1	2,410.2	2,148.3
Goodwill	210.2	210.2	210.2
Other Property and Investments	60.1	59.4	57.1
Total Other Property and Investments	270.3	269.6	267.3
Current Assets:			
Cash and cash equivalents	4.1	2.5	4.0
Accounts receivable:			
Utility	238.3	101.7	221.0
Associated companies	7.3	3.3	5.3
Other	20.0	15.0	12.2
Allowance for doubtful accounts	(16.8	) (14.1	) (17.1
Delayed customer billings	7.5	3.4	5.3
Inventories:			
Natural gas	127.1	138.2	118.2
Propane gas	12.0	12.0	12.0
Materials and supplies	12.5	11.3	9.3
Derivative instrument assets	—	0.1	2.2
Unamortized purchased gas adjustments	38.5	57.4	33.8
Other regulatory assets	38.2	38.2	59.7
Prepayments and other	15.6	19.6	15.5
Total Current Assets	504.3	388.6	481.4
Deferred Charges:			
Regulatory assets	484.1	557.8	543.4
Other	5.6	5.3	2.4
Total Deferred Charges	489.7	563.1	545.8
Total Assets	\$ 3,709.4	\$3,631.5	\$ 3,442.8

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SPIRE MISSOURI INC.
 CONDENSED BALANCE SHEETS (Continued)
 (UNAUDITED)

	December 31, 2017	September 30, 2017	December 31, 2016
CAPITALIZATION AND LIABILITIES			
Capitalization:			
Paid-in capital and common stock (par value \$1.00 per share; 50,000,000 authorized; 24,577 shares issued and outstanding)	\$ 757.3	\$ 756.2	\$ 753.1
Retained earnings	492.4	416.5	341.6
Accumulated other comprehensive loss	(1.7	) (1.7	) (1.6
Total Equity	1,248.0	1,171.0	1,093.1
Long-term debt	874.1	873.9	804.3
Total Capitalization	2,122.1	2,044.9	1,897.4
Current Liabilities:			
Current portion of long-term debt	100.0	100.0	—
Notes payable	—	—	312.9
Notes payable – associated companies	275.6	203.0	—
Accounts payable	73.5	89.9	104.3
Accounts payable – associated companies	8.9	5.4	9.4
Advance customer billings	10.5	13.3	38.8
Wages and compensation accrued	22.9	29.6	22.1
Dividends payable	13.5	—	14.7
Customer deposits	13.4	13.3	13.6
Interest accrued	11.6	8.0	9.5
Taxes accrued	12.3	34.1	16.4
Regulatory liabilities	2.7	2.7	2.7
Other	48.4	8.5	35.2
Total Current Liabilities	593.3	507.8	579.6
Deferred Credits and Other Liabilities:			
Deferred income taxes	382.2	623.8	578.2
Pension and postretirement benefit costs	167.8	173.0	202.8
Asset retirement obligations	160.3	158.6	76.1
Regulatory liabilities	241.2	81.2	67.3
Other	42.5	42.2	41.4
Total Deferred Credits and Other Liabilities	994.0	1,078.8	965.8
Commitments and Contingencies (<u>Note 10</u>)			
Total Capitalization and Liabilities	\$ 3,709.4	\$ 3,631.5	\$ 3,442.8

See the accompanying Notes to Financial Statements.

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SPIRE MISSOURI INC.
 CONDENSED STATEMENTS OF SHAREHOLDER'S EQUITY
 (UNAUDITED)

(Dollars in millions)	Common		Paid-in Capital	Retained Earnings	AOCI*	Total
	Stock Outstanding Shares	Par				
Balance at September 30, 2016	24,577	\$0.1	\$ 751.9	\$ 318.3	\$(1.8)	\$1,068.5
Net income	—	—	—	38.0	—	38.0
Stock-based compensation costs	—	—	1.1	—	—	1.1
Dividends declared	—	—	—	(14.7)	—	(14.7)
Other comprehensive income, net of tax	—	—	—	—	0.2	0.2
Balance at December 31, 2016	24,577	\$0.1	\$ 753.0	\$ 341.6	\$(1.6)	\$1,093.1
Balance at September 30, 2017	24,577	\$0.1	\$ 756.1	\$ 416.5	\$(1.7)	\$1,171.0
Net income	—	—	—	89.4	—	89.4
Stock-based compensation costs	—	—	1.1	—	—	1.1
Dividends declared	—	—	—	(13.5)	—	(13.5)
Balance at December 31, 2017	24,577	\$0.1	\$ 757.2	\$ 492.4	\$(1.7)	\$1,248.0

* Accumulated other comprehensive income
 (loss)

See the accompanying Notes to Financial
 Statements.

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SPIRE MISSOURI INC.
 CONDENSED STATEMENTS OF CASH FLOWS
 (UNAUDITED)

(In millions)	Three Months Ended December 31,	
	2017	2016
Operating Activities:		
Net Income	\$ 89.4	\$ 38.0
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	24.8	22.7
Deferred income taxes and investment tax credits	(25.0)	16.9
Changes in assets and liabilities:		
Accounts receivable	(143.0)	(136.0)
Unamortized purchased gas adjustments	28.8	17.2
Accounts payable	1.6	50.3
Delayed/advance customer billings – net	(6.9)	(14.0)
Taxes accrued	(21.7)	(12.6)
Inventories	9.9	9.0
Other assets and liabilities	40.7	16.7
Other	1.1	0.5
Net cash (used in) provided by operating activities	(0.3)	8.7
Investing Activities:		
Capital expenditures	(70.5)	(61.2)
Other	(0.2)	0.1
Net cash used in investing activities	(70.7)	(61.1)
Financing Activities:		
Issuance of short-term debt	—	69.2
Borrowings from Spire – net	72.6	—
Dividends paid	—	(14.0)
Other	—	(0.9)
Net cash provided by financing activities	72.6	54.3
Net Increase in Cash and Cash Equivalents	1.6	1.9

Cash and Cash Equivalents at Beginning of Period		2.5		2.1
Cash and Cash Equivalents at End of Period	\$	4.1	\$	4.0
Supplemental disclosure of cash (paid) refunded for:				
Interest, net of amounts capitalized	\$	(7.6)	\$	(7.9)
Income taxes	—		—	

See the accompanying
Notes to Financial
Statements.

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SPIRE ALABAMA INC.
 CONDENSED STATEMENTS OF INCOME
 (UNAUDITED)

(In millions)	Three Months Ended December 31,	
	2017	2016
Operating Revenues:		
Utility	\$120.8	\$86.7
Total Operating Revenues	120.8	86.7
Operating Expenses:		
Utility		
Natural gas	49.0	16.8
Operation and maintenance	31.8	31.2
Depreciation and amortization	12.8	12.3
Taxes, other than income taxes	8.2	6.6
Total Operating Expenses	101.8	66.9
Operating Income	19.0	19.8
Other Income	0.4	0.4
Interest Charges:		
Interest on long-term debt	2.9	2.8
Other interest charges	1.1	0.8
Total Interest Charges	4.0	3.6
Income Before Income Taxes	15.4	16.6
Income Tax Expense	65.0	6.3
Net (Loss) Income	\$(49.6)	\$10.3

See the accompanying Notes to Financial Statements.

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SPIRE ALABAMA INC.
 CONDENSED BALANCE SHEETS
 (UNAUDITED)

	December 31,	September 30,	December 31,
(Dollars in millions, except per share amounts)	2017	2017	2016
ASSETS			
Utility Plant	\$ 1,858.5	\$ 1,838.0	\$ 1,750.2
Less: Accumulated depreciation and amortization	791.7	782.0	768.0
Net Utility Plant	1,066.8	1,056.0	982.2
Current Assets:			
Cash and cash equivalents	—	0.1	—
Accounts receivable:			
Utility	74.7	32.0	77.5
Associated companies	0.7	—	—
Other	6.6	6.2	6.1
Allowance for doubtful accounts	(2.6	) (2.6	) (2.4
Inventories:			
Natural gas	25.1	33.9	28.4
Materials and supplies	7.6	6.5	6.1
Unamortized purchased gas adjustments	39.4	45.2	17.1
Other regulatory assets	18.6	19.4	14.4
Prepayments and other	7.7	6.7	5.4
Total Current Assets	177.8	147.4	152.6
Deferred Charges:			
Regulatory assets	197.4	197.0	229.5
Deferred income taxes	119.0	185.6	215.1
Other	57.4	57.0	61.8
Total Deferred Charges	373.8	439.6	506.4
Total Assets	\$ 1,618.4	\$ 1,643.0	\$ 1,641.2

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SPIRE ALABAMA INC.
 CONDENSED BALANCE SHEETS (Continued)
 (UNAUDITED)

	December 31, 2017	September 30, 2017	December 31, 2016
CAPITALIZATION AND LIABILITIES			
Capitalization:			
Paid-in capital and common stock (par value \$0.01 per share; 3.0 million shares authorized; 2.0 million shares issued and outstanding)	\$ 420.9	\$ 420.9	\$ 451.9
Retained earnings	389.4	446.5	419.0
Total Equity	810.3	867.4	870.9
Long-term debt	277.8	247.8	247.7
Total Capitalization	1,088.1	1,115.2	1,118.6
Current Liabilities:			
Notes payable	—	—	102.5
Notes payable – associated companies	163.1	169.9	—
Accounts payable	55.0	44.4	48.7
Accounts payable – associated companies	3.8	1.6	1.9
Advance customer billings	16.8	18.6	21.4
Wages and compensation accrued	5.4	7.4	5.7
Customer deposits	18.7	17.9	18.8
Interest accrued	3.5	3.3	3.4
Taxes accrued	22.0	23.4	18.9
Regulatory liabilities	11.3	12.0	37.4
Other	2.4	2.9	5.0
Total Current Liabilities	302.0	301.4	263.7
Deferred Credits and Other Liabilities:			
Pension and postretirement benefit costs	51.5	50.2	75.6
Asset retirement obligations	129.7	128.4	121.4
Regulatory liabilities	39.0	39.6	40.6
Other	8.1	8.2	21.3
Total Deferred Credits and Other Liabilities	228.3	226.4	258.9
Commitments and Contingencies (<u>Note 10</u>)			
Total Capitalization and Liabilities	\$ 1,618.4	\$ 1,643.0	\$ 1,641.2

See the accompanying Notes to Financial Statements.

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SPIRE ALABAMA INC.
 CONDENSED STATEMENTS OF SHAREHOLDER'S EQUITY
 (UNAUDITED)

(Dollars in millions)	Common			Total
	Stock Outstanding Shares	Paid-in Capital Par	Retained Earnings	
Balance at September 30, 2016	1,972,052	\$ -\$451.9	\$ 415.4	\$867.3
Net income	—	—	10.3	10.3
Dividends declared	—	—	(6.7)	(6.7)
Balance at December 31, 2016	1,972,052	\$ -\$451.9	\$ 419.0	\$870.9
Balance at September 30, 2017	1,972,052	\$ -\$420.9	\$ 446.5	\$867.4
Net income	—	—	(49.6)	(49.6)
Dividends declared	—	—	(7.5)	(7.5)
Balance at December 31, 2017	1,972,052	\$ -\$420.9	\$ 389.4	\$810.3

See the accompanying Notes to Financial Statements.

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SPIRE ALABAMA INC.
 CONDENSED STATEMENTS OF CASH FLOWS
 (UNAUDITED)

	Three Months Ended December 31,	
(In millions)	2017	2016
Operating Activities:		
Net (Loss) Income	\$(49.6)	\$10.3
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	12.8	12.3
Deferred income taxes and investment tax credits	65.0	6.3
Changes in assets and liabilities:		
Accounts receivable	(44.3)	(28.1)
Unamortized purchased gas adjustments	5.8	(11.5)
Accounts payable	14.9	17.0
Advance customer billings	(1.8)	0.3
Taxes accrued	(1.4)	(2.7)
Inventories	7.7	5.9
Other assets and liabilities	—	(1.1)
Other	—	0.3
Net cash provided by operating activities	9.1	9.0
Investing Activities:		
Capital expenditures	(24.9)	(21.8)
Other	—	(0.6)
Net cash used in investing activities	(24.9)	(22.4)
Financing Activities:		
Issuance of long-term debt	30.0	—
Issuance of short-term debt – net	—	20.5
Repayment of borrowings from Spire – net	(6.8)	—
Dividends paid	(7.5)	(6.7)
Other	—	(0.4)
Net cash provided by financing activities	15.7	13.4
Net Decrease in Cash and Cash Equivalents	(0.1)	—
Cash and Cash Equivalents at Beginning of Period	0.1	—
Cash and Cash Equivalents at End of Period	\$—	\$—
Supplemental disclosure of cash (paid) refunded for:		
Interest, net of amounts capitalized	\$(3.4)	\$(3.1)
Income taxes	—	—

See the accompanying Notes to Financial Statements.

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SPIRE INC., SPIRE MISSOURI INC. AND SPIRE ALABAMA INC.

NOTES TO FINANCIAL STATEMENTS

(UNAUDITED)

(Dollars in millions, except per share amounts)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION – These notes are an integral part of the accompanying unaudited financial statements of Spire Inc. (Spire or the Company), as well as Spire Missouri Inc. (Spire Missouri or the Missouri Utilities) and Spire Alabama Inc. (Spire Alabama). Spire Missouri and Spire Alabama are wholly owned subsidiaries of the Company. Spire Missouri, Spire Alabama and the subsidiaries of Spire EnergySouth Inc. (Spire EnergySouth) are collectively referred to as the Utilities. The subsidiaries of Spire EnergySouth are Spire Gulf Inc. and Spire Mississippi Inc. The accompanying unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) for interim financial information with the instructions to Form 10-Q and Rule 10-01 of Regulation S X. Accordingly, they do not include all of the disclosures required for complete financial statements. In the opinion of management, the accompanying unaudited financial statements include all adjustments (consisting of only normal recurring adjustments) necessary for the fair presentation of the results of operations for the periods presented. This Form 10-Q should be read in conjunction with the Notes to Financial Statements contained in Spire's, Spire Missouri's and Spire Alabama's combined Annual Report on Form 10-K for the fiscal year ended September 30, 2017.

The consolidated financial position, results of operations, and cash flows of Spire include the accounts of the Company and all its subsidiaries. Transactions and balances between consolidated entities have been eliminated from the consolidated financial statements of Spire. In compliance with GAAP, transactions between Spire Missouri and Spire Alabama and their affiliates, as well as intercompany balances on their balance sheets, have not been eliminated from their separate financial statements.

At the end of December 2017, a subsidiary of the Company acquired an 80% voting interest in Ryckman Creek Resources, LLC, which owns and operates a natural gas storage facility in Wyoming. The transaction was valued at \$26.0, subject to customary post-closing adjustments, and was completed with \$16.0 of cash and a \$10.0 promissory note. A tentative purchase price allocation to the assets acquired and liabilities assumed is reflected in the Company's consolidated balance sheet as of December 31, 2017. Management is evaluating the fair value accounting impacts, and any related adjustments will be recorded later this year. Results of operations will be included in the Company's consolidated financial statements beginning in the second quarter of fiscal 2018; results since the acquisition in the first quarter were not material.

NATURE OF OPERATIONS – Spire Inc. (NYSE: SR), headquartered in St. Louis, Missouri, is a public utility holding company. The Company has two reportable segments: Gas Utility and Gas Marketing. The Gas Utility segment consists of the regulated natural gas distribution operations of the Company and is the core business segment of Spire in terms of revenue and earnings generation. The Gas Utility segment is comprised of the operations of: the Missouri Utilities, serving St. Louis and eastern Missouri (Spire Missouri East) and Kansas City and western Missouri (Spire Missouri West); Spire Alabama, serving central and northern Alabama; and the subsidiaries of Spire EnergySouth, serving southern Alabama and south-central Mississippi. The Gas Marketing segment includes Spire's primary non-utility business, Spire Marketing Inc. (Spire Marketing), which provides non-regulated natural gas services. The activities of other subsidiaries are reported as Other and are described in Note 9, Information by Operating Segment. Spire Missouri and Spire Alabama each have a single reportable segment.

The Company's earnings are primarily derived from its Gas Utility segment. Due to the seasonal nature of the Utilities' business, earnings are typically concentrated during the heating season of November through April each fiscal year. As a result, the interim statements of income for Spire, Spire Missouri and Spire Alabama are not necessarily indicative of annual results or representative of succeeding quarters of the fiscal year.

REVENUE RECOGNITION – The Utilities read meters and bill customers on monthly cycles. The Missouri Utilities, Spire Gulf and Spire Mississippi record their gas utility revenues from gas sales and transportation services on an accrual basis that includes estimated amounts for gas delivered but not yet billed. The accruals for unbilled revenues

are reversed in the subsequent accounting period when meters are actually read and customers are billed. The amounts of accrued unbilled revenues for Spire Missouri at December 31, 2017, September 30, 2017, and December 31, 2016, were \$116.2, \$30.1, and \$103.5, respectively.

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Spire Alabama records natural gas distribution revenues in accordance with the tariff established by the Alabama Public Service Commission (APSC). Unbilled revenue is accrued in an amount equal to the related gas cost, as profit margin is not considered earned until billed. The amounts of accrued unbilled revenues for Spire Alabama at December 31, 2017, September 30, 2017, and December 31, 2016 were \$13.2, \$1.9, and \$22.0, respectively. Spire's other subsidiaries, including Spire Marketing, record revenues when earned, either when the product is delivered or when services are performed.

In the course of its business, Spire Marketing enters into commitments associated with the purchase or sale of natural gas. Certain of their derivative natural gas contracts are designated as normal purchases or normal sales and, as such, are excluded from the scope of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 815, Derivatives and Hedging. Those contracts are accounted for as executory contracts and recorded on an accrual basis. Revenues and expenses from such contracts are recorded using a gross presentation. Contracts not designated as normal purchases or normal sales are recorded as derivatives with changes in fair value recognized in earnings in the periods prior to physical delivery. Certain of Spire Marketing's wholesale purchase and sale transactions are classified as trading activities for financial reporting purposes. Under GAAP, revenues and expenses associated with trading activities are presented on a net basis in Gas Marketing Operating Revenues (or expenses, if negative) in the Condensed Consolidated Statements of Income. This net presentation has no effect on operating income or net income.

GROSS RECEIPTS AND SALES TAXES – Gross receipts taxes associated with the Company's natural gas utility services are imposed on the Utilities and billed to their customers. The revenue and expense amounts are recorded gross in the "Operating Revenues" and "Taxes, other than income taxes" lines, respectively, in the statements of income. The following table presents gross receipts and sales taxes recorded as revenues:

	Three Months Ended December 31,	
	2017	2016
Spire	\$ 23.1	\$ 19.4
Spire Missouri	16.2	14.1
Spire Alabama	5.6	4.2

REGULATED OPERATIONS – The Utilities account for their regulated operations in accordance with FASB ASC Topic 980, Regulated Operations. This topic sets forth the application of GAAP for those companies whose rates are established by or are subject to approval by an independent third-party regulator. The provisions of this accounting guidance require, among other things, that financial statements of a regulated enterprise reflect the actions of regulators, where appropriate. These actions may result in the recognition of revenues and expenses in time periods that are different than non-regulated enterprises. When this occurs, costs are deferred as assets in the balance sheet (regulatory assets) and recorded as expenses when those amounts are reflected in rates. In addition, regulators can impose liabilities upon a regulated company for amounts previously collected from customers and for recovery of costs that are expected to be incurred in the future (regulatory liabilities). Management believes that the current regulatory environment supports the continued use of these regulatory accounting principles and that all regulatory assets and regulatory liabilities are recoverable or refundable through the regulatory process.

As authorized by the Missouri Public Service Commission (MoPSC), Mississippi Public Service Commission (MSPSC) and APSC, the Purchased Gas Adjustment (PGA) clauses and Gas Supply Adjustment (GSA) riders allow the Utilities to pass through to customers the cost of purchased gas supplies. Regulatory assets and liabilities related to the PGA clauses and the GSA riders are both labeled Unamortized Purchased Gas Adjustments herein. See additional information about regulatory assets and liabilities in Note 3, Regulatory Matters.

TRANSACTIONS WITH AFFILIATES – Transactions between affiliates of the Company have been eliminated from the consolidated statements of Spire. Spire Missouri and Spire Alabama borrowed funds from the Company and incurred related interest, as reflected in their separate financial statements, and they participated in normal intercompany shared services transactions. In addition, Spire Missouri's other transactions with affiliates included:

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	Three Months Ended December 31,	
	2017	2016
Purchases of natural gas from Spire Marketing	\$ 22.3	\$ 20.5
Sales of natural gas to Spire Marketing	0.1	3.6
Transportation services received from Spire NGL Inc.	0.3	0.3

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ACCRUED CAPITAL EXPENDITURES – Accrued capital expenditures, shown in the following table, are excluded from capital expenditures in the statements of cash flows until paid.

	December 31, 2017	September 30, 2017	December 31, 2016
Spire	\$ 31.8	\$ 41.0	\$ 15.3
Spire Missouri	15.2	28.9	6.8
Spire Alabama	7.0	9.4	5.6

NEW ACCOUNTING PRONOUNCEMENTS – In May 2014, the FASB issued Accounting Standards Update (ASU) No. 2014-09, Revenue from Contracts with Customers. Under the new standard, an entity will recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. In doing so, companies may need to use more judgment and make more estimates than under current guidance. ASU No. 2014-09 also requires disclosures that will enable users of financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. Existing alternative revenue program guidance, though excluded by the FASB in updating specific guidance associated with revenue from contracts with customers, was relocated without substantial modification to accounting guidance for rate-regulated entities. It will require separate presentation of such revenues in the statement of income. Entities have the option of using either a full retrospective or modified retrospective approach to adopting this guidance. In August 2015, the FASB issued ASU No. 2015-14, which made the guidance in ASU No. 2014-09 effective for fiscal years beginning after December 15, 2017, and interim periods within those years. In 2016 and 2017, the FASB issued related ASU Nos. 2016-08, 2016-10, 2016-11, 2016-12, 2016-20, and 2017-14, which further modified the standards for accounting for revenue. The Company, Spire Missouri and Spire Alabama have nearly completed their evaluation of their sources of revenue and related contracts, plan to adopt the new guidance in the first quarter of fiscal 2019 using the modified retrospective approach, and expect no material effect on their financial position, results of operations, or cash flows.

In January 2016, the FASB issued ASU No. 2016-01, Financial Instruments – Overall: Recognition and Measurement of Financial Assets and Financial Liabilities, which provides revised guidance concerning certain matters involving the recognition, measurement, and disclosure of financial instruments. It is effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years. Unrealized gains and losses on equity securities previously classified as available-for-sale will be recognized immediately in earnings rather than recorded in other comprehensive income. Entities will record a cumulative-effect adjustment as of the beginning of the fiscal year in which the guidance is adopted, which requires amounts reported in accumulated other comprehensive income for such equity securities to be reclassified to retained earnings. Based on an assessment of their current financial instruments, the Company, Spire Missouri and Spire Alabama expect to adopt this standard in the first quarter of fiscal 2019 with no material impact.

In February 2016, the FASB issued ASU No. 2016-02, Leases. The new standard requires lessees to recognize a right-of-use asset and lease liability for almost all lease contracts based on the present value of lease payments. There is an exemption for short-term leases. The ASU provides new guidelines for identifying and classifying a lease, and classification affects the pattern and income statement line item for the related expense. This update will be applied using a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. ASU No. 2018-01, issued in January 2018, clarifies the related transition and accounting for existing and new or modified land easements. The ASUs are effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. The Company, Spire Missouri and Spire Alabama are currently assessing the timing and impacts of adopting these standards, which must be adopted by the first quarter of fiscal 2020.

In June 2016, the FASB issued ASU No. 2016-13, Financial Instruments – Credit Losses: Measurement of Credit Losses on Financial Instruments. The standard introduces new guidance for the accounting for credit losses on instruments within its scope, including trade receivables. It is effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years, and may be adopted a year earlier. The new guidance will be

initially applied through a cumulative-effect adjustment to retained earnings as of the beginning of the period of adoption. The Company, Spire Missouri and Spire Alabama are currently assessing the timing and impacts of adopting this standard, which must be adopted by the first quarter of fiscal 2021.

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In January 2017, the FASB issued ASU No. 2017-04, Intangibles - Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment, which eliminates Step 2 of the goodwill test, where the measurement of a goodwill impairment loss was determined by comparing the implied fair value of a reporting unit's goodwill with the carrying amount of that goodwill. Upon adoption, a goodwill impairment will be the amount by which a reporting unit's carrying value exceeds its fair value, not to exceed the carrying amount of goodwill. This new guidance is required for annual or any interim goodwill impairment tests in fiscal years beginning after December 15, 2019, and early adoption is permitted. The Company and Spire Missouri do not expect this standard change to have a material impact on their financial statements and will adjust their goodwill impairment procedures accordingly upon adoption, no later than their annual tests for fiscal 2021.

In March 2017, the FASB issued ASU No. 2017-07, Compensation – Retirement Benefits: Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost. The amended guidance requires that the service cost component of pension and postretirement benefit costs be presented within the same line item in the income statement as other compensation costs (except for the amount being capitalized), while other components are to be presented outside the subtotal of operating income and are no longer eligible for capitalization. The ASU is effective for annual periods beginning after December 15, 2017, including interim periods within those annual periods. The amended guidance will be applied retrospectively for income statement presentation and prospectively for capitalization. The Company, Spire Missouri and Spire Alabama are currently assessing the regulatory and other impacts of adopting this standard, which must be adopted by the first quarter of fiscal 2019.

In August 2017, the FASB issued ASU No. 2017-12, Derivatives and Hedging: Targeted Improvements to Accounting for Hedging Activities. The amendments in this ASU more closely align the results of hedge accounting with risk management activities through changes to both the designation and measurement guidance for qualifying hedging relationships and the presentation of hedge results in the financial statements. They are effective for fiscal years beginning after December 15, 2018, and interim periods within those fiscal years, and early application is permitted. The Company, Spire Missouri and Spire Alabama are currently assessing the effects of this new guidance, as well as the timing of adoption.

2. EARNINGS PER COMMON SHARE

	Three Months Ended December 31,	
	2017	2016
Basic EPS:		
Net Income	\$ 116.0	\$ 45.2
Less: Income allocated to participating securities	0.2	0.1
Net Income Available to Common Shareholders	\$ 115.8	\$ 45.1
Weighted Average Shares Outstanding (in millions)	48.2	45.5
Basic Earnings Per Share of Common Stock	\$ 2.40	\$ 0.99
Diluted EPS:		
Net Income	\$ 116.0	\$ 45.2
Less: Income allocated to participating securities	0.2	0.1
Net Income Available to Common Shareholders	\$ 115.8	\$ 45.1
Weighted Average Shares Outstanding (in millions)	48.2	45.5
Dilutive Effect of Restricted Stock and Restricted Stock Units (in millions)*	0.2	0.2
Weighted Average Diluted Shares (in millions)	48.4	45.7
Diluted Earnings Per Share of Common Stock	\$ 2.39	\$ 0.99

* Calculation excludes certain outstanding shares (shown in millions by period at the right) attributable to stock units subject to performance or market conditions and restricted stock, which could have a

dilutive effect in the future

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3. REGULATORY MATTERS

As explained in Note 1, Summary of Significant Accounting Policies, the Utilities account for regulated operations in accordance with FASB ASC Topic 980, Regulated Operations. The following regulatory assets and regulatory liabilities, including purchased gas adjustments, were reflected in the balance sheets of the Company, Spire Missouri and Spire Alabama as of December 31, 2017, September 30, 2017, and December 31, 2016.

	December 31, 2017	September 30, 2017	December 31, 2016
Spire			
Regulatory Assets:			
Current:			
Pension and postretirement benefit costs	\$ 43.0	\$ 42.2	\$ 63.2
Unamortized purchased gas adjustments	77.9	102.6	52.2
Other	28.4	30.7	19.1
Total Current Regulatory Assets	149.3	175.5	134.5
Noncurrent:			
Future income taxes due from customers	113.1	170.5	155.5
Pension and postretirement benefit costs	394.8	404.7	439.2
Cost of removal	123.9	123.3	131.6
Unamortized purchased gas adjustments	—	9.9	4.7
Energy efficiency	30.0	29.0	26.0
Other	54.8	53.7	29.4
Total Noncurrent Regulatory Assets	716.6	791.1	786.4
Total Regulatory Assets	\$ 865.9	\$ 966.6	\$ 920.9
Regulatory Liabilities:			
Current:			
Rate Stabilization and Equalization (RSE) adjustment	\$ 1.0	\$ 1.4	\$ 3.8
Unbilled service margin	—	—	22.0
Refundable negative salvage	7.9	8.2	9.0
Unamortized purchased gas adjustments	1.0	1.0	1.4
Other	11.6	12.0	8.0
Total Current Regulatory Liabilities	21.5	22.6	44.2
Noncurrent:			
Deferred taxes due to customers	177.4	—	—
Pension and postretirement benefit costs	31.5	32.2	28.3
Refundable negative salvage	3.8	4.1	8.9
Accrued cost of removal	81.7	83.8	74.7
Other	40.7	37.1	20.2
Total Noncurrent Regulatory Liabilities	335.1	157.2	132.1
Total Regulatory Liabilities	\$ 356.6	\$ 179.8	\$ 176.3

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	December 31, 2017	September 30, 2017	December 31, 2016
Spire Missouri			
Regulatory Assets:			
Current:			
Pension and postretirement benefit costs	\$ 34.9	\$ 34.9	\$ 56.3
Unamortized purchased gas adjustments	38.5	57.4	33.8
Other	3.3	3.3	3.4
Total Current Regulatory Assets	76.7	95.6	93.5
Noncurrent:			
Future income taxes due from customers	113.1	170.5	155.5
Pension and postretirement benefit costs	315.8	322.7	333.3
Unamortized purchased gas adjustments	—	9.9	4.7
Energy efficiency	30.0	29.0	26.0
Other	25.2	25.7	23.9
Total Noncurrent Regulatory Assets	484.1	557.8	543.4
Total Regulatory Assets	\$ 560.8	\$ 653.4	\$ 636.9
Regulatory Liabilities:			
Current:			
Other	\$ 2.7	\$ 2.7	\$ 2.7
Total Current Regulatory Liabilities	2.7	2.7	2.7
Noncurrent:			
Deferred taxes due to customers	159.2	—	—
Accrued cost of removal	52.0	54.5	54.8
Other	30.0	26.7	12.5
Total Noncurrent Regulatory Liabilities	241.2	81.2	67.3
Total Regulatory Liabilities	\$ 243.9	\$ 83.9	\$ 70.0

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	December 31,	September 30,	December 31,
Spire Alabama	2017	2017	2016
Regulatory Assets:			
Current:			