

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

In the Matter of Spire Missouri, Inc.)	
d/b/a Spire (East) Purchased)	Case No. GR-2021-0127
Gas Adjustment (PGA) Tariff Filing)	

STIPULATION AND AGREEMENT

COME NOW Spire Missouri Inc. (“Spire Missouri” or “Company”), the Staff of the Public Service Commission (“Staff”), Consumers Council of Missouri (“CCM”), Environmental Defense Fund (“EDF”), and the Office of the Public Counsel (“OPC”), collectively the “Signatories,” and respectfully submit this *Stipulation and Agreement* in the above-captioned docket, stating the following to the Missouri Public Service Commission (“Commission”):

1. This Stipulation is being entered into for the purpose of settling all remaining contested issues in this case.
2. This Stipulation does not affect, in any way, the Partial Stipulation and Agreement between Spire Missouri and Staff filed on January 6th, 2023. The terms of that Partial Stipulation and Agreement remain in full effect. Attached hereto is Exhibit A that incorporates the Partial Stipulation and Agreement and contains the final Actual Cost Adjustment (“ACA”) Balances from this case.
3. Midwest Energy Consumers Group (“MECG”) is not a Signatory to this Stipulation but does not object to this Stipulation.
4. **Exclusion of Spire STL Pipeline LLC Litigation Costs in Utility Rates.** The Signatories agree that Spire Missouri will not seek to recover in rates any litigation costs associated with Federal Energy Regulatory Commission certificates of convenience and necessity for the Spire STL Pipeline LLC (“STL Pipeline”), and the associated appeals. All such costs within the

test year of the Company's next general rate case will be identified and excluded from the revenue requirement.

5. **New Recordkeeping Requirements for Capacity Projects.** The Signatories agree that, for all future proposed interstate transmission projects on which the Company intends to be an anchor shipper, Spire Missouri's Gas Supply Department will coordinate a Request for Proposal ("RFP") (or other competitive bid process) and maintain copies of all RFPs sent, all responses received, relevant analysis of responses, and documents demonstrating the rationale for any decisions to move forward with a project. These documents will be maintained together and be available for review by Staff and OPC upon request in an appropriate ACA case.

6. **Advanced Leak Detection.** Upon finalization of the forthcoming U.S. Pipeline and Hazardous Materials Safety Administration (PHMSA) rule on this topic, Staff will initiate a rulemaking working case, if necessary, to consider the application of such rules to Missouri natural gas companies and compliance requirements relating thereto.

7. **Integrated Resource Plan.** The Signatories agree that, beginning in 2024 and no later than twelve (12) months following Commission approval of this Stipulation, Spire Missouri will file, in a formal docket, an Integrated Resource Plan ("IRP") with the Commission, to be updated at least once every three years in a formal docket. The first IRP filed shall be provided to all the parties in this proceeding. The IRPs will include each of the following elements:

a. **Non-Pipes Alternative Pilot.** Starting with the 2024 IRP, Spire Missouri will include a plan to pilot at least one Non-Pipes Alternative ("NPA") to identify cost-effective and environmentally beneficial pathways to meet customer demand. Spire Missouri will work with EDF to identify (including the methodology to identify) and implement the NPA project or projects, which should prioritize providing demand

response, energy efficiency programs, and clean energy to environmental justice and/or low-income communities and should be created with substantial input from the community or communities involved.

b. Long-Term Climate Plan. The Long-Term Climate Plan will include the following:

- i. 20-year demand forecast, and corresponding 20-year supply forecast that aligns with the demand projection, and accounts for impacts of electrification, including an explanation of the data, methodologies, assumptions and other relevant factors that such forecast is based upon;
- ii. Explanation of what levels of demand response and energy efficiency are reflected in the baseline supply forecast;
- iii. Identification of any infrastructure constraints, both locational and timing, and plan for addressing constraints (including via NPA pilot discussed above).
- iv. Progress towards, and plans to reduce system methane emissions by 50% below 2005 levels by 2030; and
- v. Role and effectiveness, if any, of RNG, hydrogen, and other technologies in reducing the carbon intensity of system delivered energy.

8. GHG Emissions Reporting. The Signatories agree that Spire Missouri will continue to report Scope 1 and Scope 2 emissions reductions to baseline as part of its Sustainability Report, which shall be published annually and made publicly available on the Company's website. The Company will report reductions by program for pipeline replacement, energy efficiency, and other discrete programs as appropriate/feasible. The Company will evaluate the feasibility of

reporting on Scope 3 emissions and will file a report on such evaluation in this docket twelve (12) months from the approval of this Stipulation. Any report that provides only Scope 1 and Scope 2 emissions reporting shall explicitly state that it is limited to Scope 1 and Scope 2 emissions, along with a definition of Scope 1 and Scope 2 emissions.

9. **Inclusion in Rates.** The Signatories agree that no party to this case will challenge the necessity or prudence of incurring costs associated with the performance of the Company's obligations under this Stipulation in any future rate case. Notwithstanding the foregoing, Signatories retain the ability to challenge the reasonableness of the amount of such costs.

10. **Customer Assistance Program Funding.**

a. The Signatories agree that Spire Missouri will commit \$500,000 per year, for five years, of additional shareholder funding for low-income heating assistance (for a total of \$2,500,000), with funding to begin on October 1, 2023. For purposes of this Stipulation, the term "shareholder funding" means funding from Spire Missouri Inc. or an affiliate that is not and will not be recovered through rates. The allocation of such expenditures is addressed below in sub-paragraphs b. and c.

b. Weatherization

i. Spire Missouri shall contribute \$300,000 annually to agencies focused on Weatherization as described herein. On October 1, 2023, and annually on every October 1 through October 1, 2027, Spire Missouri will transfer the allocations noted below to each of the six (6) Spire Missouri East Community Action Agencies (CAAs) to go towards weatherization for low-income Spire Missouri East customers.

ii. These agencies, and their associated funding amounts, include:

1. STL County - Community Action Agency of St. Louis County (\$80,000)
2. City of STL - Urban League of Metropolitan St. Louis (\$80,000)
3. St. Charles County - North-East Community Action Corp. (\$35,000)
4. Jefferson/Franklin County - Jefferson Franklin Community Action Corp. (\$35,000)
5. Park Hill area - East MO Action Agency (\$35,000)
6. Poplar Bluff - South Central MO Community Action Agency (\$35,000)

iii. These funds are provided to each agency with the express purpose of enabling federal weatherization funding to domiciles that would otherwise be “deferred” or “passed over.” Funding can also be directed, at each agency’s discretion, to the following:

1. Outreach efforts and
2. Weatherization training and certification for agency employees.

If the above list has been exhausted, remaining funding can also be redirected to utility bill credits and/or arrearages at the CAA’s discretion.

iv. In the event that any of these CAAs cease to exist during this 5-year period, Spire Missouri shall work with OPC, Staff and CCM to identify a replacement agency or agencies to recommend for the Commission’s approval.

v. Spire Missouri shall extend reasonable efforts to require that each agency provide documentation to Spire annually, by November 1 and for

the prior year (October 1 to September 30), that verifies how expenditures were incurred and provide estimated expenditures for the following year. Spire Missouri shall provide a condensed report of the agencies' individual annual reports with its report described in Section 3. Spire Missouri shall provide the complete documentation provided by the agencies to the Commission, Staff, OPC, CCM, or EDF upon request within 15 days of any such request.

vi. Starting in 2024 and ending in 2028, Spire Missouri commits to holding an annual in-person meeting with the local Community Action Agencies referenced above for the next five years at Spire's headquarters in St. Louis, Missouri with extended invitations to the Commission Staff, CCM, EDF, and OPC to report on annual funding dispersed to the agencies, discuss the agencies' progress to date, and a discussion of the strengths, weaknesses, opportunities and threats to Spire's low-income population.

vii. Each year, a review of the funding provided to the agencies will be completed. Leftover funds held by an individual agency each year may be carried forward by such agency into the next year. The allocations noted above in 9.b.ii. may be adjusted based on the amounts of leftover funds only by the agreement of the Company, Staff, OPC, CCM, and EDF.

c. Bill Assistance

i. Starting on October 1, 2023, Spire will contribute an additional \$200,000 in annual funding to its Payment Partner Program and/or the

Critical Needs Program. This additional commitment terminates after 5 years.

- ii. Spire Missouri commits to filing a tariff for a new program similar to Ameren Missouri's Keeping Cool program in its next general rate case.
- iii. If such tariff is approved, funding will then be directed to the new program for the remainder of the 5-year period noted above and will no longer be used for the Payment Partner Program or the Critical Needs Program, unless objected to by the Company, Staff, EDF, CCM, or OPC.
- iv. If, despite the forgoing, Spire Missouri does not spend the \$200,000 in an annual (October 1 to September 30) period, such unspent amount will be rolled-over to the next year to the programs described above unless explicitly agreed to be redirected to another income eligible program by the Company, Staff, EDF, CCM, and OPC. The forgoing does not limit the requirement of Spire to spend \$200,000 annually on Bill Assistance Programs.
- v. Spire Missouri's existing Critical Needs Program would assist in identifying customers eligible for the Bill Assistance Programs.
- vi. Spire Missouri will continue to report quarterly to the Spire Limited-Income Collaborative on the funding and participation rates of Payment Partner Program and the Critical Needs Program. If the tariff for the new program envisioned by subsection 9.c.ii. above is approved, Spire Missouri will add reporting on this program to the Collaborative.

d. Additional Reporting

i. Annually on December 1 of each year, starting on December 1, 2023, until all funds addressed by this paragraph have been paid by and reported on by Spire Missouri, the Company shall file a report supported by affidavit in this docket (with copies to all parties) which, at a minimum, shall provide the following:

1. The dates, amounts and methods of payments made under this paragraph during the prior year and cumulatively;

2. For the weatherization funds and based on the individual reports from the CAAs, Spire Missouri will report on how many low-income families benefited in the prior 12 months and will estimate how many low-income families are expected to benefit from those funds in the next 12 months;

3. For the bill assistance programs, Spire Missouri will report on which program the funding was contributed to, and, if feasible, the estimated number of low-income families that received such funding in the prior 12 months and the estimated number of low-income families that will receive such funding in the next 12 months; and

4. Identification of all relevant facts related to any non-compliance with this paragraph and explaining such non-compliance.

e. **Additional Commitment.** Further, Spire Missouri agrees that it will not reduce or seek to reduce its current shareholder funding for customer assistance programs for a period of five years, from October 1, 2023 to September 30, 2028.

11. **Full and Final Settlement.** The Signatories agree that, in addition to resolving all remaining contested issues in this case, this Stipulation resolves all issues which were raised, or could have been raised in this ACA case. In addition, no Signatory to this Stipulation will make any argument relating to the prudence of Spire Missouri's contract on STL Pipeline, risks related to the FERC certificates of convenience and necessity for the STL Pipeline, or customer impacts from threats to STL Pipeline service associated with the FERC certificate of the STL Pipeline, in any subsequent general rate case filed by the Company, nor will any Signatory raise the issues in this case as a basis for reducing Spire Missouri's return on equity in any subsequent general rate case

GENERAL PROVISIONS

12. This Stipulation is being entered into solely for the purpose of settling the remaining contested issues in this case. Unless otherwise explicitly provided herein, none of the Signatories shall be deemed to have approved or acquiesced in any ratemaking or procedural principle. Except as explicitly provided herein, none of the Signatories shall be prejudiced or bound in any manner by the terms of this Stipulation in this or any other proceeding. This Stipulation has resulted from extensive negotiations among the Signatories, and the terms hereof are interdependent and non-severable. If the Commission does not approve this Stipulation unconditionally and without modification, or if the Commission approves the Stipulation with modifications or conditions to which a Signatory objects, then this Stipulation shall be void and none of the Signatories shall be bound by any of the agreements or provisions hereof.

13. In the event the Commission accepts the specific terms of this Stipulation without condition or modification, the Signatories waive their respective rights to call, examine, and cross-examine witnesses pursuant to §536.070(2) RSMo; present oral argument and written briefs

pursuant to §536.080.1; their respective rights to the reading of the transcript by the Commission pursuant to §536.080.2; their respective rights to seek rehearing pursuant to §386.500; and their respective rights to judicial review pursuant to §386.510. These waivers apply only to a Commission order approving this Stipulation without condition or modification issued in this proceeding. The Signatories agree that any and all discussions, suggestions, or memoranda reviewed or discussed, related to this Stipulation shall be privileged and shall not be subject to discovery, admissible in evidence, or in any way used, described or discussed.

14. This Stipulation contains the entire agreement of the Signatories concerning the issues addressed herein. The intent of the Signatories has been fully and exclusively expressed in this document.

WHEREFORE, the Signatories request the Missouri Public Service Commission issue an order approving the terms and conditions of this Stipulation and Agreement and order the final ACA balances in Exhibit A.

Respectfully submitted,

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**ATTORNEYS FOR ENVIRONMENTAL
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CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been sent by electronic mail to all counsel of record on this 11th day of August, 2023.

/s/ Julie Johnson
