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II. BACKGROUND

On July 26, 2021, Spire STL submitted a request that the Commission issue a Temporary Certificate for the STL Pipeline to ensure that the pipeline can continue operating while the Commission adjudicates an order on remand following the U.S. Court of Appeals for the District of Columbia Circuit's ("D.C. Circuit") June 22, 2021 decision in *Environmental Defense Fund v. FERC*.¹ The Commission had issued a certificate of public convenience and necessity to construct and operate the STL Pipeline on August 3, 2018² and the pipeline went in service in November 2019. An interconnection between MoGas and the STL Pipeline went in service in December 2020.

III. INTERVENTION

MoGas operates over 263 miles of interstate natural gas pipeline in Missouri and Illinois through which MoGas transports and delivers natural gas to both investor-owned and municipal natural gas local distributions systems. MoGas was created in 2008 by the combination of three affiliated pipeline systems: Missouri Interstate Gas, LLC, Missouri Gas Company, LLC, and Missouri Pipeline Company, LLC. The MoGas system is divided into two zones for rate purposes. Zone One is comprised of MoGas' two firm shippers,

¹ *Envtl. Def. Fund v. FERC*, ___ F.4th ___, No. 20-1016, 2021 WL 2546672 (D.C. Cir. June 22, 2021).

² *Spire STL Pipeline LLC*, 164 FERC ¶ 61,085 (2018), *order amending certificate*, 169 FERC ¶ 61,074, *order on reh'g*, 169 FERC ¶ 61,134 (2019), *pet. for review granted in part, vacating decision sub nom.*, *Envtl. Def. Fund*, No. 20-1016, 2021 WL 2546672.

Spire Missouri East (“Spire Missouri”) and Ameren Missouri (“Ameren”), both local distribution companies serving natural gas demands in both St. Louis and immediately west of St. Louis, Missouri. These two shippers comprise approximately 85% of MoGas’ contracted firm capacity. The remaining customers, located in Zone Two and accounting for approximately 15% of MoGas’ firm contract capacity, consist of four municipalities, the U.S. Army’s Fort Leonard Wood, and several small industrial and commercial natural gas demands.

In December 2020, an interconnection between MoGas and the STL Pipeline went in service. This interconnection allows MoGas to serve customers in the counties to the west of St. Louis. As explained in further detail below, MoGas’ system and its customers enjoy a variety of benefits from the interconnection with STL Pipeline. If the STL Pipeline went out of service, these benefits would be lost and there would be other negative consequences.

Good cause exists to grant MoGas’ motion to intervene out-of-time. Under Rule 214 of the Commission’s regulations, the Commission will consider the following factors when acting on a motion to intervene out-of-time:

whether (i) The movant had good cause for failing to file the motion within the time prescribed; (ii) Any disruption of the proceeding that might result from permitting intervention; (iii) The movant’s interest is not adequately represented by other parties in the proceeding; [and] (iv) Any prejudice to, or additional burdens upon, the existing parties might result from permitting the intervention.³

MoGas has good cause for intervening out-of-time. MoGas’ direct and substantial interest in this proceeding arose only *after* the Commission had issued the certificate to

³ 18 C.F.R. § 385.214 (d)(i)-(iv).

Spire STL, when, in late 2018, MoGas and Spire STL began discussing the possibility of an interconnection. After learning of the request for the Temporary Certificate, MoGas acted as expeditiously as possible to submit this Motion. Additionally, no disruption would result from the granting of this Motion given the early stage of the Temporary Certificate proceeding.

As the interconnection with STL Pipeline allows MoGas to serve its customers, a Commission order on the Temporary Certificate will have a direct impact on MoGas. Therefore, MoGas has an interest that will be directly affected by the outcome of this proceeding that cannot be adequately represented by any other party. Lastly, no prejudice or burden on existing parties will result from allowing MoGas to intervene. Furthermore, Spire STL has stated to MoGas that it has no opposition to MoGas intervening at this stage. Therefore, because MoGas has a direct and substantial interest in this proceeding that cannot be represented by any other party and MoGas has shown good cause for submitting its intervention out-of-time, MoGas requests that the Commission grant this Motion and allow MoGas to participate fully as a party to this proceeding so that it may represent its interests before the Commission.

IV. COMMENTS IN SUPPORT

a. MoGas Interconnected with STL Pipeline to Serve Natural Gas Demand West of St. Louis.

MoGas' interconnection with STL Pipeline went in service in December 2020. The interconnection allowed MoGas to immediately begin serving natural gas demands in accordance with its customers' requests in the markets west of St. Louis. MoGas continues to serve these customers today. In addition to being integral to serving this demand, the

MoGas-STL Pipeline interconnection brings a variety of benefits to MoGas and its customers system-wide.

1. Prior to Interconnecting with STL Pipeline, MoGas Could Not Adequately Serve the Growing Natural Gas Demand West of St. Louis.

Prior to interconnecting with STL Pipeline in December 2020, MoGas was interconnected with three pipelines to serve its customers: Enable Mississippi River Transmission LLC (“MRT”) on the east side (or east leg) of the system, and Panhandle Eastern Pipe Line Company, LP (“PEPL”) and Rockies Express Pipeline (“REX”) on the west side (west leg) of the system. At that time, on a peak day, 90% of supply for the MoGas system came from PEPL and REX. Beginning about a decade ago, the markets in and around St. Louis began to experience a substantial geographic natural gas demand shift. While natural gas demand growth overall has been close to flat over that time period for the region, for the city of St. Louis and the counties to the west of St. Louis, much was changing: demand was decreasing inside of the city of St. Louis while increasing west of St. Louis.

Unfortunately, prior to the 2020 interconnection with STL Pipeline, MoGas’ system could not accommodate new load requests stemming from the substantial geographic demand shift to the counties to the west of St. Louis. The capacity on the west leg of the MoGas system was full. On the east leg, the existing pressure profile simply did not allow Mogas to serve the natural gas demand which had come to the west-of-St. Louis market. Specifically, the east leg was supplied by the MRT interconnect and the pressure into MoGas from MRT was at a level that did not allow MoGas to move the natural gas to the west side of St. Louis.

2. MoGas Considered a \$100 Million Loop to Serve Demand West of St. Louis.

To address its inability to serve the additional natural gas demand west of St. Louis and the other customers on MoGas, in 2017, MoGas initiated an open season with plans to loop the west leg of its pipeline in that region so that it could serve the natural gas demand west of St. Louis. Specifically, MoGas was planning to loop its system up to 50 miles, depending on customer need for the additional capacity looping would provide. Alternatively, MoGas considered adding compression at the MRT interconnection. Preliminary plans indicated that this looping project could cost up to \$100 million and would involve acquiring new rights-of-way from the MoGas Curryville Compressor Station to the MoGas Old Monroe Station, both of which are marked on the system map in Figure 1 below.

3. MoGas Elected to Interconnect with the STL Pipeline Because it Would Provide Financial and Operational Reliability Benefits to MoGas' System and Its Customers.

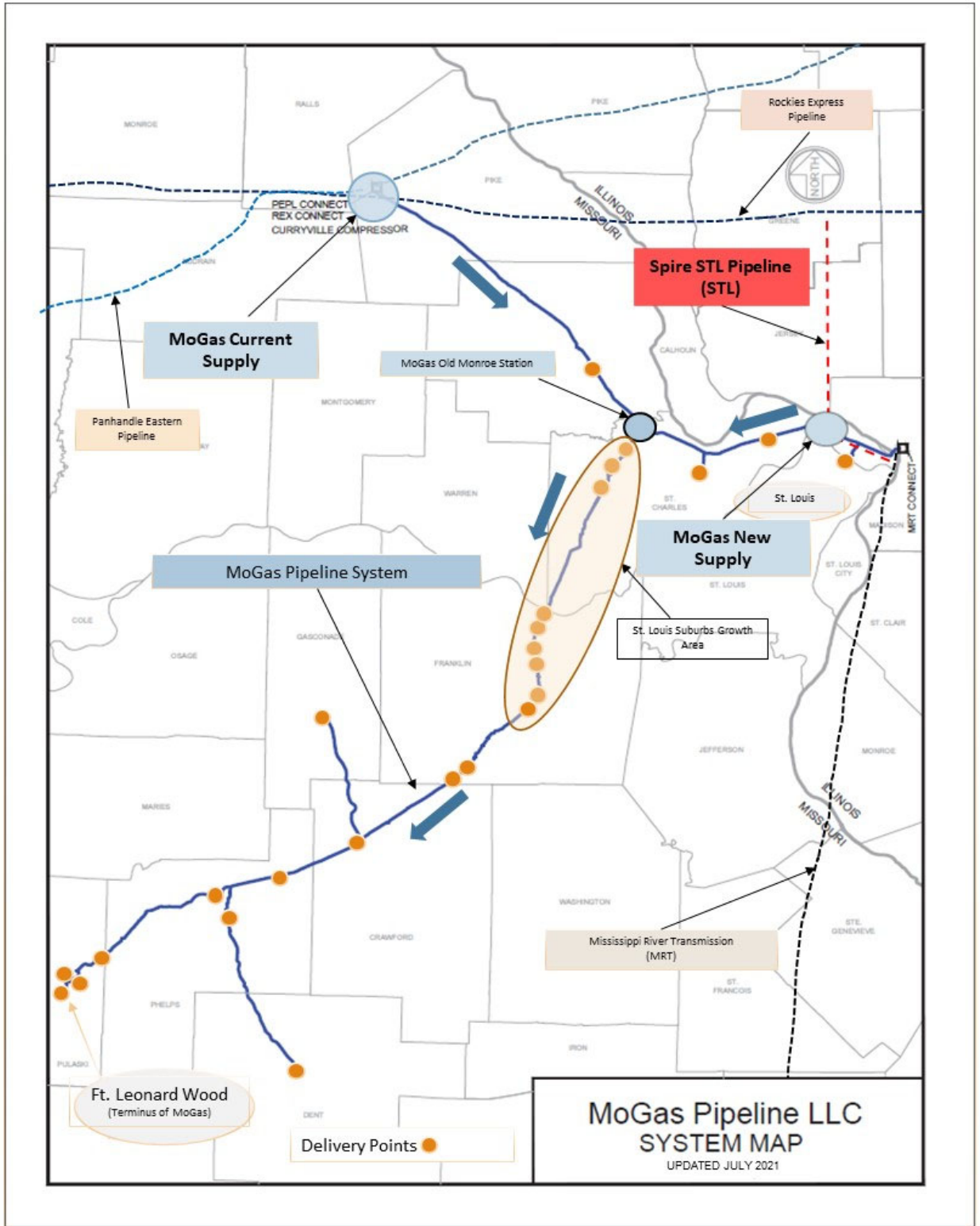
Ultimately, MoGas did not continue with its plan to build the \$100 million 50-mile loop because in late 2018, the potential of a better alternative arose. With the proposed construction of the STL Pipeline, MoGas determined that an interconnection on the east leg of its system with the new STL Pipeline at high quantities and delivery pressure, if possible, would provide the additional supply MoGas needed to serve the natural gas demand west of St. Louis without looping its system on the west leg or adding compression at the MRT interconnection. This interconnection would only cost MoGas \$3 to \$4 million yet would provide all the additional operating pressure needed to serve new customer demand west of St. Louis.

Furthermore, interconnecting with STL Pipeline instead of building a 50-mile loop had additional benefits beyond cost savings for ratepayers which the 50-mile loop did not have. First, by interconnecting with STL Pipeline, the entire MoGas system would have the benefit of this increased system pressure. Second, the STL Pipeline interconnect would increase the diversity of supply to the MoGas system from just three pipelines—REX, PEPL, and MRT—to four. Prior to the interconnection, on a peak day, 90% of supply for the MoGas system came from PEPL and REX. By interconnecting with STL Pipeline, on a peak day, about 50% of supply for the MoGas system would come from STL Pipeline. Third, not building a 50-mile loop would avoid various landowner and environmental impacts along MoGas' rights-of-way.

Given all these benefits, MoGas moved forward with the interconnection with STL Pipeline and built approximately 1,000 feet of pipeline and measurement facilities to connect MoGas with STL Pipeline in eastern St. Charles County, Missouri. Altogether, the project cost MoGas approximately \$3,600,000. MoGas built these facilities under the authority of its blanket certificate issued by the Commission in *MoGas Pipeline LLC*, 124 FERC ¶ 61,287 (2008).⁴ The MoGas system map in Figure 1 below shows the new interconnect and supply source provided by the connection to STL Pipeline.

⁴ MoGas will include all required information in its next blanket certificate report.

Figure 1. MoGas Pipeline LLC System Map



B. Since the MoGas–STL Pipeline Interconnection Went in Service, Benefits Have Been Significant.

Since the MoGas–STL Pipeline interconnection went in service in December 2020, all of the potential benefits noted above have been realized by MoGas’ system and its customers. The interconnection enhanced the pressure profile to increase deliverability to serve natural gas demand in West St. Louis, with limited investment, and is available for further natural gas demand growth west of St. Louis. The importance to MoGas and its customers of supply diversity and its system benefits gained from the STL Pipeline interconnection was underscored during the February 2021 extreme cold weather which effected customers in the MoGas region:

- Natural gas demands in the markets west of St. Louis received additional service from MoGas during that period;
- The delivery pressure from STL Pipeline demonstrated operational reliability, as shown by operating pressures on MoGas being the highest to date during that period;
- STL Pipeline is a new supply source for MoGas which fully doubles MoGas’ prior supply and availability for all its customers. It was a 50/50 split on MoGas’ two legs during the extreme cold weather;
- The MoGas-STL Pipeline interconnection increases MoGas’ pressure profile for all customers, which in turn increases line pack capability for all customers, including an up to 20% increase in the pressure profile at the MoGas Old Monroe Station during the cold weather. Due to the increased line pack capability provided by the increased pressure profile, MoGas served all customers despite a shortfall in supply from some customers.

C. If STL Pipeline Goes Out of Service, There Are a Variety of Negative Consequences for MoGas and Its Customers.

If STL Pipeline goes out of service, there would be a variety of negative consequences for MoGas and its customers. Operationally, MoGas' system would revert to pre-December 2020. MoGas would lack the required line pressure on its east leg to service natural gas demand west of St. Louis. Those customers would lose service immediately upon STL Pipeline going out of service.

MoGas would have to resume its plans to construct up to a 50-mile loop of its system in order to serve the growing natural gas demand on MoGas' system, but the in-service date on that potential loop would be several years in the future, leaving the natural gas demand unserved until that time. Furthermore, the cost of the 50-mile loop—forecasted to be up to \$100 million—would be ultimately borne by MoGas' customers. MoGas would also potentially file to abandon the interconnection facilities—facilities which have only been in service only since December 2020.

The interconnection with STL Pipeline bolsters the operational reliability of the entire MoGas system. Not only has the STL Pipeline interconnection increase system pressure system-wide for MoGas, but it has substantially increased the diversity of supply to the MoGas system from just three pipelines—REX, PEPL, and MRT—to four, and has doubled supply availability. As noted above, this operational reliability played an instrumental role in MoGas' ability to perform well during the February 2021 extreme cold weather event. The industry fully expects similar extreme cold weather events to recur in the coming years. If STL Pipeline ceases to operate, MoGas, like many pipelines in February 2021, may struggle to deliver all contracted volumes during events like that in the future.

V. CONCLUSION

WHEREFORE, for the foregoing reasons, MoGas requests that the Commission grant MoGas its intervention out-of-time and consider its comments in support of the issuance of the Temporary Certificate.

Respectfully submitted,

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Dated: July 28, 2020

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CERTIFICATE OF SERVICE

I hereby certify that I have this day caused to be served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding in accordance with the requirements of Rule 2010 of the Rules of Practice and Procedure, 18 C.F.R. § 385.2010 (2021).

Dated at Washington, D.C. this 28th day of July, 2021.

/s/ Claire M. Brennan

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Document Content(s)

2021-07-28 MoGas Intervention and Comments.PDF1