

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

In the Matter of Spire Missouri, Inc.)	
d/b/a Spire (East) Purchased Gas)	Case Number GR-2021-0127
Adjustment (PGA) Tariff Filing)	

POSITION STATEMENT OF ENVIRONMENTAL DEFENSE FUND

Environmental Defense Fund (EDF) provides its statement of position as follows:

I. MO Public Service Commission Staff and Spire Missouri, Inc. Issue Descriptions:

1. Was Spire Missouri’s decision to enter into a firm transportation contract with Spire STL Pipeline LLC prudent?
2. If not, should the Commission order a disallowance of gas costs for the Spire Missouri East 2019-2020 Actual Cost Adjust period based on that decision?
3. If so, what disallowance of gas costs should be ordered?

EDF Position: EDF takes the position that this does not fully reflect the issues in the case or the issues that any party has raised. This proceeding is a ratemaking process that involves review of the reasonableness of Company’s management of gas supply and pipeline capacity during this ACA period from October 1, 2019 to September 30, 2020. Whether Spire Missouri, Inc.’s (Spire Missouri) agreement to the particular contract that it has with Spire STL Pipeline LLC (Spire STL) is prudent is exceedingly narrow in that it does not seem to include, on its face, other aspects of consideration of the Company’s managing its gas supply and pipeline capacity, including its managing of the contracting process with Spire STL.

If required to address that issue, EDF would respond that no, it was not prudent to enter into that particular contract, and that such actions were detrimental (i.e. harmful) to customers, as described below. EDF would respond to Issue #2 in the affirmative. EDF’s response to issue #3 would be that that the Commission should disallow \$27,650,000 in gas costs.

II. Office of Public Counsel, EDF and Consumers Council of Missouri Issue Descriptions

1. Was it reasonable and prudent for Spire Missouri, Inc. d/b/a Spire (East), in managing its gas supply and pipeline capacity, to have relied on obtaining service from Spire STL Pipeline prior to the latter having received a non-appealable certificate of public convenience and necessity from FERC?

EDF position: No. Spire Missouri's management of its gas supply and pipeline capacity resulted in reliance upon service from an affiliate pipeline, Spire STL, that did not yet have a certificate from the Federal Energy Regulatory Commission (FERC) which certificate was not subject to appeal. Spire MOE's reliance on Spire STL prior to Spire STL having a certificate from the FERC that was not subject to appeal placed its system and customers at risk of not receiving service from Spire STL, which placed customers at great risk. The Company stated in filings at the FERC that this could have led to outages during the winter which could have involved hundreds of thousands of customers with customer service restoration times involving weeks. Fortunately, service was not interrupted, but subjecting the customers to such risk was imprudent and detrimental (i.e. harmful) to customers.

2. If the answer to the foregoing question is negative, what action should the Commission take?

EDF Position: The Commission should disallow \$27,650,000 in gas costs.



By: Martin C. Rothfelder, Esq. (MoBar #31794)
Rothfelder Stern, L.L.C.
407 Greenwood Avenue, #301
Trenton, NJ 08609
(609) 394-1000
mrothfelder@rothfelderstern.com

Christie Hicks
Environmental Defense Fund
1875 Connecticut Ave. NW
Washington, DC 20009
(202) 572-3389
crhicks@edf.org

**ATTORNEYS FOR ENVIRONMENTAL
DEFENSE FUND**