

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

))
Spire STL Pipeline LLC) Docket Nos. CP17-40-000, *et al.*
))

**MOGAS PIPELINE LLC
COMMENTS IN SUPPORT
OF
EXPEDITED REISSUANCE OF CERTIFICATE**

MoGas Pipeline LLC (“MoGas”) hereby submits the comments below in the above-captioned docket. The above-captioned proceeding concerns the November 10, 2021 filing by Spire STL Pipeline LLC¹ requesting that the Federal Energy Regulatory Commission (“Commission”) reissue the certificate authorizing the Certificate of Public Convenience and Necessity pursuant to Natural Gas Act section 7 and Part 157, Subpart A of the Commission’s regulations to operate and maintain the Spire STL Pipeline.² MoGas requests that the Commission consider its comments below in support of the expedited reissuance of the certificate, which will benefit not only the Spire STL Pipeline and its shippers but also MoGas and its shippers.

¹ Spire STL Pipeline LLC, Request for Expedited Reissuance of Certificates, Docket Nos. CP17-40-000, *et al.* (dated Nov. 10, 2021; filed date Nov. 12, 2021) (“Request for Reissuance”).

² *Spire STL Pipeline LLC*, 164 FERC ¶ 61,085 (2018) (“Certificate Order”), *order amending certificate*, 169 FERC ¶ 61,074, *order on reh’g*, 169 FERC ¶ 61,134 (2019) (“Rehearing Order”), *pet. for review granted in part, vacating decision sub nom., Envtl. Def. Fund v. FERC*, 2 F.4th 953 (D.C. Cir. 2021). Spire STL also requested that the Commission reissue the related certificates, (1) a blanket certificate pursuant to Part 157, Subpart F of the Commission’s regulations authorizing certain routine construction, operation, and abandonment activities; and (2) a blanket certificate pursuant to Part 284, Subpart G of the Commission’s regulations authorizing Spire STL to provide transportation service pursuant to Spire STL’s FERC Gas Tariff. MoGas supports the reissuance of those certificates too.

I. BACKGROUND

The Commission issued a certificate of public convenience and necessity to construct and operate the Spire STL Pipeline on August 3, 2018³ and the pipeline went in service in November 2019. An interconnection between MoGas and the Spire STL Pipeline went in service in December 2020. On July 26, 2021, following the U.S. Court of Appeals for the District of Columbia Circuit's decision in *Environmental Defense Fund v. FERC*,⁴ Spire STL Pipeline LLC filed a request that the Commission issue a temporary certificate to allow Spire STL Pipeline to continue serving its shippers while the Commission's decision on remand was pending. On July 28, 2021, MoGas filed a motion to intervene in the certificate proceeding and comments in support of the request for the issuance of a temporary certificate. On September 14, 2021, the Commission issued a temporary certificate to allow the Spire STL Pipeline to remain in service through December 13, 2021.⁵ On November 10, 2021, Spire STL Pipeline LLC submitted the Request for Reissuance requesting that the Commission reissue the certificate authorizing construction and operation of the Spire STL Pipeline.

Prior to interconnecting with the Spire STL Pipeline in December 2020, MoGas was interconnected with three pipelines to serve its shippers: Enable Mississippi River Transmission LLC ("MRT") on the eastern end (or east leg) of the system, and Panhandle Eastern Pipe Line Company, LP ("PEPL") and Rockies Express Pipeline ("REX") on the western end (west leg) of the system. PEPL and REX, which are at the same location on MoGas, were the major supply source for MoGas. At that time, on a peak day, 90% of the

³ Certificate Order, 164 FERC ¶ 61,085.

⁴ 2 F.4th 953.

⁵ *Spire STL Pipeline LLC*, 176 FERC ¶ 61,160 (2021).

natural gas transported on MoGas originated from either PEPL and REX, and MoGas' system could not accommodate new additional transport requests stemming from the substantial natural gas demand shift from the eastern St. Louis area to areas west of St. Louis. The capacity on the west leg of the MoGas system was largely subscribed.⁶ On the east leg, receipt pressures from MRT were not sufficient enough to allow MoGas to serve the natural gas demand along its system to the market west of St. Louis.

To address its inability to serve the growing natural gas demand along its system west of St. Louis, MoGas in 2017 considered a plan to provide additional capacity by either constructing a 50-mile loop of its west leg at an estimated cost of \$100 million, or adding compression at the MRT interconnection. But in late 2018, with the Spire STL Pipeline having received its certificate from the Commission, MoGas determined that an interconnection on the east leg of its system with the new Spire STL Pipeline, just north of St. Louis, would provide the additional capacity MoGas needed to serve the natural gas demand west of St. Louis *without* the need of looping its system on the west leg, or adding compression at the MRT interconnection, given the high quantities and delivery pressure provided by the Spire STL Pipeline. In other words, if interconnected with MoGas, the Spire STL Pipeline would become a surrogate for a loop of the MoGas system. With the assistance of the Spire STL Pipeline, MoGas moved forward with the interconnection by building approximately 1,000 feet of pipeline and measurement facilities in eastern St. Charles County, Missouri. Altogether, the cost of these new facilities was approximately

⁶ Subsequently, it became fully subscribed as Spire Missouri contracted for the last 10,000 Dth.

\$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).⁷

Figure 1 below shows the MoGas system map in 2019, prior to interconnecting with the Spire STL Pipeline, and illustrates how MoGas had only one major supply source to serve the needs of its shippers.

Figure 1
2019 MoGas System Map⁸
(prior to interconnecting with the Spire STL Pipeline)

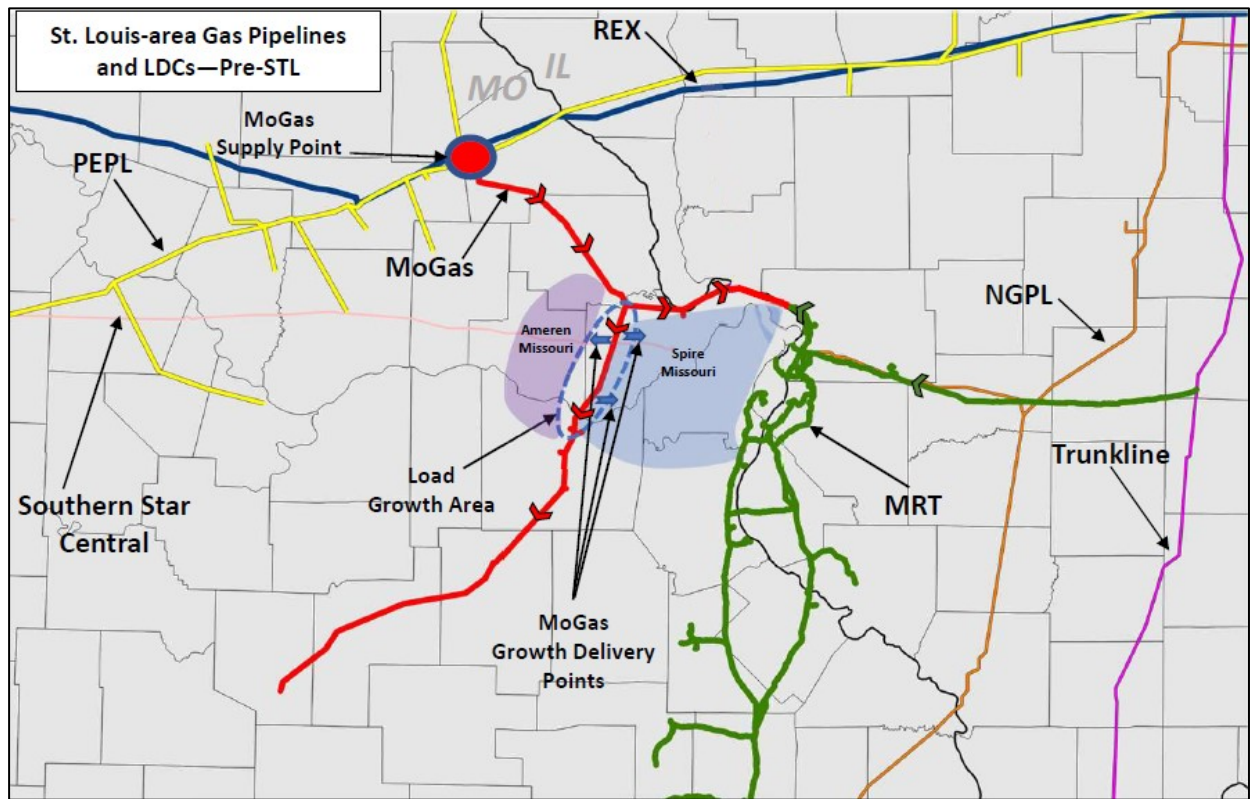


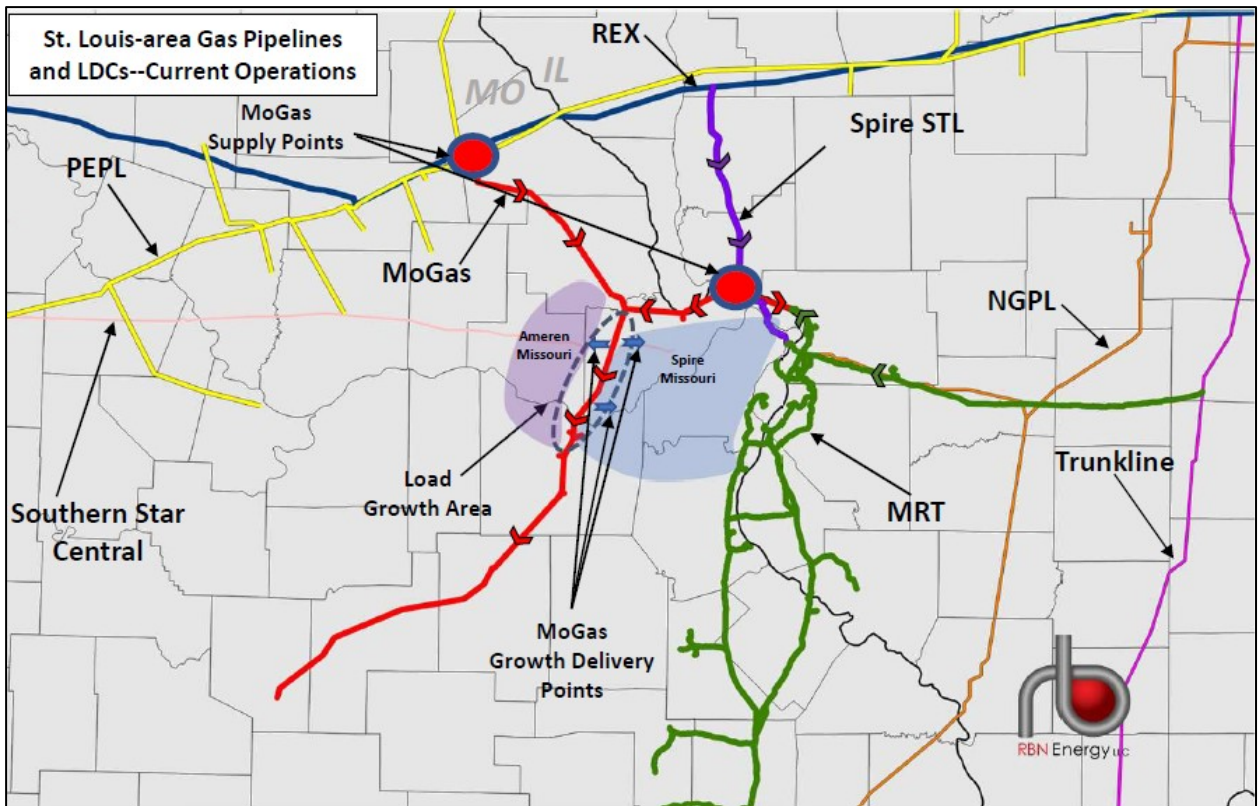
Figure 2 below depicts the MoGas system currently, with the interconnection with the Spire STL Pipeline, and illustrates how the new interconnect provides MoGas a major

⁷ MoGas will include all required information in its next blanket certificate report.

⁸ Housley Carr, RBN Energy LLC, “Will You Be There? – The Spire STL Natural Gas Pipeline and the New Challenge to Already-Built Assets” (Nov. 28, 2021) (as modified by MoGas), <https://rbnenergy.com/will-you-be-there-the-spire-stl-natural-gas-pipeline-and-the-new-challenge-to-already-built-assets>.

natural gas supply source. This configuration gives MoGas and its shippers numerous other benefits as described below.

Figure 2
2021 MoGas System Map⁹
(with interconnection to the Spire STL Pipeline)



II. COMMENTS IN SUPPORT OF EXPEDITED REISSUANCE OF THE CERTIFICATE

As discussed below, the Commission should reissue a permanent certificate for the Spire STL Pipeline because of both 1) the compelling reasoning included in the Request for Reissuance, as well as 2) the benefits MoGas and its shippers realize from the Spire STL Pipeline.

⁹ See *id.*

A. Based on the Compelling Reasoning Offered in the Request for Reissuance, the Commission Should Reissue a Permanent Certificate for the Spire STL Pipeline.

The Request for Reissuance presented sufficient and compelling justification for the Commission to reissue a permanent certificate for the Spire STL Pipeline. While MoGas will not clutter the record by repeating the numerous justifications included in that filing, MoGas notes the following justifications for a permanent certificate:

- **For two years, the Spire STL Pipeline has provided needed service:** During that time, Spire Missouri's shippers have enjoyed a lowered cost of delivered gas, increased supply diversity (including during critical events), and greater reliability.¹⁰
- **The February 2021 Extreme Cold Weather Event and future cold weather events:** Spire Missouri estimated that: 1) without the Spire STL Pipeline, shippers would have lost gas service on eight of the nine days from February 11, 2021 to February 19, 2021, with a peak of roughly 133,000 shippers without service on February 15, 2021, and 2) that its shippers realized up to \$300 million in gas cost savings over the course of the nine days.¹¹ Similarly, the Missouri Public Service Commission issued a report discussing the need for the Spire STL Pipeline and recognized that Spire Missouri benefits from it, particularly on cold days, and that Spire Missouri would need the Spire STL Pipeline in the event peak demand occurs.¹²

¹⁰ See Request for Reissuance at 23-24.

¹¹ *Id.* at 32-33.

¹² *Id.* at 27-28, 33.

- **The RBN Energy 2021 Markey Study:**¹³ The 2021 Market Study established that the Spire STL Pipeline improves regional gas supply reliability and drives down prices, based on the ability to leverage different supply sources to protect against weather-driven upsets in reliability and gas costs.

B. The Benefits MoGas and Its Shippers Realize from the Operation of the Spire STL Pipeline Justify Reissuance of the Certificate.

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

The Certificate Policy Statement requires the Commission to analyze the effect of a proposed pipeline on competing pipelines. The MoGas–Spire STL Pipeline interconnection has provided a variety of benefits to MoGas and its shippers system-wide:

- **Serving new demand:** the MoGas–Spire STL Pipeline interconnection allowed MoGas to immediately begin serving natural gas demands stemming from shipper requests in the markets west of St. Louis. MoGas continues to serve these shippers today.
- **Ability to serve additional demand in the future:** the MoGas–Spire STL Pipeline interconnection provides increased system pressure which increases deliverability and is available for further natural gas demand growth west of St. Louis.
- **Increased system pressure:** the MoGas–Spire STL Pipeline interconnection provides increased system pressure which increases MoGas’ system delivery capacity with minimal costs and disruption.

¹³ See Request for Reissuance, Att. B (RBN Energy LLC, “Analysis of the Current and Future Market Served by Spire STL Pipeline” (Nov. 10, 2021) (“2021 Market Study”).

- **Increased diversity of supply:** The MoGas–Spire STL Pipeline interconnection increases the diversity of supply to the MoGas system from 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 the Spire STL Pipeline, on a peak day, about 50% of supply for the MoGas system comes from the Spire STL Pipeline.

2. During the February 2021 Extreme Cold Weather Event, the MoGas–Spire STL Pipeline Interconnection Provided Critical Reliability That Likely Prevented Outages.

The February 2021 Extreme Cold Weather Event effected the MoGas region but due to the increased system pressure and diversity of supply provided by the MoGas-Spire STL Pipeline interconnection, MoGas shippers did not experience the outages which plagued many others in the region. In particular, during the February 2021 Extreme Cold Weather Event, the MoGas–Spire STL Pipeline interconnection provided the following benefits:

- Natural gas demands in the markets west of St. Louis increased during that period and MoGas was able to meet the increased demand, thus preventing outages;
- The delivery pressure from the Spire STL Pipeline demonstrated operational reliability, as shown by operating pressures on MoGas being the highest to date during that period;
- The supply source on MoGas’ two legs during that period was an operationally stable 50/50 split because of the interconnection with the Spire STL Pipeline which fully doubles MoGas’ prior supply and availability for all its customers. Without the interconnection, it would have been a 90/10 split, which is operationally risky;

- The MoGas–Spire STL Pipeline interconnection increases MoGas’ pressure profile for all shippers, which in turn increases line-pack capability for all shippers, including an up-to-20% increase in the pressure profile during the cold weather at the MoGas Old Monroe Station, where the two legs of the MoGas system meet. Due to the increased line-pack capability, MoGas served all shippers despite a shortfall in supply from some upstream pipelines.

C. If FERC Denies the Permanent Certificate for the Spire STL Pipeline, There Are a Variety of Negative Consequences for MoGas and Its Shippers.

If the Commission takes the Spire STL Pipeline out of service, there would be a variety of negative consequences for MoGas and its shippers.

- **Shippers’ Loss of Service:** Operationally, MoGas’ system would immediately revert to its pre-December 2020 configuration. MoGas would lack the required capacity on its east leg to service natural gas demand west of St. Louis. Those shippers that have the Spire STL Pipeline as their primary receipt point would lose their primary path, and thus service. Those shippers could not regain the lost service without the construction of additional MoGas facilities (e.g., MoGas constructing a loop of its system).
- **System-wide Reduction in Reliability:** The MoGas–Spire STL Pipeline interconnection bolsters the operational reliability of the entire MoGas system. Not only has the MoGas–Spire STL Pipeline interconnection increased system pressure system-wide for MoGas, which among other benefits allows MoGas’ two legs to finally operate together, but it has substantially increased the diversity of supply to the MoGas system from three pipelines—REX, PEPL, and MRT—to four, and has

approximately doubled MoGas' capacity. The increased system pressure and diversity of supply would be lost by MoGas with the Spire STL Pipeline being taken out of service.

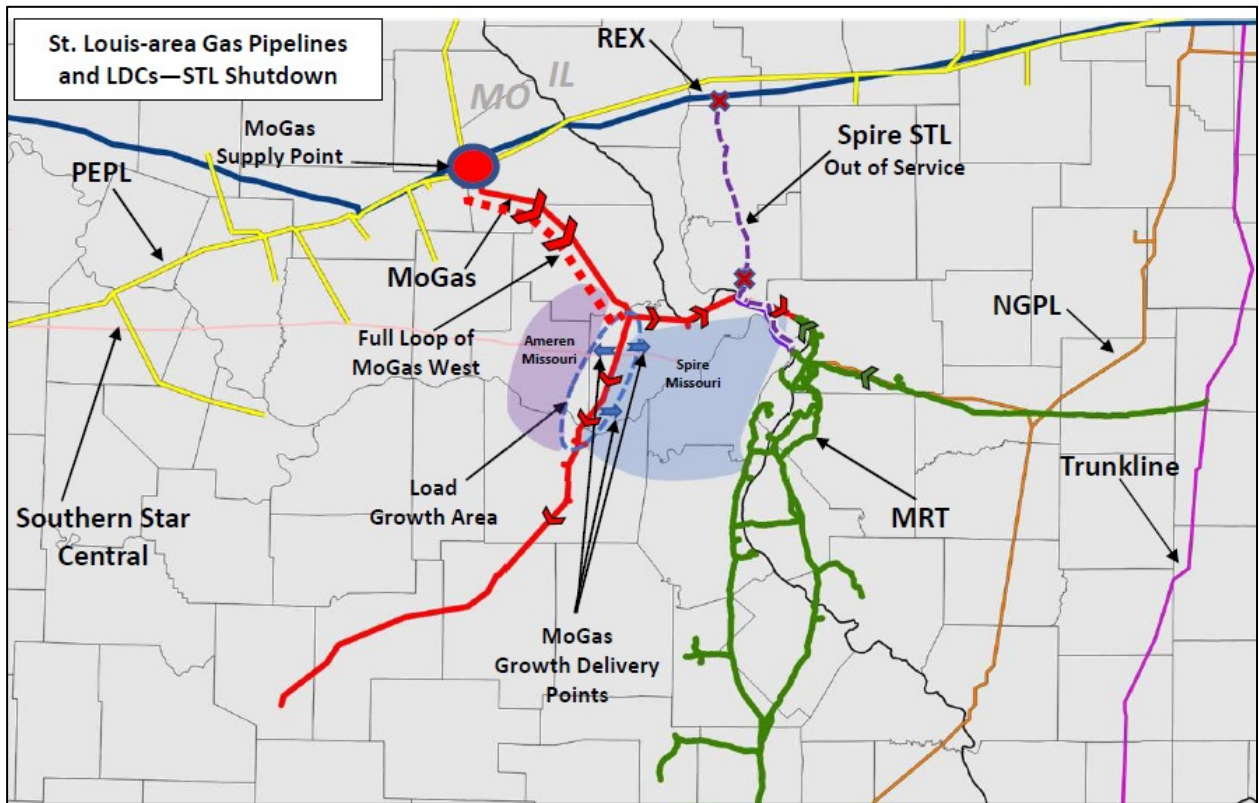
- **Increased Likelihood of Outages in Future Extreme Cold Weather Events:** As noted above, increased operational reliability due to the MoGas–Spire STL Pipeline interconnection played an instrumental role in MoGas' ability to perform well during the February 2021 Extreme Cold Weather Event. The industry fully expects similar extreme cold weather events to recur in the coming years.¹⁴ If the Spire STL Pipeline ceases to operate, MoGas, like many pipelines in February 2021, may struggle to deliver all contracted volumes during similar events in the future.
- **\$100 million construction of a 50-mile loop likely required:** MoGas will resume its plans to increase its system capacity in order to serve the growing natural gas demand on MoGas' system. MoGas has not undertaken a detailed study but estimates the cost of a 50-mile loop to be \$100 million. Such construction would have a much greater environmental impact than leaving the Spire STL Pipeline in service. In addition, MoGas potentially would file to abandon the \$3,600,000 in facilities it constructed to interconnect with the Spire STL Pipeline—facilities which have only been in service since December 2020.

Embarking on this new construction would be an unfortunate and avoidable outcome since there is an existing pipeline, the Spire STL Pipeline, which already provides

¹⁴ Jones, *et al.*, *What Investors and the SEC Can Learn from the Texas Power Crises*, at ii (June 2021), <http://blogs.edf.org/climate411/files/2021/06/TX-Report-Final.pdf> (“The February 2021 extreme winter weather event and ensuing power outages in Texas . . . are a salient example of the electric sector’s vulnerability to extreme weather events that will plausibly become more frequent and more severe with climate change.”) (emphasis added).

the needed capacity at no new additional *environmental* or *financial* cost. Figure 3 below illustrates how the Spire STL Pipeline acts as a surrogate for a loop of the west leg of MoGas and the dotted red lines show the new construction that would be required. The Commission should reissue a permanent certificate for the Spire STL Pipeline so it can serve its shippers' needs as well as the needs of MoGas and its shippers.

Figure 3
Future MoGas System Map¹⁵
(if the Spire STL Pipeline is taken out of service)



¹⁵ See Housley Carr, note 8, *supra*.

III. CONCLUSION

Accordingly, for the foregoing reasons, MoGas requests that the Commission consider its comments in support of the expedited reissuance of the certificate.

Respectfully submitted,

/s/ Philip Mone

Philip Mone
Van Ness Feldman, LLP
1050 Thomas Jefferson Street, NW
Washington, DC 20007
(202) 298-1800
pwm@vnf.com

Attorney for MoGas Pipeline LLC

Cyril Zebot
Vice President of Rates and Regulatory
MoGas Pipeline LLC
329 Josephville Road
Wentzville, MO 63385
(636) 926-3668
czebot@mogaspipeline.com

Dated: December 2, 2021

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 2nd day of December 2021.

/s/ Claire M. Brennan
Claire M. Brennan
Senior Paralegal Specialist
Van Ness Feldman, LLP
1050 Thomas Jefferson Street, NW
Washington, DC 20007

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