

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

In the Matter of the Application of Spire Missouri Inc., for )  
Permission and Approval and a Certificate of Convenience and )  
Necessity to Construct, Install, Own, Operate, Maintain, and ) **Case No. GA-2023-0441**  
Otherwise Control and Manage a Natural Gas Distribution )  
System to Provide Gas Service in Platte )  
County, Missouri as an Expansion of its )  
Existing Certificated Areas. )

**SPIRE’S RESPONSE TO STAFF’S RECOMMENDATION**

COMES NOW Spire Missouri Inc., d/b/a Spire (“Spire” or “Company”) and submits this response to the Recommendation and Memorandum filed by the Staff of the Missouri Public Service Commission (“Staff”), stating the following:

1. On June 30, 2023, Spire filed an Application for a certificate of convenience and necessity (“CCN”) for expansion of its existing certificated area in Platte County (“Application”).
2. On September 28, 2023, Staff filed its Recommendation and Memorandum (“Staff Recommendation”). In its Recommendation, Staff recommends the Missouri Public Service Commission (“Commission”) approve the Company’s application with conditions.
3. Staff’s Memorandum provides its summary of its analysis of the Tartan Energy Criteria,<sup>1</sup> which is the criteria upon which the Commission has previously relied upon in determining whether or not an application is “necessary or convenient” for public service. The Commission is not bound by past precedent and may consider other factors within its discretion in making this determination along with consideration of the Tartan factors. Those factors, include in sum:

\* a need for the facilities and service;

---

<sup>1</sup> In Re Tartan Energy, GA-94-127, 3 Mo.P.S.C. 3d 173, 177 (1994)

- \* whether the applicant is qualified to own, operate, control and manage the facilities and provide the service;
- \* the applicant has the financial ability for the undertaking;
- \* proposal is economically feasible; and
- \* the facilities and service promote the public interest.

In its Memorandum, Staff asserts that despite the inability of Spire to identify the costs associated with the assets in the area, Staff recommends the Commission approve the Company's requested CCN subject to a series of conditions.<sup>2</sup> Spire will provide its response to these conditions below.

#### **STAFF'S CONDITIONS**

4. Staff's Memorandum includes five (5) conditions with its recommendation for approval.
5. Spire agrees with the first and second conditions that an internal audit of its processes and procedures regarding compliance with 20 CSR 4240-3.205 should be performed and provided to the Commission prior to the Company's next general rate case.
6. Spire agrees with the third condition that updated tariff sheets will need to be filed upon Commission approval of the Application. Spire filed proposed updated tariff sheets on October 2, 2023 for Staff and Commission review.
7. Spire agrees with the fifth condition that all ratepayers receiving service outside of the requested CCN area should be held harmless from any expenses in excess of billed non-gas revenues.

---

<sup>2</sup> Staff's Memorandum page 7.

8. However, Spire does not agree with Staff's fourth condition. This condition would require Spire to quantify the cost of the assets included in rate base located in the area subject to the CCN request.

9. In Docket No. GA-2023-0110, the Empire District Gas Company ("EDG") requested a CCN for six sections in Platte County. Spire found that it had assets in three of those six sections and filed an Application for Rehearing. Staff, the Empire District Gas Company, and Spire reached a Stipulation and Agreement that apportioned the area subject to this CCN request between the two gas utilities. The Company, in its Application for Rehearing, explained that the Spire's assets in the ground, the same assets that are the subject of the present CCN request, were placed there by its predecessor Missouri Gas Energy ("MGE") in 1997 and 2004. MGE went on to serve customers from these assets from 2000 up until the Spire acquisition in 2013. Spire continued to serve the customers, justifiably relying on the fact that MGE was serving the customers prior to the acquisition. Spire did not put these assets in the ground, and it did not perform the cost analyses on or book the assets as it would normally do when installing facilities today.

10. Additionally, Spire inherited the accounting system of MGE for this area. Spire is not easily able to specifically pull the cost of these assets, assets that were analyzed and installed by MGE, to meet this condition from Staff. In Spire's response to Staff Data Request 0004, the Company stated that the individual project level costing detail was not converted for assets in service at the time of the acquisition of MGE by Spire. However, Spire will commit to discuss this condition with Staff to ensure that its concern is addressed, and that Spire can provide the information in a format that is aligned with our record keeping.

**WHEREFORE**, Spire respectfully requests that the Commission accept this Response to Staff's Recommendation, approve Spire's requested CCN subject to Staff's first, second, third, and fifth conditions, and grant such other and further relief as is just and reasonable.

Respectfully submitted,

*/s/ J. Antonio Arias*

---

Matthew Aplington MoBar #58565  
General Counsel  
Spire Missouri Inc.  
700 Market Street, 6<sup>th</sup> Floor  
St. Louis, MO 63101  
(314) 342-0785 (Office)  
Email: [matt.aplington@spireenergy.com](mailto:matt.aplington@spireenergy.com)

J. Antonio Arias, MoBar #74475  
Counsel, Regulatory  
Spire Missouri Inc.  
700 Market Street, 6<sup>th</sup> Floor  
St. Louis, MO 63101  
(314) 342-0655 (Office)  
Email: [Antonio.arias@spireenergy.com](mailto:Antonio.arias@spireenergy.com)

**ATTORNEYS FOR SPIRE MISSOURI INC**

**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 9th day of October, 2023.

*/s/ J. Antonio Arias*

---