BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of Spire) Missouri Inc. for a Certificate of Convenience) and Necessity to Construct, Install, Own,) Operate, Maintain, and Otherwise Control) and Manage Natural Gas Distribution Systems) Throughout the State of Missouri and for Approval) to Acquire Natural Gas Assets of Southern Star) Central Gas Pipeline, Inc.)

File No. GA-2024-xxxx

<u>APPLICATION FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY AND</u> <u>APPROVAL OF PURCHASE OF ASSETS, AND REQUEST FOR A WAIVER</u>

COMES NOW Spire Missouri Inc. ("Spire" or the "Company"), by and through its undersigned counsel, and pursuant to Section §393.170 and §393.190.1 RSMo, and Missouri Public Service Commission ("Commission") Rules 20 CSR 4240-2.060 and 20 CSR 4240-3.205, and submits this application for a certificate of convenience and necessity to construct, install, own, operate, maintain, and otherwise control and manage natural gas distribution systems throughout the state of Missouri and for approval to acquire natural gas assets of Southern Star Central Gas Pipeline, Inc. (the "Application"). Spire also requests a waiver from the notice provisions of Commission Rule 20 CSR 4240-4.017(1). In support of the Application and request for a waiver, Spire states the following:

BACKGROUND

1. Spire is a public utility and gas corporation incorporated under the laws of the State of Missouri with its principal office located at 700 Market Street, St. Louis, Missouri 63101

2. Spire submitted a Certificate of Good Standing evidencing its ability to do business in Missouri in Case No. GF-2022-0169 is incorporated by reference herein for all purposes. The information in such Certificate is current and correct.

3. Spire is engaged in the business of distributing and transporting natural gas to customers in Missouri as a gas corporation subject to the jurisdiction of the Commission. Spire provides gas service in Missouri to customers in the City of St. Louis and the Counties of St. Louis, St. Charles, Crawford, Jefferson, Franklin, Iron, St. Genevieve, St. Francois, Madison, Butler, Andrew, Barry, Barton, Bates, Buchanan, Carroll, Cass, Cedar, Christian, Clay, Clinton, Cooper, Dade, Dekalb, Greene, Henry, Howard, Jackson, Jasper, Johnson, Lafayette, Lawrence, McDonald, Moniteau, Newton, Pettis, Platte, Ray, Saline, Stone, and Vernon.

4. Other than cases that have been docketed at the Commission, Spire has no pending action or final unsatisfied judgements or decisions against it from any state or federal agency. Spire has no annual report or assessment fees that are overdue.

5. All correspondence, communications, notices, orders or decisions of the Commission with respect to this matter should be sent to the undersigned counsel and to:

Trisha Lavin Senior Regulatory Analyst Spire Missouri Inc. 700 Market Street, St. Louis MO 63101 (314) 934-9838 Trisha.lavin@spireenergy.com

DESCRIPTION OF TRANSACTION

6. On November 28, 2023, Spire and Southern Star entered into an Asset Purchase Agreement (the "APA") to transfer ownership of 453 domestic farm taps in Missouri, which is attached hereto as Confidential **Exhibit 1**.¹ The APA was amended to incorporate an updated Schedule 1.01(a) on February 27, 2024, which is attached as Confidential **Exhibit 2**. The

¹ Confidential pursuant to 20 CSR 4240 2.135(2)(A) 1,3, & 7 as it contains customer specific information, marketing analysis or other market specific information, and relates to strategies employed in contract negotiation.

conditions precedent of this APA required that Southern Star first apply for and obtain FERC approval of the abandonment of these farm taps, followed by Spire applying for and obtaining Commission approval to serve the farm taps and approval of the acquisition of the farm taps. Under the APA, Spire would file its application within 30 days of FERC approval of Southern Star's application. At closing, Spire will assume all responsibility for the operation and maintenance of these domestic farm taps. The assets to be acquired by Spire Missouri under the APA include:

- a. Facilities (all facilities, pipes and installation of every kind and nature which are on the downstream side of the first above-ground valve located over the transmission lines of Southern Star);
- b. Customers;
- c. Technical Information;
- d. Government Licenses, Permits and Approvals;
- e. Real Property;
- f. Natural Gas and other Inventory;
- g. Contracts; and
- h. Other (all rights under guaranties, warranties, indemnities, actions, and all similar rights against third parties to the extent related to the Farm Taps or any Assets).

7. Southern Star directly serves and meters 35 of the 453 domestic farm taps. These farm taps, along with all associated facilities, will be transferred to Spire completely. Spire currently has meters in place to serve 418 domestic customers, under firm contract TS26980. The farm taps and all other associated facilities will be transferred to Spire, with exception of six of the 418 farm taps that will be transferred to another natural gas utility. Southern Star will continue to transport the natural gas to all 453 domestic meters, but Spire's existing firm transportation service agreement, TS26980, may be amended, as needed, to increase the maximum daily transportation quantity using available unsubscribed capacity and to add new delivery locations.

8. Southern Star applied for FERC approval relating to the sale of the Facilities to Spire in FERC Docket No. CP-24-77 on March 1, 2024. On May 8, 2024, FERC approved Southern Star's application, prompting Spire to file the present application.

SPIRE'S APPLICATION FOR A CCN AND APPROVAL OF ACQUISITION

9. Spire Missouri is seeking a certificate of convenience and necessity to provide natural gas service to locations and customers that receive service from the domestic farm taps that are subject of the APA and this Application and is requesting the Commission approve the acquisition of the domestic farm taps.

10. Of the 453 domestic farm taps noted above, 194 are located within an area where no utility is certificated to provide service. Spire's Application for a Certificate of Convenience and Necessity is limited to these areas in which no utility is already certificated to provide service. Six of the farm taps that are metered by Spire are within the certificated area of another utility, and these farm taps are in the process of being transferred to that utility.

11. The farm taps being transferred to Spire and the customers that will be served by these assets are listed in Schedule 1.01(a) of **Exhibit 2** and Schedule 1.01(b) of **Exhibit 1**. The six farm taps and customers that will be transferred to and served by another utility are listed in **Exhibit 3**.²

12. The legal description of the areas requested to be certificated is attached as Exhibit
4. Within Exhibit 4 is a list of the sections, townships and ranges that contain all domestic farm taps. For convenience, Spire has also noted which taps are located within currently certificated areas and which fall outside of those areas.

13. **Exhibit 5** is a plot map showing the generalized location of the domestic taps.

 $^{^{2}}$ Exhibits 1, 2, and 3 are all confidential pursuant to 20 CSR 4240-2.135(2)(A)(1) has they contain customer specific information.

14.

15. The Company proposes to apply the currently effective rates in Sheet No. 2 and Sheet No. 3.3 for Spire Missouri West Residential customers and Spire Missouri West SGS customers as applicable until such rates may be changed by an approved tariff of Commission Order. Spire currently bills 418 domestic taps and for those customers there will be no change in rates upon the approval of this Application, except for those farm taps being transferred to Liberty.

16. No governmental approvals are required for Spire to provide service to these customers. These customers already have existing gas service from Southern Star off of its approved pipelines running through the state.

17. Since Spire already meters natural gas service to the majority of the customers, no initial change in its gas supply contracts will be necessary. Since the customers involved are served from farm taps directly connected to Southern Star's interstate transmission pipeline and are not located within reasonable proximity to Spire Missouri West's distribution system, Spire will continue to rely upon Southern Star's pipeline to provide natural gas service to the customers.

18. Commission approval of the requested certificate of convenience and necessity and approval of the acquisition of the domestic farm taps is in the public interest. Spire submits that it is well-qualified to provide natural gas service to the customers served by these farm taps. Spire is the largest natural gas utility in the state of Missouri, and its financial strength and operational expertise in the gas retail distribution business assures that safe and reliable service will be provided to these customers. For these reasons, there is good cause for the Commission to find that

approving the certificate of convenience and necessity and acquisition requested in this Application is in the public interest.

19. The Direct Testimony of Trisha Lavin further supporting this Application has been filed concurrently.

REQUEST FOR WAIVER FROM 60-DAY NOTICE RULE

20. Commission Rule 20 CSR 4240-4.017(1) provides, in part, as follows:

Any person that intends to file a case shall file a notice with the secretary of the commission a minimum of sixty (60) days prior to the filing of such a case. Such notice shall detail the type of case and issues likely to be before the commission and shall include a summary of all communication regarding substantive issues likely to be in the case between the filing party and the office of the commission that occurred in the ninety (90) days prior to filing the notice.

21. Rule 20 CSR 4240-4.017(1)(D) permits a party to request a waiver of the above cited rule for good cause. The rule provision specifically provides that good cause may be established by submitting a verified declaration that the filing party has had no communication with the office of the commission within the prior one hundred fifty (150) days regarding any substantive issue likely to be in the case. The Company interprets this to mean that good cause is established if the filing party has had no communication with a member of the office of the Commission outside of pleadings or other public communications. Subject to that understanding, the Company has included with this Application the verified declaration of Trisha Lavin, Senior Regulatory Analyst, that neither the Company, nor any person or entity acting on behalf of the Company, has had a communication with a member of the office of the Company requests that the Commission grant a waiver of the 60-day notice requirement for Spire Missouri's application for a CCN in Cass County.

WHEREFORE, Spire requests that the Commission:

- 1. Waive the notice requirement of 20 CSR4240-4.017(1);
- 2. Approve this Application for Certificate of Convenience and Necessity to allow Spire to provide natural gas service to the areas included in Exhibit 4;
- 3. Approve the acquisition of the domestic farm taps and the APA referenced herein and authorize Spire to take necessary and appropriate actions to achieve the purposes and commitments contained within the APA; and
- 4. Grant such other relief as is just and proper under the circumstances.

Respectfully submitted,

/s/ J. Antonío Arías

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

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ATTORNEYS FOR SPIRE MISSOURI INC.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing was served on the Staff of the Commission and the Office of the Public Counsel via electronic mail (e-mail) on this 6th day of June, 2024.

/s/ J. Antonío Arías

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VERIFICATION

State of Missouri))SSCounty of St. Louis)

I, Trisha Lavin, state that I am a Senior Regulatory Analyst for Spire Missouri Inc. I am authorized to make this verification on behalf of Spire Missouri Inc. and that under the penalty of perjury, I declare that the matters and things stated in the foregoing Application are true and correct to the best of my knowledge and belief. I also hereby swear and affirm that I have read the foregoing Request for Waiver, and hereby declare that, other than pleadings or other public communications, Spire Missouri Inc. has had no communication with the office of the Commission, within the prior one hundred and fifty (150) days regarding any substantive issue likely to be in the above referenced case.

Trisha Lavin

June 6, 2024 Dated