

Exhibit No:	—
Issue:	Case Overview
Witness:	Trisha E. Lavin
Type of Exhibit:	Direct Testimony
Sponsoring Party:	Spire Missouri Inc.
Case Nos.:	GA-2024-xxxx
Date Prepared:	June 6th, 2024

SPIRE MISSOURI INC.

GA-2024-xxxx

DIRECT TESTIMONY

OF

TRISHA E. LAVIN

JUNE 6th, 2024

TABLE OF CONTENTS

I.	PURPOSE	4
II.	PROPOSED TRANSACTION OVERVIEW	4
III.	SPIRE MISSOURI'S APPLICATION	6
IV.	CONCLUSION	9

DIRECT TESTIMONY OF TRISHA LAVIN

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Q: PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A: My name is Trisha E. Lavin and my business address is 700 Market St., St. Louis, Missouri, 63101.

Q: WHAT IS YOUR PRESENT POSITION?

A: I am presently employed as a Senior Regulatory Analyst at Spire Missouri Inc. (“Spire” or the “Company”).

Q: PLEASE STATE HOW LONG YOU HAVE HELD YOUR POSITION AND BRIEFLY DESCRIBE YOUR RESPONSIBILITIES.

A: I have been in my current position since September 2022. In my position, I am responsible for assisting in many facets of regulatory research, planning, and modeling. I assist in the preparation of Spire’s regulatory mechanisms, including but not limited to the Company’s Infrastructure System Replacement Surcharge (“ISRS”) filings.

Q: WHAT WAS YOUR EXPERIENCE PRIOR TO ASSUMING YOUR CURRENT POSITION WITH THE COMPANY?

A: I joined Spire as a Regulatory Analyst in 2018 and prior to that I obtained a bachelor’s degree of economics with a minor in international studies from the University of Illinois-Springfield in 2017 and received my master’s degree of political science from the same institution in 2019. During the master’s program I was a graduate assistant to the Director of the Center for Business and Regulation within the College of Business and Management. In this role, I undertook regulatory research to further understand the relationship between regulators and businesses, as well as assisted in hosting the American Gas Association Rate Schools in Chicago, Illinois for both the introductory and advanced courses.

1 **Q: HAVE YOU PREVIOUSLY FILED TESTIMONY BEFORE THE MISSOURI**
2 **PUBLIC SERVICE COMMISSION (“COMMISSION”)?**

3 A: Yes. I filed testimony in Case Nos. GR-2021-0108, GO-2022-0171, GO-2023-0203, GO-
4 2023-0432, and GO-2024-0214.

5 **I. PURPOSE**

6 **Q: WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?**

7 A: The purpose of my Direct Testimony is to support Spire Missouri’s application for approval
8 of an Asset Purchase Agreement (“APA”) executed between the Company and Southern
9 Star Central Gas Pipeline, Inc. (“Southern Star”) for the transfer of certain assets,
10 customers and accounts related to domestic farm taps and to support Spire Missouri’s
11 application for customer-specific Certificates of Convenience and Necessity.

12 **II. PROPOSED TRANSACTION OVERVIEW**

13 **Q: WHAT IS THE NATURE OF SOUTHERN STAR CENTRAL GAS PIPELINE,**
14 **INC.’S BUSINESS?**

15 A: Southern Star is a natural gas company, as defined in Section 1(b) of the Natural Gas Act
16 and is engaged in the business of transporting and storing natural gas in interstate
17 commerce under authorizations granted by the Federal Energy Regulatory Commission
18 (“FERC”).

19 **Q: WHAT ARE THE FARM TAPS YOU REFER TO ABOVE?**

20 A: The domestic farm taps were installed pursuant to obligations in pipeline easements. Such
21 easements provided the grantor of the easement with a right to request a tap on the pipeline
22 from which the pipeline would sell, or cause to be sold, natural gas for domestic purposes
23 in exchange for allowing pipelines to be built on the grantor’s property.

1 **Q: HOW IS SERVICE PROVIDED TO THESE FARM TAPS?**

2 A: Currently Southern Star provides service to its domestic farm taps: (1) through facilities,
3 including metering equipment, fully owned, operated, and maintained by Southern Star, or
4 (2) with assistance from local distribution companies (“LDCs”), in which those LDCs are
5 responsible for the operation and maintenance of the meters.

6 **Q: WHAT IS SOUTHERN STAR SEEKING TO DO WITH THE FARM TAPS?**

7 A: Southern Star’s system includes more than two thousand farm taps that were installed
8 pursuant to right-of-way agreements; however Southern Star has been actively engaged in
9 an ongoing effort to transfer ownership and operation of the domestic farm taps on its
10 system. Transferring domestic farm taps and the associated facilities to qualified local
11 distribution companies allows Southern Star to focus on operating its interstate
12 transmission system, while ensuring affected customers continue to receive safe and
13 reliable service from a qualified operator. For that reason, Southern Star approached Spire
14 Missouri with a proposal to transfer a number of farm taps throughout Missouri.

15 **Q: PLEASE PROVIDE A DESCRIPTION OF THE TRANSACTION BETWEEN**
16 **SOUTHERN STAR AND SPIRE MISSOURI.**

17 A: An APA was executed on November 28, 2023 under which Spire will assume all ownership
18 of and responsibility for 453 domestic farm taps connected to Southern Star’s system.
19 Southern Star will continue to transport enough natural gas to supply all 453 domestic
20 meters under Spire’s existing firm transportation service agreement.

21 **Q: WHAT REGULATORY APPROVALS ARE NEEDED FOR THE TRANSFER OF**
22 **THE FARM TAPS FROM SOUTHERN STAR TO SPIRE MISSOURI.**

1 A: Southern Star requires approval from the FERC to abandon and sell its domestic farm taps,
2 and Spire Missouri requires approval from the Commission to acquire the farm tap assets
3 and, as necessary, certificates of convenience and necessity to serve farm taps not in its
4 already certificated area. On May 8, 2024, FERC approved Southern Star's Sale by
5 Abandonment Application to sell 435 domestic meters to Spire Missouri. Under the APA,
6 Spire Missouri is required to file its application with the Commission within 30 days.

7 **Q: WHAT ASSETS ARE BEING TRANSFERRED FROM SOUTHERN STAR TO**
8 **SPIRE MISSOURI?**

9 A: The assets included in the transaction are all facilities, pipes and installations of every kind
10 and nature which are on the downstream side of the first above-ground valve located over
11 the transmission lines of Southern Star and up to and including the valve used to connect
12 such facilities to the service line owned by the Customer. The transaction also included
13 customer accounts, account records, technical information and easements.

14 There are 453 farm taps included in this transaction. Spire Missouri currently meters and
15 bills 418 farm taps while Southern Star meters and bills the remaining 35. Those 35 meters
16 are also being transferred to Spire Missouri.

17 **III. SPIRE MISSOURI'S APPLICATION**

18 **Q: WHAT IS THE COMPANY'S REQUEST?**

19 A: Spire requests permission and approval for a CCN to construct, install, own, operate,
20 maintain, and otherwise control and manage domestic farms' taps throughout western
21 Missouri, and to acquire the above assets from Southern Star.

1 **Q: SPIRE HAS FILED AN APPLICATION PURSUANT TO COMMISSION RULE 20**
2 **CSR 4240-3.205. IS THIS THE APPROPRIATE RULE TO APPLY SPIRE**
3 **MISSOURI'S REQUEST AND THIS TRANSACTION?**

4 A: Yes. 20 CSR 4240-3.205 contains the Commission's minimum filing requirements for gas
5 utility applications for certificates of convenience and necessity and provides an
6 appropriate guide for evaluating the transfer of the farm taps from Southern Star and Spire.

7 **Q: PLEASE EXPLAIN WHY 20 CSR 4240-3.205 IS APPLICABLE TO THIS**
8 **TRANSACTION.**

9 A: This rule applies because roughly half of the taps that are included in this transfer of assets
10 lie in areas that neither Spire, nor any utility, is certificated to serve. Of the fifteen counties
11 that the domestic taps are located in, Spire is requesting a certificate of convenience and
12 necessity in all but one. For the domestic taps located within McDonald County, further
13 certification is not needed because these taps are in areas that Spire is already certificated
14 to provide service.

15 **Q: IS THERE A FINANCIAL TRANSACTION BETWEEN SPIRE AND SOUTHERN**
16 **STAR ASSOCIATED WITH THIS ASSET ACQUISITION?**

17 A: [REDACTED]
18 [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]
23 [REDACTED]

1 **Q: WILL THIS TRANSACTION HOLD OTHER CURRENT SPIRE CUSTOMERS**
2 **HARMLESS?**

3 A: Yes.

4 **Q: IS THIS TRANSACTION IN THE PUBLIC INTEREST?**

5 A: Yes, the transaction is in the public interest. Southern Star is seeking to divest itself of
6 ownership of the farm taps, and the transfer to Spire Missouri, which currently bills and
7 meters the service of a majority of the farm taps, ensures that the farm tap customers will
8 continue to receive safe and reliable natural gas service.

9 Spire Missouri has a proven record of providing safe and reliable service and has the
10 financial strength and expertise to provide such service to the farm tap customers. These
11 taps are also located in and around Spire's currently certificated service territories, and
12 although some of these taps are not located reasonably close to Spire's distribution system,
13 the domestic customers are aligned with the Company's service territory as shown in
14 Exhibit 4 of the Application. [REDACTED]

15 [REDACTED]
16 [REDACTED]

17 **Q: WILL THERE BE A RATE IMPACT ON THE FARM TAP CUSTOMERS BEING**
18 **TRANSFERRED FROM SOUTHERN STAR TO SPIRE?**

19 A: Yes. As discussed above, a majority of these customers are already being billed by Spire.
20 However, the customers currently billed by Southern Star will experience an impact as
21 Spire's rates include riders and its standard Customer Charge. Spire will work with these
22 new customers during this transition, including highlighting the different customer
23 programs we offer to minimize any impact they may experience.

IV. CONCLUSION

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2 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

3 **A.** Yes, it does.

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

In the Matter of Application of Spire)
Missouri Inc. for a Certificate of)
Convenience and Necessity to Construct,) File No. GA-2024-xxxx
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.)

AFFIDAVIT

STATE OF MISSOURI)
CITY OF SAINT LOUIS) SS.

Trisha E. Lavin, of lawful age, being first duly sworn, deposes and states:

1. My name is Trisha E. Lavin. I am Senior Regulatory Analyst for Spire Missouri Inc. My business address is 700 Market Street, Saint Louis, Missouri 63101.
2. Attached hereto and made a part hereof for all purposes is my direct testimony on behalf of Spire Missouri Inc.
3. Under penalty of perjury, I declare that the foregoing is true and correct to the best of my knowledge and belief.



Trisha E. Lavin

Jun 6, 2024

Date