

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 17th day of
October, 2024.

In the Matter of Spire Missouri Inc. d/b/a)
Spire’s Application for Approval of)
Financing Authority)

File No. GF-2025-0053

ORDER APPROVING APPLICATION FOR FINANCING AUTHORITY

Issue Date: October 17, 2024

Effective Date: October 27, 2024

On August 12, 2024,¹ Spire Missouri Inc. d/b/a Spire (Spire Missouri or the Company) submitted an application (Application) requesting financing authorization in the amount of \$850 million for a three-year period through December 2027, subject to all of the terms and conditions approved by the Commission in File No. GF-2020-0334.² In addition, Spire Missouri requested waiver of the 60-day notice requirement of Commission Rule 20 CSR 4240-4.017.

The Application states that the proceeds will be used for purposes authorized by Section 393.200, RSMo, including: (1) to discharge or redeem previously issued bonds; (2) to finance the purchase, acquisition and construction of additional properties and facilities, as well as improvements to existing plant; (3) to improve or maintain service; (4) to discharge short-term debt; (5) to reimburse moneys actually expended from income; and/or (6) to provide the financial resources to meet other public utility obligations.

¹ Unless otherwise noted, all date references are to the year 2024.

² Spire Missouri’s Application was filed pursuant to Sections 393.180, 393.190, and 393.200, RSMo (2016), and Commission Rules 20 CSR 4240-2.060 and 20 CSR 4240-10.125. Unless otherwise stated, all statutory citations are to the Revised Statutes of Missouri, as codified in the year 2016.

On September 27, the Staff of the Commission (Staff) filed its recommendation that the Commission approve Spire Missouri's finance authority request, subject to 13 recommended conditions. Staff also recommended waiver of the 60-day notice requirement. On October 7, Spire Missouri filed a response accepting Staff's recommended conditions. No other responses to the Company's application or to Staff's recommendation were filed.

Section 393.200, RSMo, and Commission Rule 20 CSR 4240-10.125 require Spire Missouri to obtain the Commission's authority to issue debt securities. Sections 393.180 and 393.200, RSMo, authorize public utilities to issue long-term financing when necessary for the purposes enumerated in the statute.³ If the utility's request falls within the enumerated purposes and is necessary or reasonably required, the Commission may grant the request.⁴

After review of Spire Missouri's Application and of Staff's recommendations, the Commission concludes that granting Spire Missouri's request accords with the Company's stated purposes; that the financing authorization proposed in the Application is, or will be, reasonably required for those stated purposes; and that such purposes are not in whole, or in part, reasonably chargeable to operating expenses or to income. Accordingly, the Commission finds that the request satisfies Section 393.200, RSMo. Spire Missouri's unopposed request for financing authority will be approved, subject to the conditions recommended by Staff.

³ Purposes include "the acquisition of property, the construction, completion, extension or improvement of its plant or system, or for the improvement or maintenance of its service or for the discharge or lawful refunding of its obligations." Section 393.200, RSMo.

⁴ *In re Laclede Gas Co.v. Mo. Pub. Serv. Com'n.* 526 S.W.3d 245 (Mo. App. 2017).

Spire Missouri requested waiver of the Commission's 60-day notice requirement under Commission Rule 20 CSR 4240-4.017. Spire Missouri certified that it had no communication with the Office of the Commission during the 150 days prior to the filing of their Application regarding any substantive issues likely to be in this case. The Commission finds that the Company has demonstrated good cause for the waiver of the 60-day notice requirement.

Given the lack of opposition to Spire Missouri's Application, the Commission finds it reasonable to make this order effective in less than 30 days.

THE COMMISSION ORDERS THAT:

1. The 60-day notice of case filing requirement of Commission Rule 20 CSR 4240-4.017(1) is waived.
2. Spire Missouri's request for financing authority is granted, subject to the following conditions:
 - a. Spire Missouri is authorized to issue conventional term loans, first mortgage bonds, unsecured debt, preferred stock, and common stock in an aggregate amount not to exceed \$850 million at any time, or from time to time, through December 31, 2027, provided that the Company shall not be authorized to use any portion of the \$850 million for any purpose other than for the exclusive benefit of the Spire Missouri's regulated operations, as such purposes are specified in Section 393.200, RSMo. However, if the Company plans to issue anything other than senior secured debt (registered or privately-placed), it shall file notification with the Commission thirty (30) days in advance of doing so.
 - b. Spire Missouri is authorized to accommodate any change in the amount of capital leases it carries resulting from the accounting standards update adopted by the Financial Accounting Standards Board (FASB) on February 16, 2016. Any such amount shall not count against the amount of the financing authority granted herein by the Commission.
 - c. The total amount of the long-term debt, capital leases, and preferred stock issued and outstanding under such authorization shall not, at any time during the period covered by this authorization, exceed the lesser of the

value of Spire Missouri's rate base or 65 percent of its total capitalization. Adopting such conditions as are defined in the Stipulations in Case Nos. GM-2001-342 and GF-2007-0220, total capitalization means "common equity, preferred stock, long-term debt, and short-term debt, excluding short-term debt supporting natural gas and propane inventories, purchased gas costs and cash working capital. Common equity is defined as par value of common stock, plus additional paid in capital, plus retained earnings, minus treasury stock."

- d. The current authority granted by the Commission in Case No. GF-2022-0169 shall expire and shall be superseded by the authority granted in Case No. GF-2025-0053.
- e. The interest rate for any debt issuance covered by the Application shall not be greater than a rate that is consistent with similar securities of comparable credit quality and maturities issued by other issuers.
- f. If and when individual debt securities are issued under this Application, the Company shall submit a verified report to the Commission's Budget & Fiscal Services Department documenting such issuance, the use of any associated proceeds and the applicability and measure of fees under Section 386.300.2, RSMo.
- g. Spire Missouri shall file with the Commission within thirty (30) days of the issuance of any financing authorized pursuant to this order a report including the amount issued, date of issuance, interest rate (initial rate, if variable), maturity date, redemption schedules or special terms, if any, use of proceeds, estimated expenses, and loan or indenture agreement concerning each issuance. In addition, the Company shall also provide the analysis, to include but not be limited to indicative pricing information developed, performed to determine that the terms for the securities issued were appropriate and consistent with market requirements at the time.
- h. Spire Missouri shall submit to Staff and the Office of the Public Counsel (OPC) any information concerning communications with credit rating agencies concerning individual debt securities issued under this Application.
- i. Spire Missouri shall file with the Commission any credit rating agency reports issued on the Company, the Company's debt issuances, or on Spire Inc.
- j. Nothing in this order shall be considered a finding by the Commission for any rate making purposes, and the Commission reserves the right to consider the rate making treatment to be afforded these financing

transactions and their results in cost of capital (inclusive of capital structure), in any later proceeding.

- k. In seeking a renewal of the authority granted in this case, Spire Missouri and Staff shall operate under the general time frames set forth for financing cases in the 2004 case management roundtable project.
- l. Spire Missouri shall provide Staff and OPC with the following information within thirty (30) days of the issuance of the new long-term debt replacing the tendered debt: (1) the final net present value calculations comparing interest payment savings to upfront transactional costs incurred to complete the tender offers; and (2) a quantification of the reduction to Spire Missouri's embedded cost of long-term debt attributable to the completion of the tender offers.
- m. The authority granted by this order shall expire after December 31, 2027.

3. Spire Missouri is authorized to execute all documents and take all actions necessary for the above-described transactions.

4. This order shall become effective on October 27, 2024.

5. This file shall close on October 28, 2024.

BY THE COMMISSION



A handwritten signature in black ink that reads "Nancy Dippell".

Nancy Dippell
Secretary

Hahn, Ch., Coleman, Holsman
Kolkmeier, and Mitchell CC., concur.

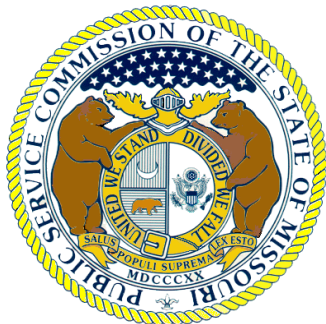
Seyer, Regulatory Law Judge

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 17th day of October 2024.



Nancy Dippell

Nancy Dippell
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

October 17, 2024

File/Case No. GF-2025-0053

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Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,



**Nancy Dippell
Secretary**

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.