BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

)

)

In the Matter of Spire Missouri Inc.'s d/b/a Spire 2024 Integrated Resource Plan File No. GO-2025-0161

STAFF RECOMMENDATION TO ACCEPT IRP REQUIRED BY PRIOR STIPULATION AND AGREEMENT

COMES NOW the Staff of the Missouri Public Service Commission ("Staff"), by and through counsel, and states as follows:

1. On November 19, 2024, Spire Missouri Inc. d/b/a Spire ("Spire") filed an Integrated Resource Plan ("IRP") as required by the Stipulation and Agreement reached in File No. GR-2021-0127, which was approved by the Commission on or about August 23, 2023 (the "Approved Stipulation and Agreement").

2. The Approved Stipulation and Agreement requires Spire to file an IRP and to update that IRP every three years in a formal docket.

3. The Approved Stipulation and Agreement states that the IRPs will include:

(a) a Non-Pipes Alternative Pilot, which is a plan to pilot at least one Non-Pipes Alternative to identify cost effective and environmentally beneficial pathways to meet customer demand; and

(b) a Long-Term Climate Plan including: a 20-year demand forecast and corresponding supply forecast; explanation of what demand response and energy efficiency are reflected in the baseline supply forecast; identification of any infrastructure constraints; progress towards and plans to reduce system methane emissions by 50% below 2005 levels by 2030, and the role and effectiveness of RNG, hydrogen, and other technologies in reducing the carbon intensity of system delivered energy.

1

4. On November 22, 2024, the Commission issued its Order Providing Notice, Establishing Intervention Deadline, and Directing Response ("Order"), which set a December 19, 2024, deadline to intervene, and which also set a December 11, 2024, deadline for Staff to file a pleading stating when it can file a recommendation about Spire's IRP.

5. In compliance with the *Order*, Staff indicated in *Staff's Status Report*, filed December 5, 2024, that it can file a recommendation about Spire's IRP on or by January 30, 2025.

6. No applications to intervene were filed as of December 19, 2024.

7. As noted in the *Staff Memorandum*, attached as Appendix A and incorporated herein, Staff has reviewed Spire's IRP, and recommends the Commission accept the IRP.

WHEREFORE, for the reasons stated above and in Staff's attached *Staff Memorandum*, Staff recommends the Commission issue an order accepting the IRP filed in this matter, and for such other and further relief as the Commission considers just and reasonable under the circumstances.

Respectfully submitted,

<u>/s/ Alexandra Klaus</u>

Alexandra Klaus Senior Staff Counsel Missouri Bar No. 67196 Missouri Public Service Commission P.O. Box 360 Jefferson City, MO 65102-0360 (573) 751-9533 lexi.klaus@psc.mo.gov

Attorney for the Staff of the Missouri Public Service Commission

2

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand delivered, transmitted by facsimile or electronically mailed to all parties and/or their counsel of record this 28th day of January, 2025.

<u>|s| Alexandra Klaus</u>

MEMORANDUM

TO:	Missouri Public Service Commission Official Case File, File No. GO-2025-0161 - Spire Missouri, Inc., d/b/a Spire
FROM:	David Buttig, PE, Senior Professional Engineer, Procurement Analysis Anne M. Crowe, Lead Senior Utility Regulatory Auditor, Procurement Analysis
	<u>/s/ David M. Sommerer 1/28/25</u> Utility Regulatory Manager/Date
SUBJECT:	Staff Recommendation Regarding Spire's Integrated Resource Plan Filing
DATE:	January 28, 2025

Case Background

On November 19, 2024, Spire Missouri, Inc., d/b/a Spire ("Spire" or the "Company"), filed its 2024 Integrated Resource Plan ("IRP"). This IRP filing was required only by the Stipulation and Agreement reached in Spire's 2019-2020 ACA Case No. GR-2021-0127.

On November 22, 2024, the Commission issued its *Order Providing Notice, Establishing Intervention Deadline, and Directing Response*, which set a deadline of December 19, 2024, to intervene and a deadline of December 11, 2024, for the Staff of the Public Service Commission ("Staff") to file a pleading stating when it can file its recommendation regarding Spire's IRP. Staff filed its Status Report on December 5, 2024.

On January 8, 2025, the Commission ordered Staff to file a recommendation regarding Spire's IRP no later than January 30, 2025.

MO PSC File No. GO-2025-0161 Official Case File Memorandum January 28, 2025 Page 2 of 4

Staff's Discussion

On August 11, 2023, the parties¹ in Spire's 2019-2020 ACA Case No. GR-2021-0127 filed a Stipulation and Agreement ("Stipulation") which settled the remaining issues² in that case. The Commission approved the Stipulation on August 23, 2023. As part of the Stipulation Spire is required, beginning in 2024 and no later than twelve (12) months following Commission approval of the Stipulation, to file an IRP with the Commission and update that plan at least once every three years in a formal docket.

The Stipulation specifically states the IRP will include the following elements:

a. **Non-Pipes Alternative Pilot.** Starting with the 2024 IRP, Spire Missouri will include a plan to pilot at least one Non-Pipes Alternative ("NPA") to identify cost effective and environmentally beneficial pathways to meet customer demand. Spire Missouri will work with EDF [Environmental Defense Fund] to identify (including the methodology to identify) and implement the NPA project or projects, which should prioritize providing demand response, energy efficiency programs, and clean energy to environmental justice and/or low-income communities and should be created with substantial input from the community or communities involved.

b. **Long-Term Climate Plan.** The Long-Term Climate Plan will include the following:

i. 20-year demand forecast, and corresponding 20-year supply forecast that aligns with the demand projection, and accounts for impacts of electrification, including an explanation of the data, methodologies, assumptions and other relevant factors that such forecast is based upon;

¹ Staff, Consumers Council of Missouri, Environmental Defense Fund, and the Office of the Public Counsel were signatories to the Stipulation and Agreement while Midwest Energy Consumers Group did not object to the Stipulation.

² The Commission previously approved a Partial Stipulation and Agreement on January 25, 2023, regarding an Asset Management Agreement transaction.

ii. Explanation of what levels of demand response and energy efficiency are reflected in the baseline supply forecast;

iii. Identification of any infrastructure constraints, both locational and timing, and plan for addressing constraints (including via NPA pilot discussed above).

iv. Progress towards, and plans to reduce system methane emissions by 50% below 2005 levels by 2030; and,

v. Role and effectiveness, if any, of RNG, hydrogen, and other technologies in reducing the carbon intensity of system delivered energy.

As a regulated gas corporation providing natural gas services to Missouri customers, Spire is responsible for conducting reasonable long-range supply planning and for the decisions resulting from that planning. Staff has reviewed Spire's forecasted demand along with potential constraints and scenarios that have been submitted as a part of this IRP filing. From the information provided to Staff in this case, Spire has shown that it has been investing in its system to replace leak-prone pipes and improve reliability throughout its distribution area. Staff reviews Spire's planning for gas supply, interstate pipeline capacity, and storage to meet its customers' demands as part of its annual Actual Cost Adjustment ("ACA") process. Staff will monitor Spire's IRP supply and demand analysis in the relevant ACA period.

Staff has reviewed Spire's IRP in conjunction with the Stipulation requirements listed above and met with Spire to discuss certain details related to the filing. The Stipulation required Spire to file its IRP no later than twelve months following Commission approval of the Stipulation. The Commission approved the Stipulation on August 23, 2023, with an effective date of September 2, 2023. Staff found Spire filed its IRP seventy-eight days later than required. However, it is Staff's understanding that in August 2024 Spire requested an extension, until the end of 2024, from the parties in Case No. GR-2021-0127. It is also Staff's understanding that no party opposed Spire's extension request. In Staff's opinion, other than the delayed filing date, Spire's 2024 IRP has met the requirements of the Stipulation.

MO PSC File No. GO-2025-0161 Official Case File Memorandum January 28, 2025 Page 4 of 4

Staff Recommendation

Staff recommends the Commission accept Spire's 2024 IRP in compliance with the Stipulation in Case No. GR-2021-0127.

Staff has verified that the Company has filed its annual report and is not delinquent on any assessment.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

)

)

In the Matter of Spire Missouri, Inc's d/b/a Spire 2024 Integrated Resource Plan

File No. GO-2025-0161

AFFIDAVIT OF DAVID T. BUTTIG, PE

STATE OF MISSOURI) SS. COUNTY OF COLE

COMES NOW DAVID T. BUTTIG, PE, and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing Staff Recommendation, in Memorandum form; and that the same is true and correct according to his best knowledge and belief, under penalty of perjury.

Further the Affiant sayeth not.

DAVID T. BUTTIG, PE

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 27^{H} day of January 2025.

Dianne L. Vauer-Notary Public)

DIANNA L. VAUGHT Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: July 18, 2027 Commission Number: 15207377

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

)

)

In the Matter of Spire Missouri, Inc's d/b/a Spire 2024 Integrated Resource Plan

File No. GO-2025-0161

AFFIDAVIT OF ANNE M. CROWE

SS.

STATE OF MISSOURI)) COUNTY OF COLE)

COMES NOW ANNE M. CROWE, and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing Staff Recommendation, in Memorandum form; and that the same is true and correct according to her best knowledge and belief, under penalty of perjury.

Further the Affiant sayeth not.

In the Crowse

NE M. CRO

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 27^H day of January 2025.

DIANNA L. VAUGHT Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: July 18, 2027 Commission Number: 15207377

Dianna L. Vay 12-Notary Public