

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

In the Matter of the Application of)	
Spire Missouri Inc. for Approval of a)	Case No. GO-2026-xxxx
Renewable Natural Gas Program)	

**APPLICATION FOR A RENEWABLE NATURAL GAS
PROGRAM**

COMES NOW Spire Missouri Inc. (“Spire Missouri” or the “Company”), by and through its undersigned counsel, and, pursuant to Section 386.895, RSMo, 20 CSR 4240-2.060, and 20 CSR 4240-40.100, respectfully submits this Application for a Renewable Natural Gas Program (“Application”) to the Missouri Public Service Commission (“Commission”). Pursuant to 20 CSR 4240-4.017(1)(D), the Company also requests a waiver from the notice provisions of 20 CSR 4240-4.017(1). In support of its Application and request for a waiver, Spire Missouri states as follows:

1. Spire Missouri 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. A Certificate of Good Standing evidencing Spire Missouri's standing to do business in Missouri was submitted in Case No. GF-2025-0053 and is incorporated by reference herein for all purposes. The information in such Certificate is current and correct.
3. Spire Missouri 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. The Company 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 Missouri has no pending action or final unsatisfied judgments or decisions against it from any state or federal agency or court within the past three years that involve customer service or rates. The Company has no annual report or assessment fees that are overdue.

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

Eric Bouselli
Manager, Regulatory Strategy and Forecasting
Spire Missouri Inc.
700 Market Street, 5th Floor
St. Louis, Missouri 63101
(314) 342-3336
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6. Attached is a signed affidavit of Eric Bouselli, Manager, Regulatory Strategy and Forecasting, for Spire Missouri, asserting that all information in this Application is accurate and truthful.

RENEWABLE NATURAL GAS PROGRAM

7. In 2021, the Missouri Legislature enacted Section 386.895, RSMo, authorizing gas corporations in the state to offer renewable natural gas (“RNG”) programs. This statute also directed the Commission to adopt rules for gas corporations to offer RNG programs, including rules for reporting requirements and the recovery mechanism to allow gas corporations to recover “incurred costs that are prudent, just, and reasonable. For qualified investments, defined as “any capital investment in RNG infrastructure incurred by a gas corporation for the purpose of providing natural gas service under an RNG program,” the statute allows “**any costs** incurred by a gas corporation for

a qualified investment that are prudent, just, and reasonable,”¹ may be recovered. In addition to qualified investments in RNG infrastructure, gas corporations could also include proposals to procure a total volume of RNG in its program.

8. In 2024, the Commission promulgated 20 CSR 4240-40.100, which set out the definitions, structure, operation, and procedures relevant to gas corporations’ RNG programs, including the application requirements for approval of a program. Pursuant to 20 CSR 4240-40.100(2), The Company now submits this Application, which identifies the Company’s qualified investment in renewable natural gas infrastructure, including the projected total capital investment and operating and maintenance costs. The Company is not proposing to procure renewable natural gas as part of its renewable natural gas program at this time. Filed concurrently with this Application is testimony supporting the Company’s request for approval of its renewable natural gas program. Also filed concurrently, under a separate case number, is an application for Certificate of Convenience and Necessity (“CCN”) to Construct and Operate Renewable Natural Gas Infrastructure. The CCN filing will cover the planned Qualified Investment in RNG Infrastructure further detailed below.

9. Pursuant to the statute and Commission rule and near the anticipated commencement of operations of the qualified investment, Spire Missouri will also seek recovery of its full prudent, just, and reasonable costs through a Renewable Natural Gas Rate Adjustment Mechanism (“RNGRAM”).

DESCRIPTION OF THE QUALIFIED INVESTMENT IN RNG INFRASTRUCTURE

10. As stated above, the Company is requesting approval of a renewable natural gas program that, at this time, only includes a qualified investment in RNG infrastructure. Pursuant to

¹ Section 386.895.5 RSMo (emphasis added).

20 CSR 4240-40-100(2)(B) through (I), now provides the following information.

11. The City of Kansas City, Missouri through its Water Services Department (“KC Water”) issued a public request of interest to beneficially utilize the biogas generated by the KC Water’s Blue River Wastewater Treatment Plant (“Blue River WWTP”) in late calendar 2021 and a subsequent request for proposal (“RFP”). Spire Missouri submitted its proposal on March 10, 2023. Multiple parties responded to KC Water’s requests, however, Spire Missouri was ultimately awarded the contract in October 2023 and received the notice to proceed with work on December 22, 2023. Attached as **Appendix 1**,² is the Biogas Use Applications Project Agreement (“Agreement”) entered into by Spire Missouri and the City of Kansas City, Missouri.

12. The RNG infrastructure will consist of a biogas upgrading facility with a meter and regulation interconnect and 1,200 feet of 6-inch steel pipe to connect the new biogas upgrading facility to Spire Missouri’s existing distribution infrastructure (collectively, “the Project”). The official start of procurement for the Project started in late calendar year 2024 and will continue through Spire Missouri’s fiscal year 2025. Site construction is scheduled to start in fiscal year 2026, with an anticipated in-service date in February 2027.

13. The upgrade facility and interconnect will be located in Section 25, Township 50 North, Range 33, at 7300 Hawthorne Road, Kansas City, MO 64120, and the distribution line will be located in Section 25, Township 50 North, Range 33 and Section 30, Township 50 North, Range 32, all of which are in Jackson County and are already certificated areas in Spire Missouri’s territory.

14. KC Water will have title to the biogas generated at the Blue River WWTP until it is delivered to the specified delivery point. Spire Missouri will own and operate the production, processing, pipeline interconnection equipment, and transmission to the Company’s distribution

² Appendix 1 has been marked as Confidential pursuant to Commission Rule 20 CSR 4240-2.135(2)(A)3 and 4 because it contains information regarding market-specific information.

system. The Company will have full title to the RNG generated, but it is required under the Agreement to share a percentage of revenue from the sale of environmental attributes with KC Water.

15. Wastewater treatment plants provide a consistent flow of biogas throughout the year, even during winter months, which will allow Spire Missouri to produce RNG year-round. The biogas upgrading facility is expected to receive approximately 307,500,000 standard cubic feet (“scf”) of raw biogas per year which it will transform into over 175,000 MMBtu of pipeline quality gas. KC Water is obligated to provide a minimum amount of raw biogas on a quarterly basis, and under the Agreement, this will be forecasted annually. Spire Missouri expects to be able to generate approximately 44,000 MMBtu of pipeline quality gas over the same timeframe given the current estimates.

16. For volume context, the estimated 175,000 MMBtu of pipeline quality gas generated per year through the upgrade process is enough to supply approximately 2,500 residential customers in Spire Missouri’s western territory. However, the pipeline quality gas generated will be fed to a primarily commercial and industrial area. Spire Missouri modeled several scenarios to determine what percentage of the RNG will be comprised of the gas used in the area. In all scenarios run, the total flow of RNG from the plant was less than 2% of the total gas volume in the area. There will be no need to store any of the RNG produced as the gas will flow directly into our distribution system and be consumed.

17. A description of the RNG plant operations can be found in the attached Agreement. Embedded within the Agreement is Appendix N – Operations, Maintenance, and Management Plans, which lays out the current plans for operating and maintaining the infrastructure built as part of the Project. This plan is subject to change and may be updated during the remaining design, construction, and commissioning phases of the Project.

18. Portions of the Project cost are eligible for tax incentives available under the Inflation Reduction Act of 2022 (“IRA”). The IRA extends investment tax credits (“ITC”) and creates additional requirements that a project must meet to qualify for the full ITC value. Spire Missouri plans to utilize ITCs to reduce costs of the Project and has taken steps to ensure qualification for the ITCs upon completion of the Project. The value of ITCs is currently estimated to be around ** [REDACTED] **. Calculation of this estimate can be found in the attached cost-benefit analysis performed by Spire Missouri, which is attached as **Appendix 2**.³ Further discussion about this appendix can be found in the cost-benefit analysis discussion below.

19. Spire Missouri expects the Project to generate D3 Renewable Identification Numbers (“RINs”) under the Environmental Protection Agency’s Federal Renewable Fuel Standard (“RFS”)⁴ and intends to sell these attributes to offset the cost of the gas generated from the Project for our Missouri West customers and to share revenue with KC Water per the Agreement. Spire Missouri will be working with Anew⁵ to facilitate the certification and marketing of the RINs or other certification in an alternative attribute market. The value of the RINs is subject to market conditions and can fluctuate over time. The exact value of the attribute revenue after considering costs to be paid to Anew as well as a portion of RIN revenues that are to be paid to KC Water per the Agreement is not known at this time but is estimated to be around ** [REDACTED] ** per year over the life of the Project. Calculation of this estimate can be found in Appendix 2.

COST-BENEFIT ANALYSIS

³ Appendix 2 has been marked as Confidential pursuant to Commission Rule 20 CSR 4240-2.135(2)(A)3 and 4 because it contains information regarding market-specific information.

⁴ Information about the Renewable Fuel Standard can be found at: <https://www.epa.gov/renewable-fuel-standard-program/overview-renewable-fuel-standard-program>.

⁵ Anew is the largest independent marketer of cellulosic renewable identification numbers (D3 RINs) under the EPA Renewable Fuel Standard Program. More information about Anew can be found at: <https://anewclimate.com/solutions/rng>.

20. Under 20 CSR 4240-40.100(2)(K), an application for an RNG program requires a cost benefit analysis. The fully functional model provided as **Appendix 2** contains the information responsive to 20 CSR 4240-40.100(2)(K).

21. In 2023, Spire Missouri completed a financial analysis of the Project prior to its response to KC Water's RFP for a partner for a beneficial biogas use application project at its Blue River WWTP site. In this analysis, the Company estimated the levelized cost of gas⁶ that is expected to be generated over the 20-year life of the Project and compared that cost to the forecasted cost to procure natural gas from traditional sources. Spire Missouri used this analysis as a basis to continue in the RFP process because it demonstrated that the investment in the Project and operations would be prudent, just, and reasonable.

22. The financial analysis has been updated utilizing more recent assumptions including updated cost estimates, additional clarity on the components of the Project eligible for IRA ITCs, RNG volumes, updated estimate of forecasted natural gas costs, RIN pricing, and operating costs. The most recent estimation of the levelized cost of gas over the life of the project is ** [REDACTED] prior to consideration of avoided gas costs and is within a reasonable range compared to conventional natural gas. The estimated average cost of gas over the life of the project after consideration of avoided gas costs is [REDACTED]**. The results demonstrate the Project is prudent, just, and reasonable given the additional benefits from natural gas being generated behind the city-gate, enhancing system resiliency and reliability. This type of supply is more comparable to on-system storage, liquified natural gas, compressed natural gas, etc. versus flowing gas coming from interstate natural gas pipelines in terms of benefits and costs.

⁶ The levelized cost of gas is a cost per MMBTU measure that looks at the capital cost, fixed and variable O&M costs, and other costs, including rate of return, as well as offsetting revenues associated with the generated RNG over the life of the Project.

REQUEST FOR WAIVER FROM 60-DAY NOTICE RULE

23. 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 filing such 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.

24. 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, included in the attached Affidavit of Eric Bouselli is a statement 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 Commission in the last 150 days regarding any substantive issues that are likely to arise in the case. For that reason, the Company requests that the Commission grant a waiver of the 60-day notice requirement for Spire Missouri's application for a CCN to construct, install, own, operate, maintain, and otherwise control and manage equipment and facilities for the production, processing, pipeline interconnection, and distribution of renewable natural gas to be furnished to Missouri customers in the Spire Missouri West territory.

WHEREFORE, Spire Missouri respectfully requests that the Commission waive the notice requirement of 20 CSR 4240-4.017(1), approve this Application for a Renewable Gas Program as set forth above and in the attached appendices, and grant any other relief as is just and

reasonable.

Respectfully submitted,

/s/ J. Antonio Arias

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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 serve on the Staff of the Commission and the Office of the Public Counsel via electronic mail (e-mail) on this 5th day of November, 2025.

/s/ Julie Johnson
