

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

In the Matter of the Application of Spire Missouri)
Inc. d/b/a Spire for Approval of a Certificate of)
Convenience and Necessity to Construct, Install,) **File No. GA-2026-0282**
Own, Operate, Maintain, and Otherwise Control)
and Manage a Natural Gas Distribution System in)
Christian County, Missouri as an Expansion of its)
Existing Certificated Areas.)

STAFF’S RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission (“Staff”), by and through the undersigned counsel, and for its Staff Recommendation, respectfully states as follows:

1. On April 20, 2026, Spire Missouri, Inc. d/b/a Spire filed an application requesting a Certificate of Convenience and Necessity (“CCN”) to construct, install, own, operate, maintain and other wise control and manage a natural gas distribution system in Christian County, Missouri, as an expansion of its existing certificated areas and requesting a waiver from the notice provisions of the Commission. Additionally, Spire requested a waiver of the Commission’s 60-day notice requirement under 20 CSR 4240-4.017(1). The Commission has set a due date of June 22, 2026, for Staff’s Recommendation.

2. Staff has conducted a complete investigation. A Report of its investigation together with its findings and conclusions is attached as Appendix A and incorporated by reference herein.

3. Pursuant to Section 393.170, of the Revised Statutes of Missouri (“RSMo”), no gas corporation shall provide service to consumers without first having obtained

approval from the Commission. In determining whether or not to grant such approval, the Commission has traditionally applied the five “Tartan Criteria”:¹

- (a) There must be a need for the service;
- (b) the applicant must be qualified to provide the service;
- (c) the applicant must have the financial ability to provide service;
- (d) the applicant’s proposal must be economically feasible; and
- (e) the service must promote the public interest.

4. The “term necessity does not mean essential or absolutely indispensable, but that additional service would be an improvement justifying its costs.”²

5. As explained in Staff’s Memorandum, in Spire’s CCN application, Spire is requesting a CCN for Section 03 and Section 04, Township 26 North, Range 21 West of Christian County to provide natural gas service for the Natural Bridge Estates, a new residential subdivision that will be built in two phases (Phase 1 and Phase 2), and to eleven (11) additional customers between the Company’s existing facilities and Phase 1.³ The current sources for heating and cooking for these eleven (11) potential residential customers described in Paragraphs 7 and 10 in the Company’s Application are unknown. The proposed CCN service area is in Christian County, Missouri. The area is adjacent to Spire’s certified area. Spire holds all necessary franchises and permits from municipalities, counties, or other authorities that are required.

¹ *In the Matter of Tartan Energy Company, et al.*, 3 Mo. PSC 3d 173, 177 (1994).

² *State ex rel. Intercon Gas, Inc. v. Public Service Com’n of Missouri*, 848 S.W.2d 593 (Mo. App. W.D. 1993).

³ *Appendix 3, The Application.*

6. Since there is a lack of required information and important facts regarding Phase 2, Staff recommends that the Commission approve only Phase 1 of the Application and the additional eleven (11) potential customers between the Company's existing facilities and Phase 1, located in Section 03, Township 26 North, Range 21 West of Christian County. The Company has supplied the required and pertinent information to Staff for Phase 1 and the eleven (11) potential customers. Furthermore, Staff recommends the Company submit a new CCN application to the Commission when it has the required information for Phase 2 to support a CCN for that area.

7. Spire proposes to serve the Natural Bridge Estates and the eleven (11) additional potential customers under Spire's currently effective residential rates in Tariff Sheet P.S.C. MO. No. 9 Second Revised Sheet No. 2 (Spire West), as established in its most recent rate case, Case No. GR-2025-0107, or until rates are changed according to a Commission Order.

8. Based on its investigation and findings, all as set out in its Memorandum, Staff concludes that the application meets the Tartan Factors for Phase 1 and the additional 11 potential customers.

9. 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.

10. 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.

11. Spire has attached the verified declaration of Lissa Payne to its application that neither Spire 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.

12. Staff recommends that the Commission grant the requested Rule 20 CSR 4240-4.017(1) waiver and the requested CCN for Phase 1 and the additional 11 potential customers only, subject to the following conditions:

- A. Spire shall file an updated tariff sheet incorporating Section 03, Township 26 North, Range 21 West of Christian County (consisting of only Phase 1 and the potential eleven (11) additional customers between the Company's existing facilities and Phase 1); and
- B. Make no finding that would preclude the Commission from considering the ratemaking treatment to be afforded any matters in any later proceeding.

WHEREFORE, Staff requests that the Commission accept this Report and Recommendation as compliant with its orders.

Respectfully submitted,

/s/ J. Scott Stacey

J. Scott Stacey

Deputy Counsel

Missouri Bar No. 59027

Missouri Public Service Commission

P.O. Box 360

Jefferson City, MO 65102

573-522-6279

573-751-9285 (Fax)

scott.stacey@psc.mo.gov

**Attorney for the Staff of the
Missouri Public Service Commission**

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been transmitted by electronic mail to counsel of record this 17th day of June, 2026.

/s/ J. Scott Stacey

MEMORANDUM

TO: Missouri Public Service Commission
Official Case File, File No. GA-2026-0282

FROM: Daronn A. Williams – Water, Sewer, Gas, & Steam Department
Industry Analysis Division
Seoung Joun Won, PhD – Financial Analysis Department
Financial and Business Analysis Division

/s/ Daronn A. Williams 6/17/2026
Case Manager Date

SUBJECT: Staff Recommendation for Approval of Certificate of Convenience and Necessity

DATE: June 17, 2026

EXECUTIVE SUMMARY

On April 20, 2026, Spire Missouri, Inc. (“Spire” or “Company”) filed an *Application for Certificate of Convenience and Necessity for Christian County and Request for Waiver of 60-Day Notice Rule* (“Application”) with the Missouri Public Service Commission (“Commission”). In that Application, Spire proposes to construct, install, own, operate, maintain, and otherwise manage a natural gas distribution system to provide natural gas service in Christian County, Missouri, as a further expansion of its existing certified area. Spire also requests a waiver from the notice provisions of Rule 20 CSR 4240-4.017(1).

On April 20, 2026, the Commission issued its *Order Directing Notice, Setting Intervention Deadline, and Directing Staff Recommendation*, setting a deadline for applications to intervene no later than May 11, 2026, and setting a deadline of June 22, 2026, for Staff to either file a Recommendation or a Status Report indicating when it expects to file a recommendation. As of today, no applications to intervene have been filed in this case.

BACKGROUND OF SPIRE

Spire is a “gas corporation” incorporated under the laws of the State of Missouri and a “public utility” as those terms are defined in Section 386.020 and 393.1009(4), RSMO, and is subject to the jurisdiction and supervision of the Commission as provided by law, with its principle office located at 700 Market Street, St. Louis, MO 63101. Spire is a Missouri

corporation in good standing, as evidenced by a Certificate of Good Standing submitted in prior case, Case No. GF-2025-0053, and is incorporated herein by reference. Spire is engaged in distributing and transporting natural gas to customers in Missouri, and is currently providing service 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, Christian, Clay, Clinton, Cooper, Dade, Dekalb, Greene, Henry Howard, Jackson, Jasper, Johnson, Lafayette, Lawrence, McDonald, Moniteau, Newton, Pettis, Platte, Ray, Saline, Stone, and Vernon.

CASE BACKGROUND

According to the Application, Spire is requesting a Certificate of Convenience and Necessity (“CCN”) for Section 03 and Section 04, Township 26 North, Range 21 West of Christian County to provide natural gas service for the Natural Bridge Estates, a new residential subdivision that will be built in two phases (Phase 1 and Phase 2), and to eleven (11) additional customers between the Company’s existing facilities and Phase 1.¹ The current sources for heating and cooking for these eleven (11) potential residential customers described in Paragraphs 7 and 10 in the Company’s Application are unknown. However, there are visible propane tanks on some of the properties.² Therefore, it is possible that some or all of these potential customers use propane for heating and cooking.

Phase 1 will be located in Section 03 and Phase 2 will be located in Section 04. The developer of the Natural Bridge Estates (“Customer”) reached out to Spire primarily to provide natural gas service to this new residential development. The developer will only develop the lots and not build the homes.³ In response to Staff’s Data Request (“DR”) No. 0016, Spire stated that no other gas supplier exists in this proposed service area.

Per the Company’s response to Staff’s DR No. 0018, the construction of Phase 1, by Spire, has already begun and is expected to be complete by the Fall of 2026. According to the Application⁴ and Company’s response to Staff’s DR No. 0019, Phase 1 will consist of 105 lots and include the following: 2,840 feet of six (6) inch plastic main, 1,765 feet of four (4) inch plastic main, 4,300 feet of two (2) inch plastic main and 6,615 ft of one (1) inch plastic service lines. In lieu of any Contributions of Aid of Construction (“CIAC”) by a developer, Spire will undertake all investment actions. Per Company’s response to Staff’s

¹ Appendix 3, The Application.

² Company’s response to Staff’s DR No. 0020.

³ Company’s response to Staff’s DR No. 0007.

⁴ Paragraph 7, Appendix 1 and Appendix 4, The Application.

DR No. 0004, “estimates and potential CIACs will be made based on customer interest for natural gas based on our tariff for service extensions...we have not estimated a potential CIAC at this time.”

The Application⁵ also states that Phase 2 will consist of approximately 400 lots and, per the Company’s response to Staff’s DR No. 0018, the construction of Phase 2 will begin in 2027, depending on the sale of lots in Phase 1. Per the Company’s response to Staff’s DR No. 0019, there is not an approved plat or design for Phase 2, so the lengths and diameters of mains and service lines for Phase 2 are not known at this time. Furthermore, Spire has stated that Phase 2 is still in the planning phase.⁶ In addition, as later discussed further in this memorandum, the projected revenues and actual construction costs associated with Phase 2 are unknown; also, there is no feasibility study for Phase 2 at this time.⁷

Since there is a lack of required information and important facts regarding Phase 2, Staff recommends that the Commission approve only Phase 1 of the Application and the additional eleven (11) potential customers between the Company’s existing facilities and Phase 1, located in Section 03, Township 26 North, Range 21 West of Christian County. The Company has supplied the required and pertinent information to Staff for Phase 1 and the eleven (11) potential customers. Furthermore, Staff recommends the Company submit a new CCN application to the Commission when it has the required information for Phase 2 to support a CCN for that area.

Spire holds all necessary franchises and permits from municipalities, counties, or other authorities that are required for Spire to serve the subject areas.⁸

STAFF’S INVESTIGATION

Publicity and Customer Notice

Regarding publicity and customer notice, Staff issued DR No. 0006: “Please explain whether Spire representatives have contacted any of the eleven potential customers identified on Appendix 3 of the Application. If yes, please provide: a) subject of discussion, result of discussion, approximate date of contact, current alternative to natural gas being used by the potential customer, if known.”

⁵ Paragraph 11, The Application.

⁶ Company’s response to Staff’s DR No. 0017.

⁷ Paragraph 11, The Application.

⁸ Paragraph 12, The Application.

Spire Responded: “No contact has been made with any of eleven potential customers identified on Appendix 3 of the Application.”

Rate and Tariff Matters

In its Application, Spire proposes to serve the Natural Bridge Estates and the eleven (11) additional potential customers under Spire’s currently effective residential rates in Tariff Sheet P.S.C. MO. No. 9 Second Revised Sheet No. 2 (Spire West), as established in its most recent rate case, Case No. GR-2025-0107, or until rates are changed according to a Commission Order.

Rate Base

No rate base calculation is performed at this time as there are no existing assets in the area to be certificated. Plant additions by Spire will be evaluated at the next rate case.

Financial Analysis

Staff investigated whether Spire has the financial ability to construct, install, own, operate, maintain, and otherwise control and manage a natural gas distribution system to provide natural gas service in Section 03 and Section 04, Township 26 North, Range 21 West of Christian County, Missouri (the “Project”).⁹

Staff examined the cost of the Project and the financing plan of Spire. The estimated project cost of Phase 1 is approximately ** [REDACTED] **. ¹⁰ The developer’s conceptual plans for Phase 2 have not influenced, and will not affect, the economic analysis or revenue calculations for Phase 1 in Section 03.¹¹ The estimated project cost of Phase 2 is currently unknown.¹² According to the Application, no external financing will be required for construction of the Project.¹³ In addition, Spire will use internal funds to finance the Project.¹⁴

Considering Spire’s financial capacity, Spire has the ability to provide the service. According to the 5-year capital expenditure plan, Spire will invest approximately ** [REDACTED] ** during the 2026–2030 period.¹⁵ Currently, Staff has no concerns regarding Spire’s financial risk profile. According to the pro forma analysis, the financial ratios would not be materially

⁹ Paragraph 6, The Application.

¹⁰ Company’s response to Staff’s DR No. 0013.

¹¹ Paragraph 11, The Application.

¹² Company’s response to Staff’s DR No. 0013.

¹³ Paragraph 11, The Application.

¹⁴ Company’s response to Staff’s DR No. 0014

¹⁵ Company’s response to Staff DR No. 0011.

changed.¹⁶ Spire is a wholly owned subsidiary of Spire, Inc. Spire Inc.'s targeted 10-year capital expenditure through 2035 is ** [REDACTED] **. ¹⁷ Standard & Poor's ("S&P") and Moody's both rated Spire and Spire Inc. as investment grade. S&P assigned a rating of "BBB+" to both companies, while Moody's rated Spire Missouri as "A1" and Spire Inc. as "Baa2" respectively.¹⁸ Because the proposed total cost of the Project represents less than 1% of Spire's average annual capital expenditure, it is reasonable to conclude that Spire possesses the financial capability to undertake Phase 1 of the Project.

Tartan Criteria

It is also customary with most cases involving a new CCN for Staff to utilize the Tartan Criteria when analyzing requests for a new CCN to determine whether a utility's proposal meets the standard of being necessary or convenient for public service. Spire is proposing to extend its service territory to provide natural gas service to the Natural Bridge Estates, a new residential subdivision that will be built in two phases (Phase 1 and Phase 2), and potentially eleven (11) additional customers between the Company's existing facilities and Phase 1. Therefore, Staff asserts that the use of the Tartan Criteria is appropriate. The Tartan criteria contemplate: 1) need for service; 2) the applicant's qualifications; 3) the Applicant's financial ability; 4) the economic feasibility of the proposal; and 5) promotion of the public interest. The results of Staff's investigation are outlined below:

1) Need for Service

The Customer approached Spire for natural gas service as there are no other alternative service providers in the area.

2) Applicant's Qualifications;

As previously mentioned, Spire is currently engaged in providing natural gas services in approximately 40 different counties of Missouri and the City of St. Louis. Spire is in good standing with the Secretary of State's office, is subject to the jurisdiction of the Commission and holds a franchise to serve in the area requested. Regarding the feasibility of the engineering and operational aspects of the proposal, Spire has demonstrated over numerous years that it has adequate resources to operate distribution systems it owns.

¹⁶ Company's response to Staff DR No. 0009 (DR No. 0010.1, GF-2025-0053).

¹⁷ Slide 6, Spire Inc.'s First quarter fiscal 2026 update, presented February 3, 2026.

¹⁸ S&P Capital IQ Pro. Retrieved in May 17, 2026.

3) Applicant's Financial Ability

As previously mentioned, Spire is a subsidiary of Spire, Inc., and given that the proposed total cost of the Project is less than 1% of Spire's average annual capital expenditure, it is reasonable to conclude that Spire has the financial capability to construct, install, own, operate, maintain, and otherwise control and manage a natural gas distribution system to provide gas service for the Project.

4) Economic Feasibility of the Proposal;

The fourth Tartan Criteria calls for an evaluation of the economic feasibility¹⁹ of the proposal. Since not all future costs, revenues, and financial challenges can be known at this time, it is not possible to create a robust analysis of economic feasibility. While Spire provided a calculation of expected revenues exceeding expenses in Appendix 4 of its application, this calculation relies on assumptions of customer growth and costs that by their nature cannot be verified. None the less, Staff is of the opinion that Spire's revenues will continue to be sufficient to cover the company's cost of service, and Spire has demonstrated they have access to sufficient capital to construct, install, own, operate, maintain, and otherwise control and manage a natural gas distribution system in the proposed service area, and it is not expected that such investment will cause a financial burden for Spire. Spire, Inc. has demonstrated it can provide the necessary support for Spire to own, operate, maintain, and otherwise control and manage natural gas distribution systems. Staff's position is that the proposal appears to be economically feasible.

5) Promotion of the Public Interest;

Due to the positive nature of the preceding criteria, this proposed acquisition promotes the public interest.

OTHER ISSUES

Spire is current on its PSC assessment payments, and is current on its annual reports, and is in good standing with the Secretary of State's office. Spire has no proceeding before the Commission that should impact the outcome of this case.

¹⁹ The Cambridge Dictionary defines "economic feasibility" as "the degree to which the economic advantages of something to be made, done, or achieved are greater than the economic costs".
<https://dictionary.cambridge.org/us/dictionary/english/economic-feasibility?q=Economic+Feasibility>.

STAFF'S RECOMMENDATIONS AND CONCLUSIONS

Staff's position, based on its review as described herein, is that the expansion of Spire's current service territory is not detrimental to the public interest. Staff therefore recommends approval of the requested CCN, subject to the conditions and actions as outlined herein:

1. Spire shall file an updated tariff sheet incorporating Section 03, Township 26 North, Range 21 West of Christian County (consisting of only Phase 1 and the potential eleven (11) additional customers between the Company's existing facilities and Phase 1.
2. Make no finding that would preclude the Commission from considering the ratemaking treatment to be afforded any matters in any later proceeding.

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OF THE STATE OF MISSOURI

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Missouri Inc. d/b/a Spire for Approval of a)
Certificate of Convenience and Necessity to) File No. GA-2026-0282
Construct, Install, Own, Operate Maintain, and)
Otherwise Control and Manage a Natural Gas)
Distribution System in Christian County,)
Missouri as an Expansion of its Existing)
Certificated Areas)

AFFIDAVIT OF SEOUNG JOUN WON, PhD

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW SEOUNG JOUN WON, PhD 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.

Further the Affiant sayeth not.

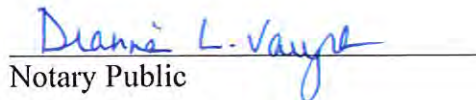


SEOUNG JOUN WON, PhD

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 17th day of June 2026.

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



Notary Public