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Holland & Knight

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August 21, 2026

VIA ELECTRONIC MAIL
and U.S. Mail

Mr. David F. Jones, Chairman
c/o Ectory Lawless
Tennessee Public Utility Commission
502 Deaderick Street, Fourth Floor
Nashville, Tennessee 37243

Re: Petition of Spire Tennessee Inc. For Approval of its 2026 Annual Review of Rates Mechanism Pursuant to Tenn. Code Ann. § 65-5-103(d)(6)
Docket No. 26-00042

Dear Chairman Jones:

Pursuant to the Joint Procedural Schedule, enclosed please find for filing the original and four copies of Spire Tennessee Inc.'s ("Spire"):

- Rebuttal Testimony and Exhibits of Joe Hampton
- Rebuttal Testimony of David Yonce
- Rebuttal Testimony and Exhibit of Eddie Davidson
- Rebuttal Testimony and Exhibit of Eric Bouselli
- Rebuttal Testimony of Jay Neal
- Rebuttal Testimony of John D. Taylor

Some of the materials provided are confidential and proprietary trade secrets of Spire Tennessee. Therefore, Spire Tennessee respectfully requests that the Tennessee Public Utility Commission treat those materials in a manner consistent with that designation.

A PDF of the public testimony is also being filed today by way of email to the Tennessee Public Utility Commission docket manager, Ectory Lawless. Please file the original and provide a "filed" stamped copy of the same via our office courier.

If you have any questions regarding this letter, you may reach me at the number shown above.

Very truly yours,

Paul S. Davidson

PSD:jv
Enclosure

cc: Kelly Cashman-Grams
Michelle Mairs
Chris Eaton
Karen Stachowski
Vance L. Broemel
Shilina B. Brown
David A. Yonce
Matt Aplington
Eric Bouselli
Antonio Arias
James H. Jeffries IV
Brian L. Franklin
Charlotte A. Mitchell
Alexandra B. Breazeale
Adelaide E. Heigel

Before the
Tennessee Public Utility Commission

Docket No. 26-00042

2026 ARM Filing

Rebuttal Testimony
of
Joe Hampton

On Behalf Of
Spire Tennessee Inc.

August 21, 2026

I. Introduction and Qualifications

Q. Please state your name and business address.

A. My name is Joe Hampton. My business address is 605 Richard Arrington Blvd. N, Birmingham, Alabama, 35203.

Q. By whom and in what capacity are you employed?

A. I am the President of Spire Tennessee Inc. ("Spire Tennessee" or the "Company"). In this capacity, I am responsible for the overall management and operations of the Company ensuring safe and reliable natural gas service to our Tennessee customers.

Q. Did you file direct testimony in this proceeding?

A. Yes. I filed direct testimony on May 20, 2026, addressing customer service, community presence, and Spire's commitment to safe and reliable service at reasonable rates for Tennessee customers.

Q. Do you have any exhibits to your rebuttal testimony?

A. Yes. I have included Hampton Rebuttal Exhibit 1, which is the Company's response to the Consumer Advocate's Discovery Request No. 1-063, and Hampton Rebuttal Exhibits 2 and 3, which are excerpts from Spire's Third Quarter Fiscal 2026 Update Presentation dated August 5, 2026.[1]

Q. What is the purpose of your rebuttal testimony?

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[1] *See* Spire Third Quarter Fiscal 2026 Update; available at: https://s25.q4cdn.com/231862843/files/doc_presentations/2026/Aug/05/SR-Q3-FY26-Earnings-Presentation-FINAL.pdf.

A. The purpose of my rebuttal testimony is to respond to the direct testimony of Consumer Advocate Division ("Consumer Advocate") witness Clark D. Kaml filed on August 6, 2026, regarding affordability.

II. <u>Affordability</u>

Q. Do you believe your testimony introduced affordability as an issue in this proceeding?

A. No. The issues in this proceeding are those relevant to the calculations contained in the ARM tariff, discussed by other Company witnesses. My brief mention of affordability was part of a high-level review of Spire Tennessee's operations and objectives now that the Company's acquisition of the system has been approved.

Q. How does Spire Tennessee evaluate affordability?

A. As the Company explained in its response to Consumer Advocate Data Request No. 1-063, attached hereto as Hampton Rebuttal Exhibit 1, Spire Tennessee assesses affordability by examining the total bill impact of proposed rate changes.

Q. Does the Consumer Advocate propose a specific alternative affordability metric?

A. No. Mr. Kaml does not propose a specific alternative metric or methodology for measuring affordability. Rather, he asks for additional definition and documentation supporting the Company's statement about affordability.

Q. Did Mr. Kaml define affordability himself?

A. No.

Q. Are there other ways Spire Tennessee evaluates the affordability of its natural gas service?

A. Yes. While I did not perform these myself, there are publicly available comparisons that put the affordability of natural gas service in context. I would point to two. First, one comparison looks at the cost of electricity and natural gas on an equivalent energy basis. In Tennessee, electricity costs roughly two to three times as much as natural gas on that basis, according to residential rate data from the U.S. Energy Information Administration. This comparison is attached as Hampton Rebuttal Exhibit 2. That helps put the cost of natural gas for space and water heating in perspective for customers who have access to both options. Another comparison evaluates the share of household income devoted to natural gas service. For a typical Tennessee household, natural gas represents less than 2% of household income for both median and low-income customers. This comparison is attached as Hampton Rebuttal Exhibit 3. These comparisons provide a straightforward way to consider affordability, which is not simply whether rates are going up, or down, in isolation.

III. <u>Conclusion</u>

Q. Does this conclude your rebuttal testimony?

A. Yes.

Spire Tennessee
26-00042

DR 1-063
Affordability
Refer to the Direct Testimony of Joe Hampton, at 4:6: “paramount to the Company are affordability . . .”.

a) Define “affordability” as used in this context.
b) Explain how the Company is measuring or determining affordability. Explain whether it is on a customer-by-customer basis, total economy basis, or some other assessment.
c) What customer information is Spire using to assess affordability?
d) How is Spire obtaining that information?
e) How is Spire considering affordability in its analysis? Include the stage at which affordability is considered (provide specific examples).
f) How is the consideration of affordability affecting Spire’s decisions? Provide specific examples.

RESPONSE:

a) As used in Mr. Hampton’s testimony, “affordability” refers to the Company’s efforts to ensure that the overall cost of natural gas service remains reasonable and manageable for customers, particularly in terms of total bill impacts, while still allowing the Company to safely and reliably provide service and recover prudently incurred costs consistent with Commission-approved rates and mechanisms.

   Affordability is not defined by a single metric, but rather reflects a practical, bill-focused assessment of customer impacts within the context of the Company’s regulatory obligations and operational requirements.

b) Spire primarily evaluates affordability by analyzing the incremental impact of proposed rate adjustments, including ARM changes, on the average residential customer bill, expressed in both dollar and percentage terms.

   This assessment is conducted on a representative customer and customer-class basis, which is consistent with traditional ratemaking practices and prior ARM presentations. Spire considers affordability in the context of:

   - Changes to the typical monthly bill for residential customers;
   - The cumulative effect of multiple rate components, including base rates and gas costs

Spire does not currently assess affordability on a customer-by-customer basis, nor does it rely exclusively on economy-wide metrics. Instead, it applies a class-based, bill impact framework informed by broader economic awareness.

c) At this time, Spire's ability to assess affordability using detailed, customer-specific or demographic data is limited. The Company is still in the integration process and operating on the legacy Piedmont customer billing platform, so it has not yet implemented systems or processes necessary to routinely analyze customer-level income or demographic data.

Accordingly, Spire primarily relies on aggregate billing and usage information by customer class, rather than individualized customer data, in its affordability considerations.

d) Not applicable. See response to subpart c.

As integration efforts progress, Spire anticipates enhancing its systems and capabilities, which may allow for more refined affordability analyses in the future.

e) Affordability is always top of mind. Spire considers affordability when making all economic decisions, including both capital deployment and O&M decisions.

f) Affordability considerations inform Spire's decisions in several respects, while remaining consistent with its obligation to comply with Commission-approved tariffs and ensure safe and reliable service. As an example, Spire considers the timing and prioritization of capital investments and O&M expenditures to balance infrastructure needs with customer bill impact.

Name and title of responsible person: Joe Hampton, President, Spire Tennessee Inc.

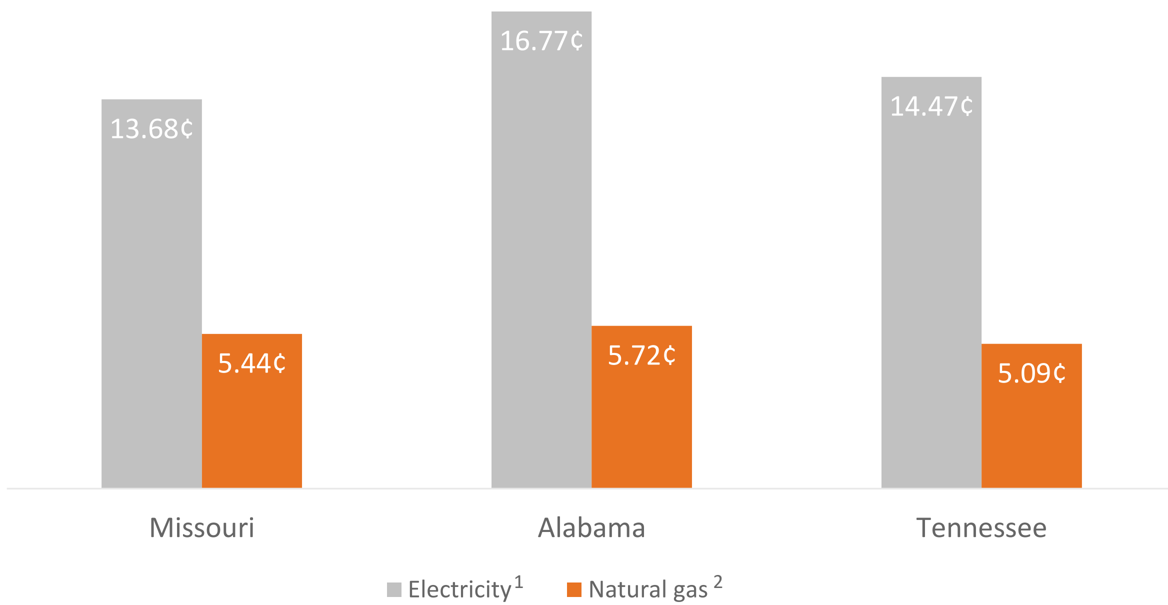
Name and title of preparer: Joe Hampton, President, Spire Tennessee Inc.

Response provided by Spire Tennessee Inc. on June 18, 2026.

Natural gas as the affordable choice

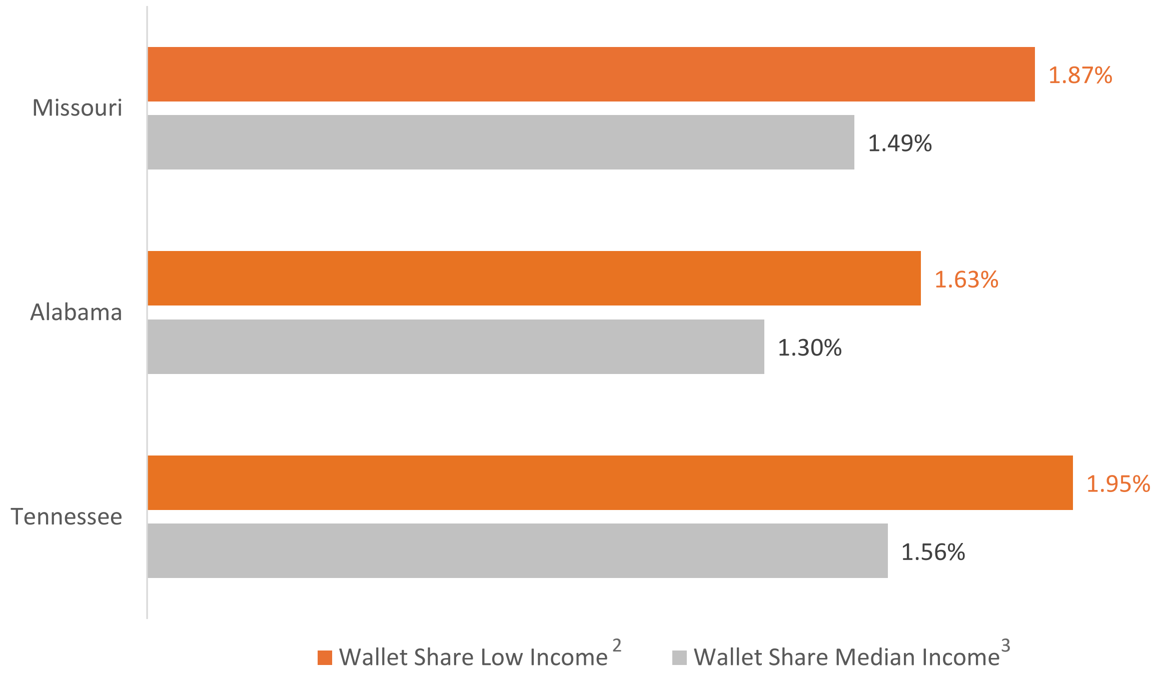
Electricity is 2× to 3× more expensive than natural gas in Spire's states

kWh equivalent



[1]US Energy Information Agency residential customer electric rates for the twelve-month average ending May 2026.
[2]Represents Spire's kWh equivalent current average residential customer rate.

Natural gas bills remain a small portion of household spending[1]



[1]Reflects Spire's average residential usage and current rates.
[2]Low income is considered at or below 80% of the area median income, as determined by the U.S. Department of Housing and Urban Development.
[3]Real median household income as determined by Federal Reserve Bank of St. Louis.