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**Before the
Tennessee Public Utility Commission**

Docket No. 26-00042

2026 ARM Filing

**Direct Testimony
of
John D. Taylor**

**On Behalf Of
Spire Tennessee Inc.**



May 20, 2026

1 **Q. Mr. Taylor, please state your name and business address.**

2 A. My name is John D. Taylor, and my business address is 10 Hospital Center
3 Commons, Suite 400, Hilton Head Island, South Carolina, 29926.

4 **Q. On whose behalf are you appearing in this proceeding?**

5 A. I am appearing on behalf of Spire Tennessee Inc. (“Spire Tennessee” or the
6 “Company”).

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

8 A. I am employed by Atrium Economics, LLC (“Atrium”) as Chief Executive
9 Officer (“CEO”).

10 **Q. Have you prepared an Exhibit describing your professional**
11 **qualifications?**

12 A. Yes. Taylor Exhibit 1 to my direct testimony presents my professional
13 qualifications.

14 **Q. What was Atrium’s assignment in this proceeding?**

15 A. Spire Tennessee requested Atrium to conduct a fully allocated Cost of
16 Service Study (“COSS”) to determine the embedded costs of serving the
17 Company’s retail natural gas customers and support its rate design efforts
18 in the Company’s 2026 Annual Review Mechanism (“ARM”) Filing. In
19 this regard, I am sponsoring the COSS that allocates Spire Tennessee’s
20 natural gas costs to its retail jurisdictional rate classes and provide a
21 summary of the Company’s class revenue increase apportionment to each
22 rate class. The Company’s COSS was developed using Atrium’s COSS
23 Excel based model.

1 **Q. Please summarize your testimony.**

2 A. In my testimony, I present Spire Tennessee's COSS and discuss its results.
3 First, I provide an overview of the COSS, including various principles and
4 factors that influence the cost allocation framework and general methods
5 and approaches to allocating costs to customer classes. Second, I discuss
6 the underlying methodology and basis used in the Company's COSS. In
7 essence, I provide a high-level overview of the analysis, directing attention
8 to the exhibits that comprehensively explain the processes employed in
9 developing the study and results. Lastly, I present the class-by-class rate of
10 return results and corresponding revenue surpluses or deficiencies from the
11 COSS following the apportionment of the rate increase to each rate class
12 and class-by-class rate of return results under the proposed rates. My
13 testimony consists of this introduction section and the following additional
14 sections:

15 (1) Purpose and Principles of Cost Allocation;

16 (2) Spire Tennessee's COSS; and

17 (3) Determination of Spire Tennessee's Proposed Class Revenues.

18 **Q. Please describe the exhibits attached to your direct testimony.**

19 A. As stated earlier, Taylor Exhibit 1 contains background information
20 summarizing my education, presentation of expert testimony, and other
21 industry-related activities. Taylor Exhibit 2 presents the COSS results and
22 revenue apportionment.

1 **I. Purpose and Principles of Cost Allocation**

2 **Q. What is the general purpose and use of a COSS in regulatory**
3 **proceedings?**

4 A. The purpose of a COSS is to allocate the natural gas utility's overall
5 adjusted going level costs to the various classes of service in a manner that
6 reflects the relative costs of providing service to each class. A COSS
7 represents an analysis of which customer or group of customers cause the
8 utility to incur the costs to provide service. The requirement is to develop
9 COSS results from the nature of utility costs, which are characterized by the
10 existence of common costs. Common costs are those not directly
11 attributable to a specific customer or service but rather, incurred to maintain
12 and operate the overall system.

13 In addition, utility costs may be fixed or variable in nature. Fixed
14 costs do not change with the level of usage, while variable costs change
15 directly with changes in usage. Most non-gas related utility costs are fixed
16 in the short run and do not vary with changes in customers' usage. This
17 includes the costs associated with storage, transmission, and distribution
18 facilities.

19 Finally, the COSS provides insights into the development of
20 economically efficient rates and the cost responsibility by rate class. This
21 is accomplished through analyzing costs and assigning each rate class its
22 proportionate share of the utility's total revenues and costs within the
23 Adjusted Review Period. The results of these studies can be utilized to

1 determine the relative cost of service for each rate class to help determine
2 the individual class revenue responsibility and provide guidance with rate
3 design. Using the cost information per unit of demand, customer, and
4 commodity developed in the COSS to understand and quantify the allocated
5 costs in each rate class is a useful step in the rate design process to guide
6 the development of rates.

7 **Q. Is the preparation of a COSS an exact science?**

8 A. No. The fundamental purpose of a COSS is to aid in the design of rates to
9 be charged to customers by identifying all the capital and operating costs
10 incurred by the utility to provide service to all of its customers and then
11 assigning or allocating those costs to individual rate classes on the basis of
12 how those rate classes cause the costs to be incurred. The allocation of costs
13 using a COSS is a practical requirement of utility regulation since rates are
14 based on the cost of service for the utility under a cost-based regulatory
15 model. As a general matter, utilities must be allowed a reasonable
16 opportunity to earn a return of and on the assets used to serve their
17 customers. This is the cost-of-service standard and equates to the revenue
18 requirements for utility service. The opportunity for the utility to earn its
19 allowed rate of return depends on the rates applied to customers producing
20 revenues that equate to the level of the revenue requirement.

1 **Q. Is there a guiding principle that supports the appropriate allocation of**
2 **costs?**

3 A. Yes, there is a fundamental foundational principle – cost causation – which
4 should be followed in order to produce more accurate and reasonable
5 results. Cost causation addresses the need to identify which customer or
6 group of customers causes the utility to incur particular types of costs, so
7 the analysis results in an appropriate allocation of the utility’s total revenue
8 requirement among the various rate classes. In other words, the costs
9 assigned or allocated to particular customers should be costs that those
10 particular customers caused the utility to incur because of the characteristics
11 of their usage of utility service.

12 **Q. How do you establish the cost and utility service relationships?**

13 A. An important element in the selection and development of a reasonable
14 COSS allocation methodology is the establishment of relationships between
15 customer requirements and usage characteristics on the one hand and the
16 costs incurred by the Company in serving those requirements on the other
17 hand. The details and data gathered provided information on the key factors
18 that cause the costs to vary, and supported studies of the relative costs of
19 providing facilities and services for each rate class. From the results of
20 those analyses, methods of direct assignment and common cost allocation
21 methodologies can be chosen for all the utility’s plant and expense
22 elements.

1 **Q. What are the steps to performing a COSS?**

2 A. In order to establish the cost responsibility of each customer class, initially
3 a three-step analysis of the utility's total operating costs must be undertaken.
4 The three steps that are the basis of conducting a COSS are: (1) cost
5 functionalization; (2) cost classification; and (3) cost allocation.

6 **Q. Please describe cost functionalization.**

7 A. The first step, cost functionalization, identifies and separates plant and
8 expenses into specific categories based on the various characteristics of
9 utility operation. Spire Tennessee's primary functional cost categories
10 associated with natural gas service include production, storage,
11 transmission, distribution, and general (customer). Indirect costs that
12 support these functions, such as general plant and administrative and
13 general expenses, are allocated to functions using allocation factors related
14 to plant and/or labor ratios, i.e., internal allocation factors.

15 **Q. Please describe cost classification.**

16 A. The second step, cost classification, further separates the functionalized
17 plant and expenses according to the primary factors that determine the
18 amount of costs incurred. These factors are: (1) the number of customers;
19 (2) the need to meet the peak demand requirements that customers place on
20 the natural gas system; and (3) the amount of natural gas consumed by
21 customers. For purposes of the COSS, these classification categories have
22 been identified as: (1) customer costs; (2) demand costs; and (3) commodity
23 costs, respectively.

1 **Q. Please describe the types of costs contained in the customer cost,**
2 **demand cost, and commodity cost categories.**

3 A. Customer-related costs are incurred to attach a customer to the distribution
4 system, meter any gas usage, and maintain the customer's account.
5 Customer costs are a function of the number of customers served by the
6 utility, and are costs that the utility continues to incur whether or not the
7 customer uses any natural gas. They may include capital costs associated
8 with minimum size distribution systems, services, meters, customer billing,
9 and accounting expenses.

10 Demand-related costs are associated with plant that is designed,
11 installed, and operated to meet maximum daily natural gas usage
12 requirements, such as storage plants, transmission pipelines, or more
13 localized distribution facilities which are designed to satisfy individual
14 customer maximum demands.

15 Commodity-related costs are costs that vary with the throughput
16 sold to, or transported for, customers. Costs related to gas supply are
17 classified as "commodity" because they vary with the amount of gas
18 volumes purchased by the Company for its customers.

19 **Q. Please describe the cost allocation process.**

20 A. The final step is the allocation of each functionalized and classified cost
21 element to the individual rate class. Costs are typically allocated on
22 customer, demand, commodity, or revenue allocation factors. From a cost-
23 of-service perspective, the best approach is a direct assignment of costs

1 where costs are incurred by a customer or class of customers and can be so
2 identified. Where costs cannot be directly assigned, such as joint use
3 facilities, allocation factors are developed for each rate class based on the
4 underlying drivers of those costs. This results in appropriate allocation
5 factors for different elements of costs based on cost causation. For example,
6 we know from the way customers are billed that each customer requires a
7 meter. Meters differ in size and type depending on the customer's gas usage
8 characteristics, and they have different costs based on size and type.
9 Therefore, differences in the cost of meters are reflected by using a different
10 average meter cost for each class of service.

11 **Q. Are there factors that can influence the overall cost allocation**
12 **framework utilized by a natural gas utility when performing a COSS?**

13 A. Yes. As described above, the fundamental and underlying philosophy
14 applicable to all cost studies pertains to the concept of cost causation for
15 purposes of allocating costs to customer groups. Cost causation addresses
16 the question, "Which customer or group of customers causes the utility to
17 incur particular types of costs?" To answer this question, it is necessary to
18 establish a linkage between a utility's customers and the particular costs
19 incurred by the utility in serving those customers. In addition to the
20 principle of cost causation, the factors which can influence the cost
21 allocation used to perform a COSS include: (1) the physical configuration
22 of the utility's natural gas delivery system; (2) the availability of data within

1 the utility; and (3) the state regulatory policies and requirements applicable
2 to the utility.

3 **Q. Why are these considerations relevant to conducting Spire Tennessee's**
4 **COSS?**

5 A. It is important to understand these considerations because they influence the
6 overall context within which a utility's cost-of-service study is conducted.
7 In particular, they provide an indication of where efforts should be focused
8 for purposes of conducting a more detailed analysis of the utility's natural
9 gas delivery system design and operations, as well as context regarding gas
10 ratemaking issues in the regulatory environment in which the utility
11 operates.

12 **Q. How do state regulatory policies affect a utility's COSS?**

13 A. State regulatory policies and requirements prescribe whether there are any
14 historical precedents used to establish utility rates in the state. Specifically,
15 state regulations and past precedents set forth the methodological
16 preferences or guidelines for performing cost studies or designing rates
17 which can influence the proposed cost allocation method utilized by the
18 utility.

19 **Q. How does the availability of data influence a COSS?**

20 A. The structure of the utility's books and records can influence the cost study
21 framework. This structure relates to attributes such as the level of detail,
22 segregation of data by operating unit or geographic region, and the types of
23 usage data available.

1 **II. Spire Tennessee's COSS**

2 **A. Process Steps and Structure of the COSS**

3 **Q. Please describe the process of performing Spire Tennessee's COSS**
4 **presented in the Company's filing.**

5 A. The COSS analysis presented in this filing serves to allocate the Company's
6 revenue requirement in order to provide for class cost-of-service results and
7 to inform the revenue apportionment process. The detailed process
8 description of Spire Tennessee's COSS analysis is presented in Taylor
9 Exhibit 2. The exhibit provides a full scope of the process including the
10 development of allocation factors that support various cost of service
11 studies presented in this proceeding as discussed below.

12 **Q. How did you functionalize and classify Spire Tennessee's Costs?**

13 A. The process starts with each of the Company's Federal Energy Regulatory
14 Commission ("FERC") accounts and assigns the costs in each of these
15 accounts to a specific function. Storage and Transmission Plant accounts
16 have been classified as demand-related costs. Plant and operations and
17 maintenance ("O&M") costs related to production, storage, transmission,
18 and distribution generally can be assigned directly to specific functions.
19 Still, various indirect costs related to overheads such as intangible plant and
20 general plant, as well as administrative and general expenses, are allocated
21 to functions based on the relative amount of certain costs that have been
22 directly assigned to each function. The specific functional allocators used

1 to assign overhead costs have been selected to reflect the type of direct costs
2 that each overhead account generally supports.

3 **Q. Please discuss the content of Taylor Exhibit 2.**

4 A. Taylor Exhibit 2 consists of three sections detailing the process of
5 developing the COSS. The first section includes an introduction, the
6 general purpose, and the process of the cost-of-service study, as well as an
7 overview of the Excel-based fully functional COSS model presented in this
8 proceeding. The second section presents the COSS development process
9 specific to the Company including Functionalization, Classification, and
10 Allocation. The Allocation section specifically describes the development
11 of internal and external allocation factors and processes used in the COSS.
12 The last section depicts the results of the COSS, including revenue
13 requirement apportionment, comparison of cost of service with revenues
14 under present and proposed rates, and development of rate of return by
15 customer class under present and proposed rates.

16 **Q. Please list and describe the schedules included in Taylor Exhibit 2.**

17 A. Taylor Exhibit 2, which is the COSS exhibit, serves as comprehensive
18 documentation, offering a printout of the cost-of-service study. In
19 conjunction with this, an Excel-based model is included as a work paper.
20 This exhibit provides a systematically detailed breakdown of the cost-of-
21 service analysis. Specifically, the COSS exhibit encompasses the following
22 schedules:

- 1 • Schedule 1 – Summary of Per Book Cost of Service Under
2 Present and Proposed Rates: summarizes the results of Schedule
3 2.
- 4 • Schedule 2 – Functionalized and Classified Results and Unit
5 Costs by Customer Class: summarizes the results of
6 functionalized and classified revenue requirements and provides
7 resulting monthly customer cost figures.
- 8 • Schedule 3 – Cost-of-Service Allocation Study Detail by
9 Account: provides comprehensive breakdown of cost allocation.
10 This breakdown is categorized by the FERC Account or other
11 account ID and further segmented by rate class.
- 12 • Schedule 4 – Account Balances and Allocation Methods: details
13 the various account inputs and the choices made in the allocation
14 process. It serves as a transparent record of the factors
15 considered in the cost-of-service assessment.
- 16 • Schedule 5 – External Allocation Factors, Functionalization and
17 Classification Study: depicts the external allocation factors
18 utilized within the model.
- 19 • Schedule 6 – Internal Allocation Factors: depicts the internal
20 (calculated within the model) allocation factors utilized within
21 the model.

1 These COSS schedules are presented to contribute to a
2 comprehensive understanding of the cost of service, rate of return, and
3 revenue requirements within the given framework.

4 **Q. How are Spire Tennessee's rate classes structured for purposes of**
5 **conducting its COSS?**

6 A. Taylor Exhibit 2 presents a comprehensive breakdown of Spire Tennessee's
7 rate schedules organized into classes. For COSS analysis, customers
8 receiving services under different rate schedules were categorized into the
9 following classes:

- 10 • Residential Service - Tariff Schedule 301
- 11 • Small General Service - Tariff Schedule 302
- 12 • Medium General Service - Tariff Schedule 352
- 13 • Large General Sales Service Firm - Tariff Schedule 303
- 14 • Large General Transportation Service Firm - Tariff Schedule
15 313
- 16 • Large General Sales Service Interruptible - Tariff Schedule 304
- 17 • Large General Transportation Service Interruptible - Tariff
18 Schedule 314

19 **Q. What is the source of the cost data analyzed in the Company's COSS?**

20 A. The cost-of-service study is based on the cost components set forth in the
21 Application and the testimony of Spire Tennessee's witnesses. These
22 components are comprised of revenue and expense and rate base items and
23 are based on test period data including the proposed pro forma adjustments

1 supported by the Company witness Jay Neal and in the cost of capital
2 testimony presented by Company witness Eric Bouselli. Where more
3 detailed information was required to perform various analyses related to
4 certain plant and expense elements, the data were derived from the historical
5 books and records of Spire Tennessee and information provided by
6 Company personnel.

7 **Q. What are the similarities and differences in the cost allocation**
8 **approach utilized in Spire Tennessee’s COSS in this proceeding with**
9 **that utilized in Piedmont Natural Gas Company, Inc.’s (“Piedmont”)**
10 **previous rate case?**

11 A. The general methods employed in Piedmont’s previous general rate case
12 proceeding, Docket No. 25-00036 (“2025 ARM Filing”), are reflected in
13 the COSS methods employed in the current proceeding.

14 **B. Classification and Allocation of Distribution Mains**

15 **Q. How are distribution mains classified and allocated in the proposed**
16 **COSS?**

17 A. The Proposed COSS presented in Taylor Exhibit 2 was performed utilizing
18 a peak and average throughput allocation with customer component
19 methodology with a portion of distribution mains classified as demand and
20 customer related. The Company classified 61.61% of its investment in
21 distribution mains as customer-related and 38.39% of the investment as
22 demand-related. The customer-related portion of the distribution mains
23 investment was then allocated to the rate classes based on the number of

1 customer bills in the test period. The demand-related portion was allocated
2 to the rate classes based on a composite weighting of design day volumes
3 and annual throughput (peak and average).

4 **Q. Please explain the basis for Spire Tennessee's choice of classification**
5 **and allocation methods for mains.**

6 A. It is widely accepted that distribution mains are installed to meet both
7 system peak period load requirements and to connect customers to the local
8 distribution company's ("LDC") gas system. Therefore, to ensure that the
9 rate classes that cause the Company to incur this plant investment or
10 expense are charged with its cost, distribution mains should be allocated to
11 the rate classes in proportion to their peak period load requirements and
12 number of customers.

13 There are two cost factors that influence the level of distribution
14 mains facilities installed by an LDC in expanding its gas distribution
15 system. First, the size of the distribution main (i.e., the diameter of the
16 main) is directly influenced by the sum of the peak period gas demands
17 placed on the LDC's gas system by its customers. Second, the total installed
18 footage of distribution mains is influenced by the need to expand the
19 distribution system grid to connect new customers to the system. Therefore,
20 to recognize that these two cost factors influence the level of investment in
21 distribution mains, it is appropriate to allocate such investment based on
22 both peak period demands and the number of customers served by the LDC.

1 **Q. Is the method used by Spire Tennessee to determine a customer cost**
2 **component of distribution mains a generally accepted technique for**
3 **determining customer costs?**

4 A. Yes. The Electric Utility Cost Allocation Manual¹ and Gas Rate
5 Fundamentals,² two of the more commonly accepted literary references
6 relied upon when preparing embedded cost of service studies, both describe
7 minimum system concepts and methods as an appropriate technique for
8 determining the customer component of utility distribution facilities. The
9 existence and utilization of a customer component of distribution facilities,
10 specifically for distribution mains, is a fully supportable and commonly
11 used approach in the gas industry. The customer component of distribution
12 mains was supported by the minimum system study developed in
13 Piedmont's 2025 ARM filing.

14 **C. Allocation of Transmission Assets**

15 **Q. How are Transmission mains classified and allocated in the proposed**
16 **COSS?**

17 A. The Proposed COSS presented in Taylor Exhibit 2 was performed utilizing
18 a design day allocation with transmission mains classified as 100% demand
19 related.

¹ Published by John J. Doran et al. National Association of Regulatory Utility Commissioners.

² Published by the American Gas Association Rate Committee.

D. Allocation of Other Plant Costs and Operating Expenses

Q. Please explain how general plant is allocated in the proposed COSS.

A. In the proposed COSS, all General Plant FERC Accounts are allocated based on the internal factor representing the allocated ratio of utility plant investment assigned to each of the rate classes.

Q. How are other plant-related costs allocated in the proposed COSS?

A. The COSS relies on special cost studies for meters and services developed in Piedmont's 2025 ARM filing. The investments in service lines, meters, meter installation, and regulators are allocated considering customer weighing factors and the relative cost of the investment where applicable. Narrative descriptions of each allocation factor developed for use in the COSS with the allocation factors are provided in Taylor Exhibit 2. All plant investment-related accumulated depreciation and amortization and depreciation expenses follow the classification and allocation of the plant.

Q. How are O&M customer accounts, and administrative and general expenses classified in the proposed COSS?

A. In the COSS, O&M expenses are generally classified in a manner consistent with the plant accounts they support. Because O&M costs are incurred to operate and maintain specific utility plant functions, they are allocated using the same allocation methods applied to the corresponding plant accounts. This approach aligns expense responsibility with the functional cost drivers of the related plant investment.

1 Customer Accounts and Customer Service expenses are primarily
2 classified as customer-related costs. These expenses are allocated based on
3 the average number of distribution customers by class or, where
4 appropriate, using relative weighting factors derived from special studies.

5 General and Administrative (“A&G”) expenses are reviewed and
6 allocated on an account-by-account basis to ensure proper cost causation.
7 In the proposed COSS, A&G expenses are allocated based on the internal
8 factor representing the allocated ratio of operating labor costs assigned to
9 each of the rate classes. This methodology ensures that A&G costs are
10 assigned in proportion to the labor-related activities they support.

11 **Q. How were taxes allocated in the COSS model?**

12 A. Taxes Other Than Income Taxes that are plant-related, including property
13 and excise taxes, were allocated using an internal factor representing the
14 allocated ration of utility plant investment assigned to each of the rate
15 classes. Payroll related taxes were allocated using the internal factor
16 representing the allocated ratio of operating labor costs assigned to each of
17 the rate classes. Federal and State Income Taxes were allocated based on
18 rate base by customer class.

19 **E. Operating Revenue Allocations**

20 **Q. Please describe the allocation of total revenue.**

21 A. Distribution base revenues were directly assigned to the classes that
22 generated those revenues. Gas-cost revenues were allocated based on the
23 allocation of gas supply and commodity-related costs among the customer

1 classes. Other operating revenues were allocated using an internal factor
2 representing the allocated ratio of total rate base assigned to each of the rate
3 classes.

4 **Q. What other cost assignment and allocation methods were utilized in**
5 **your studies?**

6 A. Schedule 5 – External Allocation Factors and Schedule 6 – Internal
7 Allocation Factors provide the allocation basis and factors. The allocation
8 factors are further described in Section II of Taylor Exhibit 2. The results
9 of fully allocated COSS by account are presented on Schedule 3 – Cost-of-
10 Service Allocation Study by Detail by Account.

11 **F. Spire Tennessee’s COSS Results**

12 **Q. Please summarize the results of Spire Tennessee’s COSS.**

13 A. Table 1 below presents a summary of the results of the Company’s COSS
14 for the retail jurisdiction that can be reviewed in detail in Schedule 3 of
15 Taylor Exhibit 2. The Company calculated an Annual Base Rate Reset
16 revenue deficiency of approximately \$18.2 million. However, the COSS
17 utilizes the revenue deficiency of approximately \$14.0 million after
18 applying the 4% cap on the annual base rate increase per the conditions
19 imposed by the Tennessee Public Utility Commission in the Transfer of
20 Approval.

Table 1 - Summary Results of the Company's COSS

Customer Classes	Current Revenues	Cost to Serve	Class Revenue (Deficiency)/Excess*	Current Rate of Return
Residential Service	\$ 132,976,422	\$ 180,545,223	\$ (47,568,801)	3.4%
Small General Service	57,375,645	39,764,475	17,611,171	12.5%
Medium General Service	13,243,899	6,695,580	6,548,319	18.5%
Large General Sales Service Firm	4,402,967	2,657,987	1,744,980	14.6%
Large General Sales Service Interruptible	129,081	23,511	105,571	72.4%
Large General Transportation Service Firm	7,485,202	3,363,857	4,121,345	20.8%
Large General Transportation Service Interruptible	7,609,105	4,137,712	3,471,394	18.8%
Subtotal	\$ 223,222,322	\$ 237,188,344	\$ (13,966,022)	6.0%
Other Revenues	\$ 4,298,868	\$ 4,354,131	\$ (55,264)	-
Total System	\$ 227,521,190	\$ 241,542,475	\$ (14,021,285)	6.0%

*The Class Revenue (Deficiency)/Excess presented reflects the 4% cap on the annual base rate increase.

1 Table 1 presents the revenue deficiency/excess for each rate class and the
2 class rate of return on the net rate base at present rates. Regarding rate class
3 revenue levels, the COSS shows that Residential Service is producing
4 revenues below its indicated cost of service under current rates. All other
5 customer classes produce revenues in excess of their indicated cost of
6 service.

7 **III. Determination of Proposed Class Revenues**

8 **Q. Please describe the proposed approach to apportion Spire Tennessee's**
9 **proposed revenue increase to its rate classes.**

10 **A.** Consistent with the approach used in Piedmont's 2025 ARM Filing, the
11 Company proposes to assign the system increase of 6.3% to all rate classes,
12 as shown in Table 2 below.

Table 2 - Proposed Change in Margin Revenue per Class

Customer Classes	Margin Revenues at Current Rates	Margin Revenues at Proposed Rates	Proposed Revenue Change	Percent Change in Margin
Residential Service	\$ 132,976,422	\$ 141,296,161	\$ 8,319,740	6.3%
Small General Service	57,375,645	60,965,383	3,589,737	6.3%
Medium General Service	13,243,899	14,072,510	828,611	6.3%
Large General Sales Service Firm	4,402,967	4,678,441	275,474	6.3%
Large General Sales Service Interruptible	129,081	137,157	8,076	6.3%
Large General Transportation Service Firm	7,485,202	7,953,518	468,316	6.3%
Large General Transportation Service Interruptible	7,609,105	8,085,173	476,068	6.3%
Total System	\$ 223,222,322	\$ 237,188,344	\$ 13,966,022	6.3%

1 **Q. How are the proposed revenue increases per class reflected in the rate**
2 **design?**

3 **A.** Company witness Bouselli supports the Rate Design and Revenue Proof in
4 this proceeding.

5 **Q. Does this conclude your pre-filed Direct Testimony?**

6 **A.** Yes. Thank you.

**SPIRE TENNESSEE INC.
2026 ANNUAL ARM FILING**

Taylor Exhibit 1

John D. Taylor

CEO

Mr. John D. Taylor is the Co-Founder and Chief Executive Officer of Atrium Economics and a senior regulatory economist with more than twenty years of experience advising electric and natural gas utilities across the United States and Canada. Mr. Taylor has served as a lead expert in rate and regulatory proceedings across more than 20 jurisdictions in the United States and Canada. His testimony has been presented before the Federal Energy Regulatory Commission, numerous state public utility commissions, provincial utility regulators, and trial courts.

He has testified on matters including revenue requirements, class cost of service, advanced rate design, revenue stabilization mechanisms, affiliate transactions, demand forecasts, return on equity, lead lag studies, audit testing, and infrastructure cost recovery. In addition to matters in which he was the lead witness, he has supported over one hundred engagements for other expert witnesses, contributing to the development and defense of analytical models, regulatory strategy, and evidentiary submissions.

Mr. Taylor’s experience spans vertically integrated electric utilities, gas distribution utilities, transmission providers, pipeline operators, municipally owned utilities, and multi-state holding companies. He has also served as market monitor for ISO New England’s capacity market and has supported wholesale power purchase agreement evaluations and generation feasibility and prudence analyses. He regularly advises executive leadership and boards on regulatory strategy, risk allocation, revenue stability, infrastructure investment, and long-term rate design considerations.

In addition to his consulting leadership, Mr. Taylor served as Chief Executive Officer of a non-destructive testing and industrial inspection firm serving the power generation, petrochemical, and heavy industrial sectors. That role provided direct experience in capital-intensive infrastructure operations, asset integrity management, maintenance planning, safety compliance, and operational risk oversight. This operating perspective informs his work in utility capital planning, infrastructure expansion review, and regulatory cost recovery.

EDUCATION

M.A., Economics, American University

B.A., Environmental Economics, University of North Carolina at Asheville

YEARS EXPERIENCE

20

RELEVANT EXPERTISE

Revenue Requirements & Capital Recovery, Class Cost of Service & Advanced Rate Design, Revenue Stabilization Mechanisms, Demand Forecasting & Resource Planning, Natural Gas & Pipeline Infrastructure Analysis, Return on Equity & Capital Structure, Affiliate Transactions & Operational Audits, Transmission & FERC Matters, Transaction Advisory & Regulatory Due Diligence



EXPERT WITNESS TESTIMONY PRESENTATION

UNITED STATES:

- California Superior Court of California
- Delaware Public Service Commission
- Florida Public Service Commission
- Federal Energy Regulatory Commission
- Illinois Commerce Commission
- Indiana Utility Regulatory Commission
- Maine Public Service Commission
- Maryland Public Service Commission
- Massachusetts Department of Public Utilities
- Minnesota Public Utilities Commission
- New Hampshire Public Utilities Commission
- North Carolina Utilities Commission
- North Carolina – Brunswick Superior Court
- Oregon Public Utility Commission
- Ohio Public Utility Commission
- Pennsylvania Public Utility Commission
- South Carolina Public Service Commission
- Virginia State Corporation Commission
- Washington Utilities and Transportation Commission
- Public Service Commission of West Virginia

CANADA:

- Alberta Utilities Commission
- British Columbia Utilities Commission
- Ontario Energy Board

REPRESENTATIVE EXPERIENCE

RATE DESIGN AND REGULATORY PROCEEDINGS

Mr. Taylor has extensive experience developing and evaluating utility revenue requirements, including review of test year construction, pro forma adjustments, operating expense normalization, capital investment recovery, depreciation and amortization treatment, and cash working capital analyses, including lead-lag studies. He has assessed prudence and regulatory treatment of major capital programs, infrastructure modernization initiatives, and incremental investment proposals. In addition, Mr. Taylor has designed and evaluated revenue stabilization mechanisms, including Weather Normalization Adjustments, Revenue Adjustment Mechanisms, and other forms of decoupling and revenue recovery tools. His work includes back-casting analyses, risk assessment modeling, and evaluation of tradeoffs between customer bill stability and utility revenue certainty. He has testified regarding both the technical design and policy implications of such mechanisms in contested regulatory proceedings.

CLASS COST OF SERVICE AND RATE DESIGN

Mr. Taylor has extensive experience developing and defending embedded and marginal class cost of service studies in contested regulatory proceedings across the United States and



Canada. His work includes functionalization, classification, and allocation of utility costs; development of jurisdictional and class revenue requirements; and evaluation of fixed-variable cost recovery methodologies. He has designed and evaluated residential, commercial, and industrial rate structures, including demand-based rates, time-of-use designs, economic development tariffs, and revenue apportionment strategies. Mr. Taylor has also assessed rate stability, equity considerations, and cost causation principles in the context of evolving load patterns, electrification, and policy-driven rate reforms.

DEMAND AND CUSTOMER FORECASTING

Mr. Taylor has extensive experience developing and evaluating demand and customer forecasting models for electric and natural gas utilities. His work includes econometric modeling of customer growth, usage normalization, peak demand forecasting, and weather-sensitive load analysis. He has assessed forecast methodologies for rate proceedings, infrastructure planning, and resource adequacy evaluations, including review of macroeconomic drivers, demographic trends, and end-use consumption patterns. Mr. Taylor has also evaluated forecast inputs used in capital planning, pipeline capacity assessments, LNG resource planning, and revenue requirement development. His experience includes back-casting analyses, scenario modeling, and sensitivity testing to assess forecast risk and regulatory defensibility. He has testified regarding forecast methodology, assumptions, and alignment with regulatory standards in contested proceedings.

RETURN ON EQUITY AND CAPITAL STRUCTURE

Mr. Taylor has provided testimony and advisory analysis regarding return on equity and capital structure for regulated electric and natural gas utilities in both transmission and distribution contexts. His work includes evaluation of regulatory capital structures, cost of capital components, and risk considerations associated with infrastructure investment, revenue stability mechanisms, and business model evolution. He has supported financial modeling in rate proceedings, including assessment of cash flow implications, earnings stability, and alignment between authorized returns and underlying business risk. Mr. Taylor has also evaluated the interaction between capital structure, revenue recovery mechanisms, and regulatory policy objectives, including the treatment of large capital programs and expansion initiatives.

TRANSACTION ADVISORY AND REGULATORY DUE DILIGENCE

Mr. Taylor has advised utilities and infrastructure stakeholders in connection with asset acquisitions, divestitures, and wholesale power supply evaluations. His transaction experience includes regulatory due diligence, evaluation of revenue requirements and rate structures, infrastructure risk assessment, and financial modeling to support investment decisions. Mr. Taylor has advised on regulated utility and energy infrastructure transactions, including buy-side and sell-side evaluation of utility operations and generation asset divestitures. His work has



included assessment of revenue requirements, rate structures, customer forecasts, regulatory risk, operational performance, and capital recovery considerations to support informed investment decisions. His advisory work has also included evaluation of comparable utility transactions, merger activity, and regulatory approval considerations affecting infrastructure investment decisions.

NATURAL GAS INFRASTRUCTURE & RESOURCE PLANNING EXPERIENCE

Mr. Taylor has extensive experience supporting natural gas utilities and pipeline operators in forecasting, peak demand planning, LNG resource evaluation, balancing mechanisms, transportation modeling, and line extension reviews. His work includes demand forecasting for local distribution companies, evaluation of peak day planning standards, LNG peaking facility analyses, storage utilization review, pipeline transport cost allocation, and balancing service design. He has evaluated integrated resource planning approaches, supply portfolio risk assessment, and incremental pipeline capacity expansion proposals. His experience includes review of expansion economics, regulatory treatment of new infrastructure investment, and cost recovery mechanisms associated with large capital programs. Mr. Taylor has also assessed alignment between demand forecasts, contracted capacity, storage strategy, and long-term system reliability objectives, providing analytical support for regulatory filings and board-level capital planning decisions.

AFFILIATE RELATIONSHIPS & PERFORMANCE REVIEWS

Mr. Taylor has led and supported affiliate transaction reviews, shared services cost allocation studies, and operational performance assessments in both U.S. and Canadian jurisdictions. His work includes evaluation of overhead allocation methodologies, overhead capitalization practices, and cost recovery treatment associated with corporate support functions, transmission-related shared assets, and early contractor engagement for major infrastructure projects. He has assessed capitalization rates, allocation between transmission and distribution functions, and cost attribution to regulated versus affiliate activities, ensuring consistency with regulatory standards and precedent. His experience includes shared assets studies, evaluation of contractor cost structures in large capital programs, and review of governance controls supporting regulatory compliance. In addition, Mr. Taylor has conducted operational audits and benchmarking analyses addressing operations and maintenance (O&M) and administrative and general (A&G) expenses. His work includes comparative peer analysis, assessment of cost drivers, and evaluation of organizational efficiency and cost discipline in regulated utility environments.



PROFESSIONAL EXPERIENCE

CO-FOUNDER & CHIEF EXECUTIVE OFFICER | ATRIUM ECONOMICS | 2020 – PRESENT

Leads a regulatory advisory firm serving electric and natural gas utilities across the United States and Canada. Serves as lead expert witness in rate and regulatory proceedings and oversees firm strategy, analytical methodology, and evidentiary quality control. Advises executive leadership and boards on revenue requirements, rate design, infrastructure investment, and regulatory risk.

CHIEF EXECUTIVE OFFICER | NOVA DATA TESTING | 2019 – 2026

Led a non-destructive testing and industrial inspection firm serving power generation and petrochemical facilities. Responsible for strategic planning, capital allocation, regulatory compliance, operational leadership, and risk oversight in asset-intensive, safety-sensitive environments. This operating experience informs his perspective on infrastructure investment and operations.

PRINCIPAL CONSULTANT | BLACK & VEATCH MANAGEMENT CONSULTING | 2015 – 2020

Led regulatory and financial advisory engagements for electric and gas utilities, including revenue requirements, class cost of service, affiliate transactions, and return on equity matters. Filed expert testimony and supported infrastructure transaction advisory and regulatory approval strategy.

SENIOR PROJECT MANAGER & PRINCIPAL | CONCENTRIC ENERGY ADVISORS | 2006 – 2015

Managed regulatory consulting engagements involving revenue requirements, cost allocation, and rate design across multiple jurisdictions. Led project teams, supported expert testimony, and contributed to business development and firm-wide analytical quality control initiatives.

EDUCATION

MASTER OF ARTS, ECONOMICS | AMERICAN UNIVERSITY | 2004 – 2006

Graduate coursework included econometrics, advanced microeconomics and macroeconomics, mathematical economics, monetary policy, and history of economic thought. Served as a teaching assistant for undergraduate microeconomics and macroeconomics courses.

BACHELOR OF ARTS, ENVIRONMENTAL ECONOMICS | UNIVERSITY OF NORTH CAROLINA AT ASHEVILLE | 2000 – 2004

Coursework emphasized the application of economic theory and quantitative analysis to environmental and resource issues, including statistics and applied modeling. Completed independent study examining the intersection of ethics and economic theory.



BOARD AND ADVISORY BOARDS

Treasurer, Board of Directors – The Outside Foundation (2023–Present)

Member – 278 Gateway Corridor Committee, Town of Hilton Head Island (2019–2022)

Richmond Advisory Board – Higher Achievement (2014–2015)



**SPIRE TENNESSEE INC.
2026 ANNUAL ARM FILING**

Taylor Exhibit 2

BEFORE THE TENNESSEE PUBLIC UTILITIES COMMISSION

Docket No. 2026-000__

SPIRE TENNESSEE INC.

EXHIBIT 2

COST OF SERVICE ALLOCATION STUDY
2026 ARM FILING

WITNESS: JOHN D. TAYLOR



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I. INTRODUCTION

The purpose of this document is to discuss the development and results of the Cost of Service Study (“COSS”) model and related schedules prepared for the Spire Tennessee, Inc. (“Spire,” or “Company”) based on the 2026 ARM Filing

The document is organized into three sections. The first section includes an overview of Atrium’s COSS model used to develop the cost allocation study. The second section includes details of the methodologies adopted in the development of the study. The last section exhibits the results of the COSS study.

1. Purpose of Cost Allocation

The purpose of a COSS is to determine the cost-of-service responsibilities of each customer class upon which the base rates may be established. The revenue requirement studies provide the overall level of costs of providing service, while the COSS is used to change the basic rate structures and/or the relative overall cost responsibility of each customer class. Based on the functionalization and classification of costs and allocation methodologies used in the COSS, the revenue requirement by customer class is determined and used in designing the Company’s proposed base rates. In other words, the COSS measures each class’s contribution to the Company’s overall cost of service. Comparing the costs to serve any customer class with that class’s rate revenues provides a measure of the return realized from that class and their associated revenue-to-cost ratio. This allows for a comparison across classes to ascertain the presence and extent of interclass subsidization (i.e., when one class pays more than its cost to serve, and another pays less than its cost to serve).

2. COSS Procedures

Cost of service studies utilize a three-step process: functionalization, classification, and allocation.

In the first step, the functionalization sets off with assigning the Federal Energy Regulatory Commission (“FERC”) plant accounts and associated investment balances to appropriate cost of service functions, such as Storage, Transmission, Distribution, On-Site and Metering, Customer Accounts and Service, and Gas Supply. The expenses related to particular property investments or groups of investments can often follow the same functionalization and are allocated based on the ratios of gas plant assigned to each function. These plant ratios can be used to functionalize most other cost items.

In the second step, classification, each functional cost category is further separated by cost causation. There are three basic cost-defining characteristics of natural gas services: demand, commodity, and customer.



- Demand (Capacity) related costs are associated with the peak usage of the utility system. These costs are necessary to maintain the system at a level sufficient to satisfy the greatest demand that all the customers could place upon the system.
- Commodity-related costs are variable costs that vary with the quantity of gas consumed. These costs reflect the number of units consumed or supplied during a period of time.
- Customer-related costs are associated with serving customers regardless of their usage or demand characteristics. Customer-related costs are incurred to attach a customer to the distribution system, meter any gas usage and maintain the customer's account. Customer costs are a function of the number of customers served and continue to be incurred whether or not the customer uses any gas. They generally include capital costs associated with minimum size distribution mains, services, meters, regulators and customer service and accounting expenses.

The last step is to allocate these cost components among customer classes. The development of allocation factors by customer class uses principles of both economics and engineering. This results in appropriate allocation factors for different elements of costs based on cost causation.

3. Atrium Economics Cost of Service Study Model Overview

The Cost of Service Study is submitted in support of the direct testimony of John Taylor in Exhibit JDT-2. The COSS model presented in this proceeding is an excel based model that allows the user to modify various inputs and assumptions.

COSS Model Capabilities

The Atrium Economics' COSS model provides a large range of analytical capabilities including:

- Unbundling of operations into functions: (i.e., production/supply, storage, transmission, distribution, metering, and billing services.)
- Classification and allocation of costs into customer classes.
- Reports on Rate of Return, Revenue Requirement, and Revenue-to-Cost ratio for each function and rate class.
- Development of unit costs of each functional classification for each rate class.
- Specification of the individual rate of return targets for each function or customer class.
- Provides detailed analyses of costs of gas, income taxes, working capital, depreciation reserve, and depreciation expenses.
- Use of detailed analysis of labor expenses by account to facilitate the analyses of administrative and general expenses and overhead costs.



- Facilitation of direct assignment of plant investment, expenses, and revenue dollars to individual functions, classifications, or customer classes.

Follows Traditional 3-Step Analysis Process

The Atrium COSS Model follows the standard three-step analysis process: 1) functionalization of rate base and expenses into various functional categories; 2) classification of functionalized components into demand, energy/commodity, and customer cost categories; and 3) allocation of each component among the customer classes.

As part of the functionalization process, accounts for common costs that are not specifically related to the primary functions, such as general plant and administrative and general expenses, are automatically allocated to the proper function based on internally defined allocation factors. All components of the utility's total cost of service are grouped into one of the functions.

The Atrium COSS Model provides unbundled functionalized and classified cost information by customer class; develops unbundled revenue requirements by functional classification for each customer class; and calculates unit costs by function for customer, commodity, and demand categories. Accounting costs are reported by FERC account level, and the allocation of A&G expenses, general taxes, and income taxes are clearly reported.

Revenue requirements are calculated from the allocated rate base and expenses and are adjusted to reflect the user-determined target rate of return and statutory tax adjustments. The actual revenues collected are compared to the calculated cost-based revenue requirements to determine class-specific, revenue-to-cost ratios to assist in revenue allocation and pricing activities.

Unit Cost Output Functionality

The COSS model calculates the unit cost of each functional classification separately for each rate class based on the user-specified billing determinants. These unit cost data are among the most important outputs from an embedded cost of service analysis. They are defined as the average cost of providing service to customers per measure of service (i.e., per therm, per dekatherm of daily demand, and per customer). Unit costs are a key consideration in developing prices for bundled, unbundled, and re-bundled services.

Acceptance by Utility Regulatory Commissions

The format and presentation of the model's outputs have been used in many rate case proceedings and conform to standard utility commission requirements. Where necessary, the COSS model outputs can be easily modified to meet specific jurisdictional filing requirements.

II. SPIRE'S COST OF SERVICE PROCEDURES

1. Functionalization

The following functional cost categories were identified for purposes of Spire's cost allocation:

- Production
- Storage
- Transmission
- Distribution
- Customer

Spire's assigned functional categories are presented on Schedule 4.

2. Classification

The following classification categories were identified for purposes of Spire's cost allocation:

- Demand
- Commodity
- Customer

Spire's assigned classification categories are presented on Schedule 4.

3. Allocation

The allocation step involves assigning classified costs to the customer classes based on cost causation. Therefore, the allocation of costs is usually based on some measure of class loads or class service characteristics. The External (Schedule 5) and Internal (Schedule 6) Allocation Factors are utilized to allocate costs among various customer classes. Spire's assigned Allocation Factors are presented on Schedule 4.

3.1. Customer Classes and Tariff Schedules

The following customer classes were identified for purposes of cost allocation:

- Residential Service
- Small General Service
- Medium General Service
- Large General Sales Service Firm
- Large General Sales Service Interruptible
- Large General Transportation Service Firm
- Large General Transportation Service Interruptible



3.2. External Allocation Factors

Spire’s External Allocation Factors are presented on Schedule 5. The External Allocation Factors are developed based on the special studies conducted using various detailed data as discussed below.

Commodity and Revenue Allocation Factors

Costs classified as “Commodity” are allocated among customer classes based on the weather-normalized volumes for the test year.

Allocation Factor	Description
PROFORMAREV	Factor developed to allocate costs based on each class’s share of pro forma revenues to the specific class in the Test Year.

Customer Allocation Factors

Customer-related costs are generally allocated based on the number of customers within each class of service, with appropriate weighting to recognize specific service characteristics.

Allocation Factor	Description
BILL	Factor developed to allocate customer-related costs based on the number of bills rendered to each customer class to the specific class in the Test Year.
METAVG	Factor developed to allocate meter-related costs based on the average number of meters serving each customer class to the specific class in the Test Year.
SVCUNIT	Factor developed to allocate service line costs based on the number of service units serving each customer class to the specific class in the Test Year.
UNCOLL	Factor developed to allocate uncollectible expense based on each class’s share of write-offs to the specific class in the Test Year.

Demand Allocation Factors

Demand-related costs are generally allocated based on peak capacity demand for each customer class.



Allocation Factor	Description
DESDMD	Factor developed to allocate demand-related costs based on each class's share of design day demand to the specific class in the Test Year.
PKAVGDAYDIST	Factor developed to allocate distribution demand-related costs based on each class's share of peak and average day distribution demand to the specific class in the Test Year.
THRU	Factor developed to allocate demand-related costs based on each class's share of total throughput to the specific class in the Test Year.
WINTHRU	Factor developed to allocate demand-related costs based on each class's share of winter throughput to the specific class in the Test Year.

3.3. Internal Allocation Factors

Internal Allocation Factors are developed within the COSS model based on the cost ratios of allocated cost based the external allocation factors, representing various forms of the composite external and internal factors as mathematical sums.

Allocation Factor	Description
INT_TOTRB_ADJ	The factor is based on each class's share of total adjusted rate base.
INT_UTILPLT_ADJ	The factor is based on each class's share of adjusted utility plant.
INT_OMPF	The factor is based on each class's share of adjusted operations and maintenance costs.
INT_MAINPLT_ADJ	The factor is based on each class's share of adjusted main plant.
INT_SVCSPLT_ADJ	The factor is based on each class's share of adjusted services plant.
INT_MSMPPLT_ADJ	The factor is based on each class's share of adjusted meters, services, and meter installation plant.



Cost of Service Allocation Study

Allocation Factor	Description
INT_OPERLAB_ADJ	The factor is based on each class's share of adjusted operating labor costs.
INT_MAINSVCPLT_ADJ	The factor is based on each class's share of adjusted main plant and adjusted services plant.
INT_MAINMRSVCSPLT_ADJ	The factor is based on each class's share of adjusted main plant, adjusted measuring and regulating station equipment, and adjusted services plant.



Spire TN
 Gas Class Cost of Service Study
 2026 ARM Filing
 Schedule 1 - Summary of Cost of Service and Rate of Return Under Present and Proposed Rates

Line No.	Category Description	Total System	Small General		Medium General	Large General	Large General	Large General	Large General
			Residential Service	Service	Service	Sales Service Firm	Sales Service Interruptible	Transportation Service Firm	Transportation Service Interruptible
1	Rate Base								
2	Plant in Service	\$ 2,190,720,163	\$ 1,593,343,661	\$ 392,600,876	\$ 73,159,299	\$ 29,371,916	\$ 294,808	\$ 41,801,895	\$ 60,147,708
3	Accumulated Reserve	(580,730,312)	(380,313,094)	(118,476,331)	(23,661,484)	(9,745,431)	(146,954)	(15,302,499)	(33,084,519)
4	Other Rate Base Items	(95,503,852)	(70,367,527)	(16,328,328)	(2,796,808)	(1,040,389)	(14,247)	(2,036,010)	(2,920,541)
5	Total Rate Base	\$ 1,514,485,999	\$ 1,142,663,040	\$ 257,796,217	\$ 46,701,007	\$ 18,586,095	\$ 133,606	\$ 24,463,385	\$ 24,142,648
6	Revenue at Current Rates								
7	Sales Revenue	\$ 223,222,322	\$ 132,976,422	\$ 57,375,645	\$ 13,243,899	\$ 4,402,967	\$ 129,081	\$ 7,485,202	\$ 7,609,105
8	TBD	-	-	-	-	-	-	-	-
9	TBD	-	-	-	-	-	-	-	-
10	Subtotal Base Revenue at Current Rates	\$ 223,222,322	\$ 132,976,422	\$ 57,375,645	\$ 13,243,899	\$ 4,402,967	\$ 129,081	\$ 7,485,202	\$ 7,609,105
11	Other Revenues	\$ 4,298,868	\$ 3,243,448	\$ 731,754	\$ 132,561	\$ 52,757	\$ 379	\$ 69,439	\$ 68,529
12	Purchased Power Revenue	-	-	-	-	-	-	-	-
13	Total Revenue at Current Rates	\$ 227,521,190	\$ 136,219,870	\$ 58,107,400	\$ 13,376,460	\$ 4,455,724	\$ 129,461	\$ 7,554,642	\$ 7,677,634
14	Expenses at Current Rates								
15	Purchased Power Expense	\$ 1,046,361	\$ 638,619	\$ 283,292	\$ 82,283	\$ 42,167	\$ -	\$ -	\$ -
16	O&M and A&G Expenses	55,810,068	45,107,715	8,120,650	1,008,912	383,024	5,235	407,385	777,148
17	Depreciation and Amortization Expense	49,596,276	36,340,912	9,050,202	1,566,773	625,080	6,311	832,028	1,174,970
18	Taxes Other Than Income	10,776,309	7,948,014	1,889,618	339,819	136,067	1,386	187,429	273,975
19	Current Gross Receipts Tax	-	-	-	-	-	-	-	-
20	Deferred Income Taxes	-	-	-	-	-	-	-	-
21	Current Income Taxes	18,693,646	7,827,924	6,570,128	1,759,102	554,135	19,751	1,038,613	923,993
22	Total Expenses at Current Rates	\$ 135,922,659	\$ 97,863,183	\$ 25,913,889	\$ 4,756,890	\$ 1,740,472	\$ 32,683	\$ 2,465,456	\$ 3,150,086
23	Operating Income at Current Rates	\$ 91,598,531	\$ 38,356,687	\$ 32,193,511	\$ 8,619,570	\$ 2,715,252	\$ 96,778	\$ 5,089,186	\$ 4,527,548
24	Current Rate of Return	6.0%	3.4%	12.5%	18.5%	14.6%	72.4%	20.8%	18.8%
25	Relative Rate of Return	1.00	0.56	2.06	3.05	2.42	11.98	3.44	3.10
26	Current Revenue to Cost Ratio	0.94	0.74	1.43	1.96	1.64	5.42	2.20	1.82
27	Current Parity Ratio	1.00	0.79	1.52	2.08	1.74	5.75	2.34	1.94
28	Current Revenue at Equal Rates of Return								
29	Current Rate of Return	6.05%	6.05%	6.05%	6.05%	6.05%	6.05%	6.05%	6.05%
30	Current Operating Income at Equal ROR	\$ 91,598,531	\$ 69,110,085	\$ 15,591,927	\$ 2,824,551	\$ 1,124,117	\$ 8,081	\$ 1,479,585	\$ 1,460,186
31	Current Income Taxes - Equal ROR	18,693,646	14,104,150	3,182,037	576,441	229,412	1,649	301,957	297,998
32	Current Gross Receipts Tax - Equal ROR	-	-	-	-	-	-	-	-
33	Other Expenses - Equal ROR	117,229,013	83,759,033	22,731,852	4,180,448	1,511,060	31,033	2,163,499	2,852,088
34	Total Margin at Equal Rates of Return	\$ 227,521,190	\$ 166,973,268	\$ 41,505,816	\$ 7,581,441	\$ 2,864,589	\$ 40,763	\$ 3,945,041	\$ 4,610,272
35	Current (Subsidies)/Excesses	\$ -	\$ (30,753,398)	\$ 16,601,584	\$ 5,795,018	\$ 1,591,135	\$ 88,697	\$ 3,609,601	\$ 3,067,362

Spire TN
 Gas Class Cost of Service Study
 2026 ARM Filing
 Schedule 1 - Summary of Cost of Service and Rate of Return Under Present and Proposed Rates

Line No.	Category Description	Total System	Residential Service	Small General Service	Medium General Service	Large General Sales Service Firm	Large General Sales Service Interruptible	Large General Transportation Service Firm	Large General Transportation Service Interruptible
36	Revenue Requirement at Equal Rates of Return								
37	Required Return	6.7%	6.7%	6.7%	6.7%	6.7%	6.7%	6.7%	6.7%
38	Required Operating Income	\$ 101,924,242	\$ 76,900,720	\$ 17,349,572	\$ 3,142,957	\$ 1,250,836	\$ 8,992	\$ 1,646,375	\$ 1,624,790
39	Expenses at Required Return								
40	Purchased Power Expense	\$ 1,046,361	\$ 638,619	\$ 283,292	\$ 82,283	\$ 42,167	\$ -	\$ -	\$ -
41	O&M and A&G Expenses	55,810,068	45,107,715	8,120,650	1,008,912	383,024	5,235	407,385	777,148
42	Depreciation and Amortization Expense	49,596,276	36,340,912	9,050,202	1,566,773	625,080	6,311	832,028	1,174,970
43	Taxes Other Than Income	10,776,309	7,948,014	1,889,618	339,819	136,067	1,386	187,429	273,975
44	Gross Receipts Tax	-	-	-	-	-	-	-	-
45	Deferred Income Taxes	-	-	-	-	-	-	-	-
46	Current Income Taxes	18,693,646	14,104,150	3,182,037	576,441	229,412	1,649	301,957	297,998
47	Gross-up Federal Income Tax	2,744,809	2,070,929	467,222	84,640	33,685	242	44,337	43,755
48	Gross-up State Utility Tax	908,646	685,563	154,670	28,019	11,151	80	14,677	14,485
49	Gross-up Bad Debts	42,119	33,745	8,373	-	-	-	-	-
50	Gross-up Annual Filing Fee	-	-	-	-	-	-	-	-
51	Total Expenses at Required Return	\$ 139,618,233	\$ 106,929,647	\$ 23,156,064	\$ 3,686,887	\$ 1,460,586	\$ 14,903	\$ 1,787,814	\$ 2,582,332
52	Total Revenue Requirement at Equal Rates of Return	\$ 241,542,475	\$ 183,830,367	\$ 40,505,636	\$ 6,829,845	\$ 2,711,422	\$ 23,895	\$ 3,434,189	\$ 4,207,121
53	LESS								
54	Other Revenues	4,298,868	3,243,448	731,754	132,561	52,757	379	69,439	68,529
55	Other Revenue Increase	55,264	41,696	9,407	1,704	678	5	893	881
56	Total Base Rate Revenue Requirement at Equal Rates of Return	\$ 237,188,344	\$ 180,545,223	\$ 39,764,475	\$ 6,695,580	\$ 2,657,987	\$ 23,511	\$ 3,363,857	\$ 4,137,712
57	Base Rate Margin (Deficiency)/Surplus	\$ (13,966,022)	\$ (47,568,801)	\$ 17,611,171	\$ 6,548,319	\$ 1,744,980	\$ 105,571	\$ 4,121,345	\$ 3,471,394
58	Proposed Margin (Decrease)/Increase	\$ 13,966,022	\$ 8,319,740	\$ 3,589,737	\$ 828,611	\$ 275,474	\$ 8,076	\$ 468,316	\$ 476,068
59	Total Revenue at Proposed Rates	\$ 241,542,475	\$ 144,581,305	\$ 61,706,544	\$ 14,206,775	\$ 4,731,876	\$ 137,541	\$ 8,023,850	\$ 8,154,583
60	Total Base Rate Revenue at Proposed Rates	\$ 237,188,344	\$ 141,296,161	\$ 60,965,383	\$ 14,072,510	\$ 4,678,441	\$ 137,157	\$ 7,953,518	\$ 8,085,173
61	Proposed Percentage Change to Total Revenue	6.2%	6.1%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%
62	Proposed Percentage Change to Margin Revenue	6.3%	6.3%	6.3%	6.3%	6.3%	6.3%	6.3%	6.3%
63	Proposed (Subsidies)/Excesses	-	(39,249,062)	21,200,908	7,376,931	2,020,454	113,647	4,589,661	3,947,462
64	Operating Income at Proposed Rates								
65	Operating Expenses	\$ 117,229,013	\$ 90,035,260	\$ 19,343,761	\$ 2,997,787	\$ 1,186,337	\$ 12,932	\$ 1,426,843	\$ 2,226,093
66	Proposed Revenue Related Expenses	42,119	25,091	10,826	2,499	831	24	1,412	1,436
67	Operating Income Prior to Taxes	124,271,343	54,520,955	42,351,957	11,206,489	3,544,708	124,585	6,595,595	5,927,054
68	Income Taxes	22,347,101	9,804,234	7,615,943	2,015,207	637,427	22,404	1,186,053	1,065,833
69	Total Operating Income at Proposed Rates	\$ 101,924,242	\$ 44,716,722	\$ 34,736,014	\$ 9,191,281	\$ 2,907,281	\$ 102,182	\$ 5,409,541	\$ 4,861,221
70	Proposed Rate of Return	6.73%	3.9%	13.5%	19.7%	15.6%	76.5%	22.1%	20.1%
71	Relative Rate of Return	1.00	0.58	2.00	2.92	2.32	11.36	3.29	2.99
72	Proposed Revenue to Cost Ratio	1.00	0.79	1.52	2.08	1.75	5.76	2.34	1.94
73	Proposed Parity Ratio	1.00	0.79	1.52	2.08	1.75	5.76	2.34	1.94

Spire TN
 Gas Class Cost of Service Study
 2026 ARM Filing
 Schedule 2 - Functionalized and Classified Rate Base and Revenue Requirement, and Unit Costs by Customer Class

Line	Description	TOTAL	Residential Service	Small General Service	Medium General Service	Large General Sales Service Firm	Large General Sales Service Interruptible	Large General Transportation Service Firm	Large General Transportation Service
1	Functional Rate Base								
2	Production								
3	Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7	Storage								
8	Demand	\$ 60,339,416	\$ 36,824,845	\$ 16,337,063	\$ 4,745,304	\$ 2,432,062	\$ -	\$ 142	\$ -
9	Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11	Subtotal	\$ 60,339,416	\$ 36,824,845	\$ 16,337,063	\$ 4,745,304	\$ 2,432,062	\$ -	\$ 142	\$ -
12	Transmission								
13	Demand	\$ 357,889,362	\$ 218,799,160	\$ 87,667,986	\$ 26,253,514	\$ 10,498,215	\$ -	\$ 14,670,486	\$ -
14	Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15	Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16	Subtotal	\$ 357,889,362	\$ 218,799,160	\$ 87,667,986	\$ 26,253,514	\$ 10,498,215	\$ -	\$ 14,670,486	\$ -
17	Distribution								
18	Demand	\$ 179,428,188	\$ 92,219,508	\$ 38,637,383	\$ 11,178,105	\$ 4,860,966	\$ 90,784	\$ 8,874,278	\$ 23,567,163
19	Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
20	Customer	\$ 916,829,033	\$ 794,819,527	\$ 115,153,784	\$ 4,524,084	\$ 794,852	\$ 42,823	\$ 918,478	\$ 575,485
21	Subtotal	\$ 1,096,257,221	\$ 887,039,035	\$ 153,791,168	\$ 15,702,189	\$ 5,655,818	\$ 133,606	\$ 9,792,757	\$ 24,142,648
37	Total								
38	Demand	\$ 597,656,965	\$ 347,843,512	\$ 142,642,432	\$ 42,176,923	\$ 17,791,244	\$ 90,784	\$ 23,544,907	\$ 23,567,163
39	Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40	Customer	\$ 916,829,033	\$ 794,819,527	\$ 115,153,784	\$ 4,524,084	\$ 794,852	\$ 42,823	\$ 918,478	\$ 575,485
41	TOTAL RATE BASE	\$ 1,514,485,999	\$ 1,142,663,040	\$ 257,796,217	\$ 46,701,007	\$ 18,586,095	\$ 133,606	\$ 24,463,385	\$ 24,142,648

Spire TN
 Gas Class Cost of Service Study
 2026 ARM Filing
 Schedule 2 - Functionalized and Classified Rate Base and Revenue Requirement, and Unit Costs by Customer Class

Line	Description	TOTAL	Residential Service	Small General Service	Medium General Service	Large General Sales Service Firm	Large General Sales Service Interruptible	Large General Transportation Service Firm	Large General Transportation Service
42	Functional Revenue Requirement								
43	Production								
44	Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
45	Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
46	Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
47	Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
48	Storage								
49	Demand	\$ 11,865,729	\$ 7,204,325	\$ 3,228,694	\$ 940,846	\$ 488,846	\$ -	\$ 3,018	\$ -
50	Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
51	Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
52	Subtotal	\$ 11,865,729	\$ 7,204,325	\$ 3,228,694	\$ 940,846	\$ 488,846	\$ -	\$ 3,018	\$ -
53	Transmission								
54	Demand	\$ 41,676,396	\$ 25,479,272	\$ 10,208,981	\$ 3,057,235	\$ 1,222,522	\$ -	\$ 1,708,385	\$ -
55	Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
56	Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
57	Subtotal	\$ 41,676,396	\$ 25,479,272	\$ 10,208,981	\$ 3,057,235	\$ 1,222,522	\$ -	\$ 1,708,385	\$ -
58	Distribution								
59	Demand	\$ 31,167,600	\$ 16,019,003	\$ 6,711,512	\$ 1,941,694	\$ 844,375	\$ 15,770	\$ 1,541,508	\$ 4,093,738
60	Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
61	Customer	\$ 156,725,250	\$ 135,063,728	\$ 20,328,817	\$ 883,691	\$ 153,558	\$ 8,063	\$ 177,673	\$ 109,719
62	Subtotal	\$ 187,892,850	\$ 151,082,731	\$ 27,040,330	\$ 2,825,386	\$ 997,933	\$ 23,833	\$ 1,719,181	\$ 4,203,457
78	Total								
79	Demand	\$ 84,709,724	\$ 48,702,600	\$ 20,149,187	\$ 5,939,775	\$ 2,555,743	\$ 15,770	\$ 3,252,912	\$ 4,093,738
80	Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
81	Customer	\$ 156,832,751	\$ 135,127,768	\$ 20,356,449	\$ 890,069	\$ 155,679	\$ 8,125	\$ 181,278	\$ 113,384
82	TOTAL REVENUE REQUIREMENT AT EQUAL RATES OF RETURN	\$ 241,542,475	\$ 183,830,367	\$ 40,505,636	\$ 6,829,845	\$ 2,711,422	\$ 23,895	\$ 3,434,189	\$ 4,207,121
83	Demand	35.07%	26.49%	49.74%	86.97%	94.26%	66.00%	94.72%	97.30%
84	Energy	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
85	Customer	64.93%	73.51%	50.26%	13.03%	5.74%	34.00%	5.28%	2.70%

Spire TN
 Gas Class Cost of Service Study
 2026 ARM Filing
 Schedule 2 - Functionalized and Classified Rate Base and Revenue Requirement, and Unit Costs by Customer Class

Line	Description	TOTAL	Residential Service	Small General Service	Medium General Service	Large General Sales Service Firm	Large General Sales Service Interruptible	Large General Transportation Service Firm	Large General Transportation Service
86	Unit Costs								
87	Production								
88	Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
89	Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90	Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
91	Storage								
92	Demand	\$ 2.34	\$ 2.32	\$ 2.60	\$ 2.53	\$ 3.28	\$ -	\$ 0.01	\$ -
93	Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
94	Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
95	Transmission								
96	Demand	\$ 8.21	\$ 8.21	\$ 8.21	\$ 8.21	\$ 8.21	\$ -	\$ 8.21	\$ -
97	Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
98	Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
99	Distribution								
100	Demand	\$ 6.14	\$ 5.16	\$ 5.40	\$ 5.21	\$ 5.67	\$ -	\$ 7.41	\$ -
101	Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
102	Customer	\$ 63.36	\$ 60.09	\$ 93.22	\$ 165.89	\$ 202.59	\$ 167.98	\$ 210.51	\$ 215.98
115	Total								
116	Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
117	Customer (per cust month)	\$ 63.41	\$ 60.11	\$ 93.35	\$ 167.09	\$ 205.38	\$ 169.28	\$ 214.79	\$ 223.20
118	Demand & Customer (per cust month)	\$ 97.65	\$ 81.78	\$ 185.75	\$ 1,282.13	\$ 3,577.10	\$ 497.81	\$ 4,068.98	\$ 8,281.80
119	BILLING DETERMINANTS								
120	Demand (Peak Day Demand * 12)	5,077,112	3,103,942	1,243,681	372,439	148,930	0	208,119	0
121	Energy	22,085,579	12,683,938	6,360,619	1,908,607	1,132,416	0	0	0
122	Customers (Number of Bills)	2,473,428	2,247,876	218,067	5,327	758	48	844	508

Spire TN
 Gas Class Cost of Service Study
 2026 ARM Filing
 Schedule 3 - Cost of Service Allocation Study Detail by Account

Line No.	Account Description	FERC		Residential Service	Small General Service	Medium General Service	Large General	Large General	Large General	Large General
		Account	Account Balance				Sales Service Firm	Sales Service Interruptible	Transportation Service Firm	Transportation Service Interruptible
1	RATE BASE									
2	Plant in Service									
3	Intangible Plant									
4	Organization	301	-	-	-	-	-	-	-	-
5	Franchises & Consents	302	109,186	79,413	19,567	3,646	1,464	15	2,083	2,998
6	Misc. Intangible Plant - Plant Related	303	65,504,714	47,642,562	11,739,157	2,187,536	878,250	8,815	1,249,918	1,798,476
7	Misc. Intangible Plant - Customer Related	303	-	-	-	-	-	-	-	-
8	Misc. Intangible Plant - Labor Related	303	-	-	-	-	-	-	-	-
9	Subtotal - Intangible Plant		65,613,900	47,721,975	11,758,724	2,191,182	879,713	8,830	1,252,002	1,801,474
10	Manufactured Gas Production Plant									
11	Land and Land Rights	304	-	-	-	-	-	-	-	-
12	Structures and Improvements	305	-	-	-	-	-	-	-	-
13	Liquefied Petroleum Gas Equipment	311	-	-	-	-	-	-	-	-
14	Other Equipment	320	-	-	-	-	-	-	-	-
15	ARO for Manufactured Gas Production Plant	321	-	-	-	-	-	-	-	-
16	Subtotal - Manufactured Gas Production Plant		-	-	-	-	-	-	-	-
17	Natural Gas Underground Storage Plant									
18	Land	350.1	-	-	-	-	-	-	-	-
19	Rights-of-way	350.2	-	-	-	-	-	-	-	-
20	Structures and Improvements	351	-	-	-	-	-	-	-	-
21	Wells	352	-	-	-	-	-	-	-	-
22	Storage leaseholds and rights	352.1	-	-	-	-	-	-	-	-
23	Reservoirs	352.2	-	-	-	-	-	-	-	-
24	Nonrecoverable natural gas	352.3	-	-	-	-	-	-	-	-
25	Lines	353	-	-	-	-	-	-	-	-
26	Compressor Station Equipment	354	-	-	-	-	-	-	-	-
27	Measuring and Regulating Equipment	355	-	-	-	-	-	-	-	-
28	Purification Equipment	356	-	-	-	-	-	-	-	-
29	Other Equipment	357	-	-	-	-	-	-	-	-
30	ARO for Natural Gas Underground Storage Plant	358	-	-	-	-	-	-	-	-
31	Subtotal - Natural Gas Underground Storage Plant		-	-	-	-	-	-	-	-
32	Natural Gas Other Storage Plant									
33	Land and Land Rights	360	630,064	384,543	170,584	49,547	25,391	-	-	-
34	Structures & Improvement	361	20,259,408	12,364,793	5,485,043	1,593,152	816,420	-	-	-
35	Gas Holders	362	4,514,258	2,755,158	1,222,193	354,991	181,917	-	-	-
36	Purification Equipment	363	6,608,481	4,033,311	1,789,184	519,675	266,311	-	-	-
37	Liquefaction Equipment	363.1	1,031,669	629,652	279,315	81,128	41,574	-	-	-
38	Vaporizing Equipment	363.2	20,836,303	12,716,886	5,641,232	1,638,518	839,667	-	-	-
39	Compressor Equipment	363.3	9,818,090	5,992,211	2,658,155	772,072	395,652	-	-	-
40	Measuring and Regulating Equipment	363.4	28,208	17,216	7,637	2,218	1,137	-	-	-
41	Other Equipment	363.5	5,651,497	3,449,241	1,530,089	444,420	227,746	-	-	-
42	ARO for Natural Gas Other Storage Plant	363.6	-	-	-	-	-	-	-	-
43	Subtotal - Natural Gas Other Storage Plant		69,377,978	42,343,011	18,783,432	5,455,721	2,795,814	-	-	-

Spire TN
Gas Class Cost of Service Study
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Schedule 3 - Cost of Service Allocation Study Detail by Account

Line No.	Account Description	FERC		Residential Service	Small General Service	Medium General Service	Large General	Large General	Large General	Large General
		Account	Account Balance				Sales Service Firm	Sales Service Interruptible	Transportation Service Firm	Transportation Service Interruptible
44 Base Load LNG Terminaling & Processing Plant										
44	Base Load LNG Terminaling & Processing Plant									
45	Land and Land Rights	364.1	-	-	-	-	-	-	-	-
46	Structures and Improvements	364.2	-	-	-	-	-	-	-	-
47	LNG Processing Terminal Equipment	364.3	-	-	-	-	-	-	-	-
48	LNG Transportation Equipment	364.4	-	-	-	-	-	-	-	-
49	Measuring and Regulating Equipment	364.5	-	-	-	-	-	-	-	-
50	Compressor Station Equipment	364.6	-	-	-	-	-	-	-	-
51	Communications Equipment	364.7	-	-	-	-	-	-	-	-
52	Other Equipment	364.8	-	-	-	-	-	-	-	-
53	ARO for LNG Processing Plant	364.9	-	-	-	-	-	-	-	-
54	Subtotal - Base Load LNG Terminaling & Processing Plant		-	-	-	-	-	-	-	-
55 Transmission plant										
55	Transmission plant									
56	Land and Land Rights	365.1	25,239,434	15,430,375	6,182,610	1,851,477	740,366	-	1,034,607	-
57	Rights-of-Way	365.2	19,102,434	11,678,460	4,679,301	1,401,288	560,345	-	783,041	-
58	Structures and Improvements	366	1,935,009	1,182,987	473,997	141,946	56,761	-	79,319	-
59	Mains	367	319,155,469	195,118,815	78,179,796	23,412,131	9,362,007	-	13,082,719	-
60	Compressor Station Equipment	368	6,543	4,000	1,603	480	192	-	268	-
61	Measuring and Regulating Station Equipment	369	46,398,225	28,366,008	11,365,633	3,403,612	1,361,031	-	1,901,941	-
62	Communication Equipment	370	-	-	-	-	-	-	-	-
63	Other Equipment	371	-	-	-	-	-	-	-	-
64	ARO for Transmission Plant	372	-	-	-	-	-	-	-	-
65	Subtotal - Transmission plant		411,837,115	251,780,646	100,882,939	30,210,933	12,080,702	-	16,881,896	-
66 Distribution Plant										
66	Distribution Plant									
67	Land and Land Rights	374	16,827,309	12,815,863	2,620,687	356,851	140,888	3,016	250,170	639,834
68	Structures and Improvements	375	2,796,141	2,129,572	435,471	59,297	23,411	501	41,570	106,319
69	Mains - Demand	376	352,403,660	181,122,557	75,885,263	21,954,216	9,547,119	178,303	17,429,414	46,286,788
70	Mains - Customer	376.1	565,657,791	514,075,373	49,870,658	1,218,243	173,349	10,977	193,016	116,176
71	Compressor Station Equipment	377	-	-	-	-	-	-	-	-
72	Measuring and Regulating Station Equipment—General	378	44,591,658	22,918,477	9,602,198	2,777,993	1,208,052	22,562	2,205,444	5,856,933
73	Measuring and Regulating Station Equipment—City Gate Check Stations	379	19,225,286	9,881,092	4,139,900	1,197,706	520,840	9,727	950,857	2,525,163
74	Services	380	473,815,623	380,674,994	87,211,929	3,722,268	738,585	39,364	862,891	565,592
75	Meters	381	46,305,289	36,314,436	8,897,888	739,369	122,686	5,653	142,875	82,381
76	Meter Installations	382	28,587,115	22,419,145	5,493,216	456,458	75,741	3,490	88,206	50,859
77	House Regulators	383	4,602,469	3,609,438	884,397	73,489	12,194	562	14,201	8,188
78	House Regulatory Installations	384	3,578,402	2,806,324	687,615	57,137	9,481	437	11,041	6,366
79	Industrial Measuring and Regulating Station Equipment	385	9,574,384	7,508,610	1,839,785	152,877	25,367	1,169	29,542	17,034
80	Other Property on Customers' Premises	386	-	-	-	-	-	-	-	-
81	Other Equipment	387	-	-	-	-	-	-	-	-
82	Asset Retirement Costs for Distribution Plant	388	-	-	-	-	-	-	-	-
83	Subtotal - Distribution Plant		1,567,965,127	1,196,275,880	247,569,008	32,765,906	12,597,713	275,761	22,219,226	56,261,633
84 General Plant										
84	General Plant									
85	Land and Land Rights	389	4,934,580	3,588,994	884,330	164,791	66,160	664	94,158	135,482
86	Structures and Improvements	390	34,434,993	25,045,088	6,171,125	1,149,960	461,685	4,634	657,066	945,436
87	Office Furniture and Equipment	391	5,341,673	3,885,079	957,286	178,386	71,618	719	101,926	146,659
88	Transportation Equipment	392	17,104,947	12,440,685	3,065,392	571,221	229,333	2,302	326,385	469,628
89	Stores Equipment	393	-	-	-	-	-	-	-	-
90	Tools, Shop, and Garage Equipment	394	5,289,853	3,847,389	947,999	176,655	70,923	712	100,938	145,236
91	Laboratory Equipment	395	39,920	29,034	7,154	1,333	535	5	762	1,096
92	Power Operated Equipment	396	2,745,999	1,997,206	492,113	91,703	36,817	370	52,397	75,393
93	Communication Equipment	397	4,628,419	3,366,319	829,463	154,566	62,055	623	88,316	127,076
94	Misc. Equipment	398	1,405,658	1,022,356	251,909	46,942	18,846	189	26,822	38,593
95	Other Intangible Property	399	-	-	-	-	-	-	-	-
96	ARO for General Plant	399.1	-	-	-	-	-	-	-	-
97	Subtotal - General Plant		75,926,042	55,222,150	13,606,772	2,535,557	1,017,973	10,217	1,448,771	2,084,601

Spire TN
 Gas Class Cost of Service Study
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 Schedule 3 - Cost of Service Allocation Study Detail by Account

Line No.	Account Description	FERC		Residential Service	Small General Service	Medium General Service	Large General	Large General	Large General	Large General
		Account	Account Balance				Sales Service Firm	Sales Service Interruptible	Transportation Service Firm	Transportation Service Interruptible
136 Natural Gas Other Storage Plant										
137	Land and Land Rights	360	-	-	-	-	-	-	-	-
138	Structures & Improvement	361	(4,111,129)	(2,509,119)	(1,113,049)	(323,290)	(165,671)	-	-	-
139	Gas Holders	362	(1,070,185)	(653,159)	(289,743)	(84,157)	(43,127)	-	-	-
140	Purification Equipment	363	(2,660,127)	(1,623,538)	(720,204)	(209,186)	(107,199)	-	-	-
141	Liquefaction Equipment	363.1	2,053,054	1,253,027	555,845	161,447	82,735	-	-	-
142	Vaporizing Equipment	363.2	(7,626,738)	(4,654,777)	(2,064,867)	(599,749)	(307,345)	-	-	-
143	Compressor Equipment	363.3	(2,882,929)	(1,759,519)	(780,526)	(226,707)	(116,177)	-	-	-
144	Measuring and Regulating Equipment	363.4	(7,594)	(4,635)	(2,056)	(597)	(306)	-	-	-
145	Other Equipment	363.5	(1,266,873)	(773,202)	(342,994)	(99,624)	(51,053)	-	-	-
146	ARO for Natural Gas Other Storage Plant	363.6	-	-	-	-	-	-	-	-
147	Subtotal - Natural Gas Other Storage Plant		(17,572,521)	(10,724,923)	(4,757,594)	(1,381,862)	(708,143)	-	-	-
148 Base Load LNG Terminaling & Processing Plant										
149	Land and Land Rights	364.1	-	-	-	-	-	-	-	-
150	Structures and Improvements	364.2	-	-	-	-	-	-	-	-
151	LNG Processing Terminal Equipment	364.3	-	-	-	-	-	-	-	-
152	LNG Transportation Equipment	364.4	-	-	-	-	-	-	-	-
153	Measuring and Regulating Equipment	364.5	-	-	-	-	-	-	-	-
154	Compressor Station Equipment	364.6	-	-	-	-	-	-	-	-
155	Communications Equipment	364.7	-	-	-	-	-	-	-	-
156	Other Equipment	364.8	-	-	-	-	-	-	-	-
157	ARO for LNG Processing Plant	364.9	-	-	-	-	-	-	-	-
158	Subtotal - Base Load LNG Terminaling & Processing Plant		-	-	-	-	-	-	-	-
159 Transmission plant										
160	Land and Land Rights	365.1	-	-	-	-	-	-	-	-
161	Rights-of-Way	365.2	(1,864,820)	(1,140,076)	(456,803)	(136,797)	(54,702)	-	(76,442)	-
162	Structures and Improvements	366	(321,930)	(196,815)	(78,860)	(23,616)	(9,443)	-	(13,196)	-
163	Mains	367	(39,233,812)	(23,985,975)	(9,610,650)	(2,878,056)	(1,150,872)	-	(1,608,260)	-
164	Compressor Station Equipment	368	-	-	-	-	-	-	-	-
165	Measuring and Regulating Station Equipment	369	(5,609,439)	(3,429,385)	(1,374,079)	(411,489)	(164,546)	-	(229,940)	-
166	Communication Equipment	370	-	-	-	-	-	-	-	-
167	Other Equipment	371	-	-	-	-	-	-	-	-
168	ARO for Transmission Plant	372	-	-	-	-	-	-	-	-
169	Subtotal - Transmission plant		(47,030,001)	(28,752,251)	(11,520,391)	(3,449,957)	(1,379,563)	-	(1,927,839)	-
170 Distribution Plant										
171	Land and Land Rights	374	(722,400)	(550,188)	(112,507)	(15,320)	(6,048)	(129)	(10,740)	(27,468)
172	Structures and Improvements	375	(231,467)	(176,287)	(36,049)	(4,909)	(1,938)	(41)	(3,441)	(8,801)
173	Mains - Demand	376	(228,749,715)	(117,568,964)	(49,258,093)	(14,250,762)	(6,197,157)	(115,739)	(11,313,655)	(30,045,345)
174	Compressor Station Equipment	377	-	-	-	-	-	-	-	-
175	Measuring and Regulating Station Equipment—General	378	(4,602,001)	(2,365,260)	(990,977)	(286,698)	(124,675)	(2,328)	(227,609)	(604,454)
176	Measuring and Regulating Station Equipment—City Gate Check Stations	379	(1,878,951)	(965,712)	(404,606)	(117,056)	(50,903)	(951)	(92,930)	(246,793)
177	Services	380	(186,335,137)	(149,706,180)	(34,297,406)	(1,463,838)	(290,460)	(15,480)	(339,345)	(222,428)
178	Meters	381	(14,132,794)	(11,083,495)	(2,715,716)	(225,662)	(37,445)	(1,725)	(43,607)	(25,143)
179	Meter Installations	382	(5,741,128)	(4,502,420)	(1,103,198)	(91,670)	(15,211)	(701)	(17,714)	(10,214)
180	House Regulators	383	(1,160,349)	(909,991)	(222,969)	(18,528)	(3,074)	(142)	(3,580)	(2,064)
181	House Regulatory Installations	384	(1,856,137)	(1,455,656)	(356,670)	(29,637)	(4,918)	(227)	(5,727)	(3,302)
182	Industrial Measuring and Regulating Station Equipment	385	(2,067,893)	(1,621,723)	(397,360)	(33,019)	(5,479)	(252)	(6,380)	(3,679)
183	Other Property on Customers' Premises	386	-	-	-	-	-	-	-	-
184	Other Equipment	387	-	-	-	-	-	-	-	-
185	Asset Retirement Costs for Distribution Plant	388	-	-	-	-	-	-	-	-
186	Subtotal - Distribution Plant		(447,477,971)	(290,905,876)	(89,895,551)	(16,537,098)	(6,737,308)	(137,716)	(12,064,729)	(31,199,692)

Line No.	Account Description	FERC		Residential Service	Small General Service	Medium General Service	Large General	Large General	Large General	Large General
		Account	Account Balance				Sales Service Firm	Sales Service Interruptible	Transportation Service Firm	Transportation Service Interruptible
187	General Plant									
188	Land and Land Rights	389	-	-	-	-	-	-	-	-
189	Structures and Improvements	390	(9,261,146)	(6,735,771)	(1,659,698)	(309,277)	(124,168)	(1,246)	(176,715)	(254,271)
190	Office Furniture and Equipment	391	(2,627,763)	(1,911,211)	(470,924)	(87,754)	(35,232)	(354)	(50,141)	(72,147)
191	Transportation Equipment	392	(11,659,503)	(8,480,132)	(2,089,510)	(389,370)	(156,324)	(1,569)	(222,479)	(320,120)
192	Stores Equipment	393	-	-	-	-	-	-	-	-
193	Tools, Shop, and Garage Equipment	394	(2,201,528)	(1,601,204)	(394,538)	(73,520)	(29,517)	(296)	(42,008)	(60,444)
194	Laboratory Equipment	395	(30,218)	(21,978)	(5,415)	(1,009)	(405)	(4)	(577)	(830)
195	Power Operated Equipment	396	(960,633)	(698,683)	(172,156)	(32,080)	(12,880)	(129)	(18,330)	(26,375)
196	Communication Equipment	397	(2,809,275)	(2,043,228)	(503,453)	(93,816)	(37,665)	(378)	(53,605)	(77,131)
197	Misc. Equipment	398	(352,795)	(256,593)	(63,225)	(11,782)	(4,730)	(47)	(6,732)	(9,686)
198	Other Intangible Property	399	-	-	-	-	-	-	-	-
199	ARO for General Plant	399.1	-	-	-	-	-	-	-	-
200	Subtotal - General Plant		(29,902,861)	(21,748,800)	(5,358,918)	(998,609)	(400,920)	(4,024)	(570,587)	(821,003)
201	Other Assets									
202	Gas Plant Held for Future Use - Production Plant	101.1	-	-	-	-	-	-	-	-
203	Gas Plant Held for Future Use - Distribution Plant	102	-	-	-	-	-	-	-	-
204	Completed construction not classified - Intangible	105	-	-	-	-	-	-	-	-
205	Completed construction not classified - Distribution	106	-	-	-	-	-	-	-	-
206	Completed construction not classified - General	107	-	-	-	-	-	-	-	-
207	Subtotal - Other Assets		-	-	-	-	-	-	-	-
208	Accumulated Provision for Amortization									
209	Intangible Plant	111	-	-	-	-	-	-	-	-
210	Production Plant	111	-	-	-	-	-	-	-	-
211	Natural gas storage and processing plant	111	-	-	-	-	-	-	-	-
212	LNG Terminaling & Processing Plant	111	-	-	-	-	-	-	-	-
213	Transmission plant	111	-	-	-	-	-	-	-	-
214	Distribution plant	111	-	-	-	-	-	-	-	-
215	General plant	111	-	-	-	-	-	-	-	-
216	Subtotal - Accumulated Provision for Amortization		-	-	-	-	-	-	-	-
217	Total Accumulated Depreciation & Amortization		(580,730,312)	(380,313,094)	(118,476,331)	(23,661,484)	(9,745,431)	(146,954)	(15,302,499)	(33,084,519)

Spire TN
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Line No.	Account Description	FERC		Residential Service	Small General Service	Medium General Service	Large General	Large General	Large General	Large General
		Account	Account Balance				Sales Service Firm	Sales Service Interruptible	Transportation Service Firm	Transportation Service Interruptible
218	Other Rate Base Items									
219	Natural gas plant acquisition adjustments	114	-	-	-	-	-	-	-	-
220	Accumulated provision for asset acquisition adjustments	115	-	-	-	-	-	-	-	-
221	Gas stored - base gas	117.1	9,519,994	5,810,276	2,577,448	748,630	383,640	-	-	-
222	System balancing gas	117.2	-	-	-	-	-	-	-	-
223	Gas stored in reservoirs and pipelines - noncurrent	117.3	-	-	-	-	-	-	-	-
224	Gas owed to system gas	117.4	-	-	-	-	-	-	-	-
225	Materials and supplies	MS	938,489	682,577	168,188	31,341	12,583	126	17,908	25,767
226	Cash working capital	CWC	-	-	-	-	-	-	-	-
227	CWIP	CWIP	114,153,953	83,025,883	20,457,630	3,812,182	1,530,511	15,362	2,178,211	3,134,174
228	Prepaid insurance	165	266,753	194,013	47,805	8,908	3,576	36	5,090	7,324
229	ARM Regulatory Asset	182.3	41,515,109	30,194,562	7,439,959	1,386,401	556,611	5,587	792,164	1,139,825
230	Miscellaneous deferred debits	186	5,268,323	3,831,730	944,141	175,936	70,635	709	100,527	144,645
231	Accumulated deferred income taxes	190	-	-	-	-	-	-	-	-
232	Accumulated provision for property insurance	228.1	-	-	-	-	-	-	-	-
233	Accumulated provision for injuries and damages	228.2	-	-	-	-	-	-	-	-
234	Accumulated provision for pensions and benefits	228.3	-	-	-	-	-	-	-	-
235	Accumulated miscellaneous operating provisions	228.4	-	-	-	-	-	-	-	-
236	Accumulated provision for rate refunds	229	-	-	-	-	-	-	-	-
237	Asset retirement obligations	230	-	-	-	-	-	-	-	-
238	Customer deposits	235	(4,877,937)	(3,547,797)	(874,179)	(162,899)	(65,401)	(656)	(93,078)	(133,927)
239	Other deferred credits	253	-	-	-	-	-	-	-	-
240	Accumulated deferred income taxes	282	(250,192,725)	(181,968,924)	(44,837,257)	(8,355,209)	(3,354,440)	(33,669)	(4,774,015)	(6,869,211)
241	Unclaimed funds	-	-	-	-	-	-	-	-	-
242	Contributions in aid of construction	252	(5,828,754)	(4,239,341)	(1,044,576)	(194,652)	(78,149)	(784)	(111,220)	(160,032)
243	Other working capital	254	(8,953,641)	(6,512,118)	(1,604,590)	(299,008)	(120,045)	(1,205)	(170,848)	(245,828)
244	Working capital allowance	N/A	2,686,584	2,161,609	397,104	51,561	20,091	247	19,250	36,722
245	Total Other Rate Base Items		(95,503,852)	(70,367,527)	(16,328,328)	(2,796,808)	(1,040,389)	(14,247)	(2,036,010)	(2,920,541)
246	TOTAL RATE BASE		<u>1,514,485,999</u>	<u>1,142,663,040</u>	<u>257,796,217</u>	<u>46,701,007</u>	<u>18,586,095</u>	<u>133,606</u>	<u>24,463,385</u>	<u>24,142,648</u>
247	OPERATION AND MAINTENANCE EXPENSE									
248	Production, Storage, LNG, Transmission, and Distribution Expense									
249	Manufactured Gas Production Expense									
250	Manufactured gas production operation	710	-	-	-	-	-	-	-	-
251	Steam expenses	711	-	-	-	-	-	-	-	-
252	Other power expenses	712	-	-	-	-	-	-	-	-
253	Duplicate charges—credit	734	-	-	-	-	-	-	-	-
254	Miscellaneous production expenses	735	71,810	43,902	17,590	5,268	2,106	-	2,944	-
255	Rents	736	-	-	-	-	-	-	-	-
256	Maintenance supervision and engineering	740	-	-	-	-	-	-	-	-
257	Maintenance of structures and improvements	741	-	-	-	-	-	-	-	-
258	Maintenance of production equipment	742	-	-	-	-	-	-	-	-
259	Subtotal - Manufactured Gas Production Expense		71,810	43,902	17,590	5,268	2,106	-	2,944	-

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Line No.	Account Description	FERC		Residential Service	Small General Service	Medium General Service	Large General	Large General	Large General	Large General
		Account	Account Balance				Sales Service Firm	Sales Service Interruptible	Transportation Service Firm	Transportation Service Interruptible
292 Other Storage Expenses - Maintenance										
293	Maintenance supervision and engineering	843.1	-	-	-	-	-	-	-	-
294	Maintenance of structures and improvements	843.2	20,340	12,414	5,507	1,599	820	-	-	-
295	Maintenance of gas holders	843.3	52,222	31,872	14,139	4,107	2,104	-	-	-
296	Maintenance of measuring and regulating equipment	843.8	4,451	2,716	1,205	350	179	-	-	-
297	Maintenance of other equipment	843.9	83,292	50,835	22,551	6,550	3,357	-	-	-
298	Subtotal - Other Storage Expenses - Maintenance		160,305	97,838	43,401	12,606	6,460	-	-	-
299 Other Power Supply Expenses										
300	Operation supervision and engineering	844.1	236,904	144,588	64,140	18,630	9,547	-	-	-
301	Processing fuel	845	-	-	-	-	-	-	-	-
302	Processing gas losses	846	809,457	494,030	219,153	63,654	32,620	-	-	-
303	Processing maintenance supervision and engineering	847	-	-	-	-	-	-	-	-
304	Other expenses		-	-	-	-	-	-	-	-
305	Subtotal - Other Power Supply Expenses		1,046,361	638,619	283,292	82,283	42,167	-	-	-
306 Transmission Operation Expenses										
307	Operation supervision and engineering	850	-	-	-	-	-	-	-	-
308	System control and load dispatching	851	350,273	214,143	85,802	25,695	10,275	-	14,358	-
309	Communication system expenses	852	-	-	-	-	-	-	-	-
310	Compressor station labor and expenses	853	2,152	1,314	583	169	87	-	-	-
311	Gas for compressor station fuel	854	-	-	-	-	-	-	-	-
312	Other fuel and power for compressor stations	855	-	-	-	-	-	-	-	-
313	Mains expenses	856	-	-	-	-	-	-	-	-
314	Measuring and regulating station expenses	857	-	-	-	-	-	-	-	-
315	Transmission and compression of gas by others	858	-	-	-	-	-	-	-	-
316	Other expenses	859	15,953	9,753	3,908	1,170	468	-	654	-
317	Rents	860	-	-	-	-	-	-	-	-
318	Subtotal - Transmission Operation Expenses		368,378	225,210	90,293	27,034	10,830	-	15,012	-
319 Transmission Maintenance Expenses										
320	Maintenance supervision and engineering	861	49,201	30,080	12,052	3,609	1,443	-	2,017	-
321	Maintenance of structures and improvements	862	8,040	4,915	1,969	590	236	-	330	-
322	Maintenance of mains	863	31,928	19,520	7,821	2,342	937	-	1,309	-
323	Maintenance of compressor station equipment	864	10,667	6,522	2,613	783	313	-	437	-
324	Maintenance of measuring and regulating station equipment	865	66,560	40,692	16,304	4,883	1,952	-	2,728	-
325	Maintenance of communication equipment	866	-	-	-	-	-	-	-	-
326	Maintenance of other equipment	867	-	-	-	-	-	-	-	-
327	Subtotal - Transmission Maintenance Expenses		166,397	101,728	40,760	12,206	4,881	-	6,821	-
328 Distribution Operation Expenses										
329	Operation supervision and engineering	870	288,583	209,890	51,717	9,637	3,869	39	5,507	7,923
330	Distribution load dispatching	871	35,805	27,701	5,566	684	258	6	453	1,137
331	Compressor station labor and expenses	872	-	-	-	-	-	-	-	-
332	Mains and services expenses	874	3,875,963	2,995,985	593,052	74,894	29,125	637	51,476	130,793
333	Measuring and regulating station expenses—general	875	25,043	19,375	3,893	479	181	4	317	795
334	Measuring and regulating station expenses—industrial	876	-	-	-	-	-	-	-	-
335	Measuring and regulating station expenses—city gate check stations	877	-	-	-	-	-	-	-	-
336	Meter and house regulator expenses	878	2,362,388	1,852,678	453,949	37,721	6,259	288	7,289	4,203
337	Customer installations expenses	879	2,165,126	1,967,688	190,886	4,663	664	42	739	445
338	Other expenses	880	1,033,488	799,578	160,657	19,753	7,452	167	13,068	32,813
339	Rents	881	-	-	-	-	-	-	-	-
340	Subtotal - Distribution Operation Expenses		9,786,394	7,872,895	1,459,720	147,831	47,808	1,183	78,848	178,109

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		Account	Account Balance				Sales Service Firm	Sales Service Interruptible	Transportation Service Firm	Transportation Service Interruptible
341	Distribution Maintenance Expenses									
342	Maintenance supervision and engineering	885	453,574	350,916	70,508	8,669	3,271	73	5,735	14,401
343	Maintenance of structures and improvements	886	-	-	-	-	-	-	-	-
344	Maintenance of mains	887	3,042,291	2,303,761	416,733	76,789	32,212	627	58,398	153,771
345	Maintenance of compressor station equipment	888	-	-	-	-	-	-	-	-
346	Maintenance of measuring and regulating station equipment—general	889	750,758	580,838	116,706	14,349	5,414	121	9,493	23,836
347	Maintenance of measuring and regulating station equipment—industrial	890	-	-	-	-	-	-	-	-
348	Maintenance of measuring and regulating station equipment—city gate	891	-	-	-	-	-	-	-	-
349	Maintenance of services	892	201,768	162,106	37,138	1,585	315	17	367	241
350	Maintenance of meters and house regulators	893	2,013,310	1,578,917	386,872	32,147	5,334	246	6,212	3,582
351	Maintenance of other equipment	894	2,352	1,820	366	45	17	0	30	75
352	Subtotal - Distribution Maintenance Expenses		6,464,053	4,978,358	1,028,322	133,585	46,562	1,085	80,235	195,906
353	Total Production, Storage, LNG, Transmission, and Distribution Expense		18,479,185	14,197,167	3,083,039	456,720	182,117	2,268	183,860	374,015
354	Customer Accounts, Service, and Sales Expense									
355	Customer Account									
356	Supervision	901	-	-	-	-	-	-	-	-
357	Meter reading expenses	902	166,123	150,974	14,646	358	51	3	57	34
358	Customer records and collection expenses	903	6,923,488	6,292,134	610,402	14,911	2,122	134	2,362	1,422
359	Uncollectible accounts	904	-	-	-	-	-	-	-	-
360	Miscellaneous customer accounts expenses	905	649	590	57	1	0	0	0	0
361	Subtotal - Customer Account		7,090,259	6,443,697	625,106	15,270	2,173	138	2,419	1,456
362	Customer Service & Information Expenses									
363	Supervision	907	-	-	-	-	-	-	-	-
364	Customer assistance expenses	908	(80,724)	(73,363)	(7,117)	(174)	(25)	(2)	(28)	(17)
365	Informational and instructional advertising expenses	909	35,508	32,270	3,131	76	11	1	12	7
366	Miscellaneous customer service and informational expenses	910	661,156	600,865	58,290	1,424	203	13	226	136
367	Subtotal - Customer Service & Information Expenses		615,940	559,773	54,304	1,327	189	12	210	127
368	Sales Expenses									
369	Supervision	911	-	-	-	-	-	-	-	-
370	Demonstrating and selling expenses	912	241,921	219,860	21,329	521	74	5	83	50
371	Advertising expenses	913	676	614	60	1	0	0	0	0
372	Miscellaneous sales expenses	916	211,400	192,122	18,638	455	65	4	72	43
373	Subtotal - Sales Expenses		453,997	412,597	40,026	978	139	9	155	93
374	Total Customer Accounts, Service, and Sales Expense		8,160,196	7,416,067	719,436	17,574	2,501	158	2,784	1,676
375	Administrative and General Expenses									
376	Administrative and general salaries	920	7,007,570	5,596,655	1,067,116	143,064	55,791	651	51,192	93,101
377	Office supplies and expenses	921	6,843,345	5,465,495	1,042,108	139,711	54,483	636	49,992	90,919
378	Administrative expenses transferred—Credit	922	-	-	-	-	-	-	-	-
379	Outside services employed	923	3,143,596	2,510,659	478,708	64,179	25,028	292	22,965	41,765
380	Property insurance	924	128,831	102,892	19,618	2,630	1,026	12	941	1,712
381	Injuries and damages	925	879,361	702,309	133,910	17,953	7,001	82	6,424	11,683
382	Employee pensions and benefits	926	5,662,285	4,522,232	862,256	115,599	45,080	526	41,364	75,228
383	Franchise requirements	927	-	-	-	-	-	-	-	-
384	Regulatory commission expenses	928	2,213,706	1,767,995	337,104	45,194	17,624	206	16,172	29,411
385	Duplicate charges—Credit	929	(195,738)	(156,328)	(29,807)	(3,996)	(1,558)	(18)	(1,430)	(2,601)
386	General advertising expenses	930.1	14,997	11,977	2,284	306	119	1	110	199
387	Miscellaneous general expenses	930.2	(438,362)	(350,102)	(66,754)	(8,949)	(3,490)	(41)	(3,202)	(5,824)
388	Rents	931	3,343,732	2,670,500	509,185	68,264	26,621	311	24,427	44,424
389	Maintenance of general plant	932	39,436	31,496	6,005	805	314	4	288	524
390	Other A&G	935	1,574,290	1,257,320	239,734	32,140	12,534	146	11,500	20,916
391	Total Administrative and General Expenses		30,217,047	24,133,100	4,601,467	616,901	240,572	2,809	220,741	401,457
392	TOTAL OPERATION AND MAINTENANCE EXPENSE		56,856,429	45,746,333	8,403,942	1,091,195	425,190	5,235	407,385	777,148

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		Account	Account Balance				Sales Service Firm	Sales Service Interruptible	Transportation Service Firm	Transportation Service Interruptible
447 Transmission plant										
448	Land and Land Rights	365.1	-	-	-	-	-	-	-	-
449	Rights-of-Way	365.2	250,242	152,988	61,299	18,357	7,341	-	10,258	-
450	Structures and Improvements	366	43,925	26,854	10,760	3,222	1,288	-	1,801	-
451	Mains	367	6,351,194	3,882,864	1,555,778	465,901	186,304	-	260,346	-
452	Compressor Station Equipment	368	202	124	50	15	6	-	8	-
453	Measuring and Regulating Station Equipment	369	1,062,519	649,582	260,273	77,943	31,168	-	43,554	-
454	Communication Equipment	370	-	-	-	-	-	-	-	-
455	Other Equipment	371	-	-	-	-	-	-	-	-
456	ARO for Transmission Plant	372	-	-	-	-	-	-	-	-
457	Subtotal - Transmission plant		7,708,082	4,712,411	1,888,159	565,438	226,106	-	315,967	-
458 Distribution Plant										
459	Land and Land Rights	374	154,638	117,774	24,083	3,279	1,295	28	2,299	5,880
460	Structures and Improvements	375	39,705	30,240	6,184	842	332	7	590	1,510
461	Mains	376	16,525,106	12,513,563	2,263,607	417,104	174,968	3,407	317,204	835,253
462	Compressor Station Equipment	377	-	-	-	-	-	-	-	-
463	Measuring and Regulating Station Equipment—General	378	1,034,526	531,709	222,771	64,449	28,027	523	51,166	135,881
464	Measuring and Regulating Station Equipment—City Gate Check Stations	379	417,189	214,420	89,836	25,990	11,302	211	20,634	54,796
465	Services	380	13,930,179	11,191,845	2,564,031	109,435	21,714	1,157	25,369	16,628
466	Meters	381	1,448,691	1,136,120	278,376	23,132	3,838	177	4,470	2,577
467	Meter Installations	382	860,472	674,816	165,346	13,739	2,280	105	2,655	1,531
468	House Regulators	383	132,091	103,591	25,382	2,109	350	16	408	235
469	House Regulatory Installations	384	76,333	76,332	18,703	1,554	258	12	300	173
470	Industrial Measuring and Regulating Station Equipment	385	183,828	144,165	35,324	2,935	487	22	567	327
471	Other Property on Customers' Premises	386	-	-	-	-	-	-	-	-
472	Other Equipment	387	-	-	-	-	-	-	-	-
473	Asset Retirement Costs for Distribution Plant	388	-	-	-	-	-	-	-	-
474	Subtotal - Distribution Plant		34,823,758	26,734,575	5,693,642	664,570	244,852	5,666	425,662	1,054,792
475 General Plant										
476	Land and Land Rights	389	-	-	-	-	-	-	-	-
477	Structures and Improvements	390	748,692	544,535	134,174	25,003	10,038	101	14,286	20,556
478	Office Furniture and Equipment	391	747,388	543,586	133,940	24,959	10,021	101	14,261	20,520
479	Transportation Equipment	392	317,853	231,179	56,963	10,615	4,262	43	6,065	8,727
480	Stores Equipment	393	-	-	-	-	-	-	-	-
481	Tools, Shop, and Garage Equipment	394	296,588	215,713	53,152	9,905	3,976	40	5,659	8,143
482	Laboratory Equipment	395	1,996	1,452	358	67	27	0	38	55
483	Power Operated Equipment	396	79,634	57,919	14,271	2,659	1,068	11	1,520	2,186
484	Communication Equipment	397	389,936	283,606	69,881	13,022	5,228	52	7,441	10,706
485	Misc. Equipment	398	70,555	51,315	12,644	2,356	946	9	1,346	1,937
486	Other Intangible Property	399	-	-	-	-	-	-	-	-
487	ARO for General Plant	399.1	-	-	-	-	-	-	-	-
488	Subtotal - General Plant		2,652,640	1,929,305	475,382	88,585	35,565	357	50,616	72,830
489 Other Assets										
490	Gas Plant Held for Future Use - Production Plant	101.1	-	-	-	-	-	-	-	-
491	Gas Plant Held for Future Use - Distribution Plant	102	-	-	-	-	-	-	-	-
492	Completed construction not classified - Intangible	105	-	-	-	-	-	-	-	-
493	Completed construction not classified - Distribution	106	-	-	-	-	-	-	-	-
494	Completed construction not classified - General	107	-	-	-	-	-	-	-	-
495	Subtotal - Other Assets		-	-	-	-	-	-	-	-
496	Total - Depreciation Expense		56,252,894	41,165,356	10,245,084	1,789,218	714,951	7,212	960,850	1,370,224

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Schedule 3 - Cost of Service Allocation Study Detail by Account

Line No.	Account Description	FERC		Residential Service	Small General Service	Medium General Service	Large General	Large General	Large General	Large General
		Account	Account Balance				Sales Service Firm	Sales Service Interruptible	Transportation Service Firm	Service Interruptible
497	Amortization Expense									
498	Amortization and depletion of producing natural gas land and land	404.1	-	-	-	-	-	-	-	-
499	Amortization of underground storage land and land rights	404.2	-	-	-	-	-	-	-	-
500	Amortization of other limited-term gas plant	404.3	-	-	-	-	-	-	-	-
501	Amortization of other gas plant	405	-	-	-	-	-	-	-	-
502	Amortization of gas plant acquisition adjustments	406	-	-	-	-	-	-	-	-
503	TN ARM Amortization Interest 2022-204	407.1	(579,090)	(436,917)	(98,573)	(17,857)	(7,107)	(51)	(9,354)	(9,231)
504	TN ARM Amortization Depreciation 2022-2024	407.2	1,725,840	1,302,128	293,773	53,218	21,180	152	27,877	27,512
505	Amortization of conversion expense	407.2	-	-	-	-	-	-	-	-
506	Subtotal - Amortization Expense		1,146,750	865,211	195,200	35,361	14,073	101	18,523	18,281
507	Adjustments									
508	Regulatory Debits	407.3	-	-	-	-	-	-	-	-
509	Regulatory Credits	407.4	-	-	-	-	-	-	-	-
510	Accretion Expense	411.1	-	-	-	-	-	-	-	-
511	Less Interest on Customer Deposits	411.6	107,501	64,040	27,631	6,378	2,120	62	3,605	3,664
512	AFUDC	411.7	(7,910,869)	(5,753,694)	(1,417,714)	(264,184)	(106,064)	(1,065)	(150,950)	(217,198)
513	Plus Customer Growth Adjustment	412	-	-	-	-	-	-	-	-
514	Expenses of natural gas plant leased to others	413	-	-	-	-	-	-	-	-
515	Other utility operating income	414	-	-	-	-	-	-	-	-
516	Subtotal - Adjustments		(7,803,368)	(5,689,654)	(1,390,082)	(257,806)	(103,944)	(1,002)	(147,345)	(213,534)
517	Total Adjustments, Depreciation and Amortization Expense		49,596,276	36,340,912	9,050,202	1,566,773	625,080	6,311	832,028	1,174,970
518	Taxes									
519	Taxes Other Than Income Taxes									
520	Taxes Other Than Income Taxes - Property	408.1	9,261,793	6,736,241	1,659,814	309,298	124,177	1,246	176,728	254,289
521	Taxes Other Than Income Taxes - Payroll	408.1	1,545,248	1,234,125	235,311	31,547	12,302	144	11,288	20,530
522	Taxes Other Than Income Taxes - Excise	408.1	-	-	-	-	-	-	-	-
523	Taxes Other Than Income Taxes - Other general taxes	408.1	(30,732)	(22,352)	(5,508)	(1,026)	(412)	(4)	(586)	(844)
524	Taxes Other Than Income Taxes - PLACEHOLDER	408.1	-	-	-	-	-	-	-	-
525	Taxes Other Than Income Taxes - PLACEHOLDER	408.1	-	-	-	-	-	-	-	-
526	Subtotal - Taxes Other Than Income Taxes		10,776,309	7,948,014	1,889,618	339,819	136,067	1,386	187,429	273,975
527	Income Taxes									
528	Income Taxes - federal taxes utility operating income	409.1	13,931,605	10,511,243	2,371,442	429,598	170,972	1,229	225,036	222,086
529	Income Taxes - state	409.1	4,770,905	3,599,595	812,105	147,117	58,550	421	77,064	76,054
530	Provisions for deferred income taxes, utility operating income	410.1	-	-	-	-	-	-	-	-
531	Provision for deferred income taxes—credit, utility operating income	411.1	-	-	-	-	-	-	-	-
532	Investment Tax credit Adj.	411.4	(8,864)	(6,687)	(1,509)	(273)	(109)	(1)	(143)	(141)
533	Subtotal - Income Taxes		18,693,646	14,104,150	3,182,037	576,441	229,412	1,649	301,957	297,998
534	Total Taxes		29,469,954	22,052,165	5,071,655	916,261	365,480	3,035	489,387	571,973
535	REVENUE REQUIREMENT AT EQUAL RATES OF RETURN									
536	Test Year Expenses at Current Rates		135,922,659	104,139,410	22,525,799	3,574,229	1,415,750	14,581	1,728,800	2,524,092
537	Return on Rate Base		101,924,242	76,900,720	17,349,572	3,142,957	1,250,836	8,992	1,646,375	1,624,790
538	Gross Up Items									
539	Gross-up Federal Income Tax		2,744,809	2,070,929	467,222	84,640	33,685	242	44,337	43,755
540	Gross-up State Utility Tax		908,646	685,563	154,670	28,019	11,151	80	14,677	14,485
541	Gross-up Bad Debts		42,119	33,745	8,373	-	-	-	-	-
542	Gross-up Annual Filing Fee		-	-	-	-	-	-	-	-
543	TOTAL REVENUE REQUIREMENT AT EQUAL RATES OF RETURN		241,542,475	183,830,367	40,505,636	6,829,845	2,711,422	23,895	3,434,189	4,207,121

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 Schedule 4 - Account Balances and Allocation Methods

Line No.	Account Description	FERC Account	Account Balance	Internal Allocation Factor	Functional Allocation Factor	Classification Allocation Factor	Demand Allocation Factor	Commodity Allocation Factor	Customer Allocation Factor
1	RATE BASE								
2	Plant in Service								
3	Intangible Plant								
4	Organization	301.0	0						
5	Franchises & Consents	302.0	109,186	INT_UTILPLT_ADJ					
6	Misc. Intangible Plant - Plant Related	303.0	65,504,714	INT_UTILPLT_ADJ					
7	Misc. Intangible Plant - Customer Related	303.0	0						
8	Misc. Intangible Plant - Labor Related	303.0	0						
9	Subtotal - Intangible Plant		65,613,900						
10	Manufactured Gas Production Plant								
11	Land and Land Rights	304.0	0						
12	Structures and Improvements	305.0	0						
13	Liquefied Petroleum Gas Equipment	311.0	0						
14	Other Equipment	320.0	0						
15	ARO for Manufactured Gas Production Plant	321.0	0						
16	Subtotal - Manufactured Gas Production Plant		-						
17	Natural Gas Underground Storage Plant								
18	Land	350.1	0						
19	Rights-of-way	350.2	0						
20	Structures and Improvements	351.0	0						
21	Wells	352.0	0						
22	Storage leaseholds and rights	352.1	0						
23	Reservoirs	352.2	0						
24	Nonrecoverable natural gas	352.3	0						
25	Lines	353.0	0						
26	Compressor Station Equipment	354.0	0						
27	Measuring and Regulating Equipment	355.0	0						
28	Purification Equipment	356.0	0						
29	Other Equipment	357.0	0						
30	ARO for Natural Gas Underground Storage Plant	358.0	0						
31	Subtotal - Natural Gas Underground Storage Plant		-						
32	Natural Gas Other Storage Plant								
33	Land and Land Rights	360.0	630,064		STORAGE	DEMAND	WINTHRU		
34	Structures & Improvement	361.0	20,259,408		STORAGE	DEMAND	WINTHRU		
35	Gas Holders	362.0	4,514,258		STORAGE	DEMAND	WINTHRU		
36	Purification Equipment	363.0	6,608,481		STORAGE	DEMAND	WINTHRU		
37	Liquefaction Equipment	363.1	1,031,669		STORAGE	DEMAND	WINTHRU		
38	Vaporizing Equipment	363.2	20,836,303		STORAGE	DEMAND	WINTHRU		
39	Compressor Equipment	363.3	9,818,090		STORAGE	DEMAND	WINTHRU		
40	Measuring and Regulating Equipment	363.4	28,208		STORAGE	DEMAND	WINTHRU		
41	Other Equipment	363.5	5,651,497		STORAGE	DEMAND	WINTHRU		
42	ARO for Natural Gas Other Storage Plant	363.6	0						
43	Subtotal - Natural Gas Other Storage Plant		69,377,978						

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 Schedule 4 - Account Balances and Allocation Methods

Line No.	Account Description	FERC Account	Account Balance	Internal Allocation Factor	Functional Allocation Factor	Classification Allocation Factor	Demand Allocation Factor	Commodity Allocation Factor	Customer Allocation Factor	
44	Base Load LNG Terminaling & Processing Plant									
45	Land and Land Rights	364.1	0							
46	Structures and Improvements	364.2	0							
47	LNG Processing Terminal Equipment	364.3	0							
48	LNG Transportation Equipment	364.4	0							
49	Measuring and Regulating Equipment	364.5	0							
50	Compressor Station Equipment	364.6	0							
51	Communications Equipment	364.7	0							
52	Other Equipment	364.8	0							
53	ARO for LNG Processing Plant	364.9	0							
54	Subtotal - Base Load LNG Terminaling & Processing Plant			-						
55	Transmission plant									
56	Land and Land Rights	365.1	25,239,434		TRANSMISSION	DEMAND	DESDMD			
57	Rights-of-Way	365.2	19,102,434		TRANSMISSION	DEMAND	DESDMD			
58	Structures and Improvements	366.0	1,935,009		TRANSMISSION	DEMAND	DESDMD			
59	Mains	367.0	319,155,469		TRANSMISSION	DEMAND	DESDMD			
60	Compressor Station Equipment	368.0	6,543		TRANSMISSION	DEMAND	DESDMD			
61	Measuring and Regulating Station Equipment	369.0	46,398,225		TRANSMISSION	DEMAND	DESDMD			
62	Communication Equipment	370.0	0							
63	Other Equipment	371.0	0							
64	ARO for Transmission Plant	372.0	0							
65	Subtotal - Transmission plant			411,837,115						
66	Distribution Plant									
67	Land and Land Rights	374.0	16,827,309	INT_MAINMRSVCSPLT_ADJ						
68	Structures and Improvements	375.0	2,796,141	INT_MAINMRSVCSPLT_ADJ						
69	Mains - Demand	376.0	352,403,660		DISTRIBUTION	DEMAND	PKAVGDAY			
70	Mains - Customer	376.1	565,657,791		DISTRIBUTION	CUSTOMER			BILL	
71	Compressor Station Equipment	377.0	0							
72	Measuring and Regulating Station Equipment—General	378.0	44,591,658		DISTRIBUTION	DEMAND	PKAVGDAY			
73	Measuring and Regulating Station Equipment—City Gate Check Stations	379.0	19,225,286		DISTRIBUTION	DEMAND	PKAVGDAY			
74	Services	380.0	473,815,623		DISTRIBUTION	CUSTOMER			SVCUNIT	
75	Meters	381.0	46,305,289		DISTRIBUTION	CUSTOMER			METAVG	
76	Meter Installations	382.0	28,587,115		DISTRIBUTION	CUSTOMER			METAVG	
77	House Regulators	383.0	4,602,469		DISTRIBUTION	CUSTOMER			METAVG	
78	House Regulatory Installations	384.0	3,578,402		DISTRIBUTION	CUSTOMER			METAVG	
79	Industrial Measuring and Regulating Station Equipment	385.0	9,574,384		DISTRIBUTION	CUSTOMER			METAVG	
80	Other Property on Customers' Premises	386.0	0							
81	Other Equipment	387.0	0							
82	Asset Retirement Costs for Distribution Plant	388.0	0							
83	Subtotal - Distribution Plant			1,567,965,127						

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Schedule 4 - Account Balances and Allocation Methods

Line No.	Account Description	FERC Account	Account Balance	Internal Allocation Factor	Functional Allocation Factor	Classification Allocation Factor	Demand Allocation Factor	Commodity Allocation Factor	Customer Allocation Factor
84	General Plant								
85	Land and Land Rights	389.0	4,934,580	INT_UTILPLT_ADJ					
86	Structures and Improvements	390.0	34,434,993	INT_UTILPLT_ADJ					
87	Office Furniture and Equipment	391.0	5,341,673	INT_UTILPLT_ADJ					
88	Transportation Equipment	392.0	17,104,947	INT_UTILPLT_ADJ					
89	Stores Equipment	393.0	0						
90	Tools, Shop, and Garage Equipment	394.0	5,289,853	INT_UTILPLT_ADJ					
91	Laboratory Equipment	395.0	39,920	INT_UTILPLT_ADJ					
92	Power Operated Equipment	396.0	2,745,999	INT_UTILPLT_ADJ					
93	Communication Equipment	397.0	4,628,419	INT_UTILPLT_ADJ					
94	Misc. Equipment	398.0	1,405,658	INT_UTILPLT_ADJ					
95	Other Intangible Property	399.0	0						
96	ARO for General Plant	399.1	0						
97	Subtotal - General Plant		75,926,042						
98	Other Assets								
99	Gas Plant Held for Future Use - Production Plant	101.1	0						
100	Gas Plant Held for Future Use - Distribution Plant	102.0	0						
101	Completed construction not classified - Intangible	105.0	0						
102	Completed construction not classified - Distribution	106.0	0						
103	Completed construction not classified - General	107.0	0						
104	Subtotal - Other Assets		-						
105	Total Plant in Service		2,190,720,163						
106	Accumulated Depreciation & Amortization								
107	Intangible Plant								
108	Organization	301.0	0		-	-	-	-	-
109	Franchises & Consents	302.0	(109,186)	INT_UTILPLT_ADJ					
110	Misc. Intangible Plant - Plant Related	303.0	(38,637,773)	INT_UTILPLT_ADJ					
111	Misc. Intangible Plant - Customer Related	303.0	0		-	-	-	-	-
112	Misc. Intangible Plant - Labor Related	303.0	0		-	-	-	-	-
113	Subtotal - Intangible Plant		(38,746,958)						
114	Manufactured Gas Production Plant								
115	Land and Land Rights	304.0	0		-	-	-	-	-
116	Structures and Improvements	305.0	0		-	-	-	-	-
117	Liquefied Petroleum Gas Equipment	311.0	0		-	-	-	-	-
118	Other Equipment	320.0	0		-	-	-	-	-
119	ARO for Manufactured Gas Production Plant	321.0	0		-	-	-	-	-
120	Subtotal - Manufactured Gas Production Plant		-						
121	Natural Gas Underground Storage Plant								
122	Land	350.1	0		-	-	-	-	-
123	Rights-of-way	350.2	0		-	-	-	-	-
124	Structures and Improvements	351.0	0		-	-	-	-	-
125	Wells	352.0	0		-	-	-	-	-
126	Storage leaseholds and rights	352.1	0		-	-	-	-	-
127	Reservoirs	352.2	0		-	-	-	-	-
128	Nonrecoverable natural gas	352.3	0		-	-	-	-	-
129	Lines	353.0	0		-	-	-	-	-
130	Compressor Station Equipment	354.0	0		-	-	-	-	-
131	Measuring and Regulating Equipment	355.0	0		-	-	-	-	-
132	Purification Equipment	356.0	0		-	-	-	-	-
133	Other Equipment	357.0	0		-	-	-	-	-
134	ARO for Natural Gas Underground Storage Plant	358.0	0		-	-	-	-	-
135	Subtotal - Natural Gas Underground Storage Plant		-						

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 Schedule 4 - Account Balances and Allocation Methods

Line No.	Account Description	FERC Account	Account Balance	Internal Allocation Factor	Functional Allocation Factor	Classification Allocation Factor	Demand Allocation Factor	Commodity Allocation Factor	Customer Allocation Factor
136 Natural Gas Other Storage Plant									
137	Land and Land Rights	360.0	0	-	STORAGE	DEMAND	WINTHRU	-	-
138	Structures & Improvement	361.0	(4,111,129)	-	STORAGE	DEMAND	WINTHRU	-	-
139	Gas Holders	362.0	(1,070,185)	-	STORAGE	DEMAND	WINTHRU	-	-
140	Purification Equipment	363.0	(2,660,127)	-	STORAGE	DEMAND	WINTHRU	-	-
141	Liquefaction Equipment	363.1	2,053,054	-	STORAGE	DEMAND	WINTHRU	-	-
142	Vaporizing Equipment	363.2	(7,626,738)	-	STORAGE	DEMAND	WINTHRU	-	-
143	Compressor Equipment	363.3	(2,882,929)	-	STORAGE	DEMAND	WINTHRU	-	-
144	Measuring and Regulating Equipment	363.4	(7,594)	-	STORAGE	DEMAND	WINTHRU	-	-
145	Other Equipment	363.5	(1,266,873)	-	STORAGE	DEMAND	WINTHRU	-	-
146	ARO for Natural Gas Other Storage Plant	363.6	0	-	-	-	-	-	-
147	Subtotal - Natural Gas Other Storage Plant		(17,572,521)						
148 Base Load LNG Terminaling & Processing Plant									
149	Land and Land Rights	364.1	0	0	0	0	0	-	-
150	Structures and Improvements	364.2	0	0	0	0	0	-	-
151	LNG Processing Terminal Equipment	364.3	0	0	0	0	0	-	-
152	LNG Transportation Equipment	364.4	0	0	0	0	0	-	-
153	Measuring and Regulating Equipment	364.5	0	0	0	0	0	-	-
154	Compressor Station Equipment	364.6	0	0	0	0	0	-	-
155	Communications Equipment	364.7	0	0	0	0	0	-	-
156	Other Equipment	364.8	0	0	0	0	0	-	-
157	ARO for LNG Processing Plant	364.9	0	0	0	0	0	-	-
158	Subtotal - Base Load LNG Terminaling & Processing Plant		-						
159 Transmission plant									
160	Land and Land Rights	365.1	0	0	TRANSMISSION	DEMAND	DESDMD	-	-
161	Rights-of-Way	365.2	(1,864,820)	0	TRANSMISSION	DEMAND	DESDMD	-	-
162	Structures and Improvements	366.0	(321,930)	0	TRANSMISSION	DEMAND	DESDMD	-	-
163	Mains	367.0	(39,233,812)	0	TRANSMISSION	DEMAND	DESDMD	-	-
164	Compressor Station Equipment	368.0	0	0	TRANSMISSION	DEMAND	DESDMD	-	-
165	Measuring and Regulating Station Equipment	369.0	(5,609,439)	0	TRANSMISSION	DEMAND	DESDMD	-	-
166	Communication Equipment	370.0	0	0	0	0	0	-	-
167	Other Equipment	371.0	0	0	0	0	0	-	-
168	ARO for Transmission Plant	372.0	0	0	0	0	0	-	-
169	Subtotal - Transmission plant		(47,030,001)						
170 Distribution Plant									
171	Land and Land Rights	374.0	(722,400)	INT_MAINMRSVCPLT_ADJ	0	0	0	-	-
172	Structures and Improvements	375.0	(231,467)	INT_MAINMRSVCPLT_ADJ	0	0	0	-	-
173	Mains - Demand	376.0	(228,749,715)	0	DISTRIBUTION	DEMAND	PKAVGDAY	-	-
174	Compressor Station Equipment	377.0	0	0	0	0	0	-	-
175	Measuring and Regulating Station Equipment—General	378.0	(4,602,001)	0	DISTRIBUTION	DEMAND	PKAVGDAY	-	-
176	Measuring and Regulating Station Equipment—City Gate Check Stations	379.0	(1,878,951)	0	DISTRIBUTION	DEMAND	PKAVGDAY	-	-
177	Services	380.0	(186,335,137)	0	DISTRIBUTION	CUSTOMER	0	-	SVCUNIT
178	Meters	381.0	(14,132,794)	0	DISTRIBUTION	CUSTOMER	0	-	METAVG
179	Meter Installations	382.0	(5,741,128)	0	DISTRIBUTION	CUSTOMER	0	-	METAVG
180	House Regulators	383.0	(1,160,349)	0	DISTRIBUTION	CUSTOMER	0	-	METAVG
181	House Regulatory Installations	384.0	(1,856,137)	0	DISTRIBUTION	CUSTOMER	0	-	METAVG
182	Industrial Measuring and Regulating Station Equipment	385.0	(2,067,893)	0	DISTRIBUTION	CUSTOMER	0	-	METAVG
183	Other Property on Customers' Premises	386.0	0	0	0	0	0	-	-
184	Other Equipment	387.0	0	0	0	0	0	-	-
185	Asset Retirement Costs for Distribution Plant	388.0	0	0	0	0	0	-	-
186	Subtotal - Distribution Plant		(447,477,971)						

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 Gas Class Cost of Service Study
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 Schedule 4 - Account Balances and Allocation Methods

Line No.	Account Description	FERC Account	Account Balance	Internal Allocation Factor	Functional Allocation Factor	Classification Allocation Factor	Demand Allocation Factor	Commodity Allocation Factor	Customer Allocation Factor
187	General Plant								
188	Land and Land Rights	389.0	0	INT_UTILPLT_ADJ	-	-	-	-	-
189	Structures and Improvements	390.0	(9,261,146)	INT_UTILPLT_ADJ	-	-	-	-	-
190	Office Furniture and Equipment	391.0	(2,627,763)	INT_UTILPLT_ADJ	-	-	-	-	-
191	Transportation Equipment	392.0	(11,659,503)	INT_UTILPLT_ADJ	-	-	-	-	-
192	Stores Equipment	393.0	0		-	-	-	-	-
193	Tools, Shop, and Garage Equipment	394.0	(2,201,528)	INT_UTILPLT_ADJ	-	-	-	-	-
194	Laboratory Equipment	395.0	(30,218)	INT_UTILPLT_ADJ	-	-	-	-	-
195	Power Operated Equipment	396.0	(960,633)	INT_UTILPLT_ADJ	-	-	-	-	-
196	Communication Equipment	397.0	(2,809,275)	INT_UTILPLT_ADJ	-	-	-	-	-
197	Misc. Equipment	398.0	(352,795)	INT_UTILPLT_ADJ	-	-	-	-	-
198	Other Intangible Property	399.0	0		-	-	-	-	-
199	ARO for General Plant	399.1	0		-	-	-	-	-
200	Subtotal - General Plant		(29,902,861)						
201	Other Assets								
202	Gas Plant Held for Future Use - Production Plant	101.1	0		-	-	-	-	-
203	Gas Plant Held for Future Use - Distribution Plant	102.0	0		-	-	-	-	-
204	Completed construction not classified - Intangible	105.0	0		-	-	-	-	-
205	Completed construction not classified - Distribution	106.0	0		-	-	-	-	-
206	Completed construction not classified - General	107.0	0		-	-	-	-	-
207	Subtotal - Other Assets		-						
208	Accumulated Provision for Amortization								
209	Intangible Plant	111.0	0						
210	Production Plant	111.0	0						
211	Natural gas storage and processing plant	111.0	0						
212	LNG Terminaling & Processing Plant	111.0	0						
213	Transmission plant	111.0	0						
214	Distribution plant	111.0	0						
215	General plant	111.0	0						
216	Subtotal - Accumulated Provision for Amortization		-						
217	Total Accumulated Depreciation & Amortization		(580,730,312)						

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Line No.	Account Description	FERC Account	Account Balance	Internal Allocation Factor	Functional Allocation Factor	Classification Allocation Factor	Demand Allocation Factor	Commodity Allocation Factor	Customer Allocation Factor
218	Other Rate Base Items								
219	Natural gas plant acquisition adjustments	114.0	0						
220	Accumulated provision for asset acquisition adjustments	115.0	0						
221	Gas stored - base gas	117.1	9,519,994		STORAGE	DEMAND	WINTHRU		
222	System balancing gas	117.2	0						
223	Gas stored in reservoirs and pipelines - noncurrent	117.3	0						
224	Gas owed to system gas	117.4	0						
225	Materials and supplies	MS	938,489	INT_UTILPLT_ADJ					
226	Cash working capital	CWC	0						
227	CWIP	CWIP	114,153,953	INT_UTILPLT_ADJ					
228	Prepaid insurance	165.0	266,753	INT_UTILPLT_ADJ					
229	ARM Regulatory Asset	182.3	41,515,109	INT_UTILPLT_ADJ					
230	Miscellaneous deferred debits	186.0	5,268,323	INT_UTILPLT_ADJ					
231	Accumulated deferred income taxes	190.0	0						
232	Accumulated provision for property insurance	228.1	0						
233	Accumulated provision for injuries and damages	228.2	0						
234	Accumulated provision for pensions and benefits	228.3	0						
235	Accumulated miscellaneous operating provisions	228.4	0						
236	Accumulated provision for rate refunds	229.0	0						
237	Asset retirement obligations	230.0	0						
238	Customer deposits	235.0	(4,877,937)	INT_UTILPLT_ADJ					
239	Other deferred credits	253.0	0						
240	Accumulated deferred income taxes	282.0	(250,192,725)	INT_UTILPLT_ADJ					
241	Unclaimed funds		0						
242	Contributions in aid of construction	252.0	(5,828,754)	INT_UTILPLT_ADJ					
243	Other working capital	254.0	(8,953,641)	INT_UTILPLT_ADJ					
244	Working capital allowance	N/A	2,686,584	INT_OMPF					
245	Total Other Rate Base Items		(95,503,852)						
246	TOTAL RATE BASE		1,514,485,999						
247	OPERATION AND MAINTENANCE EXPENSE								
248	Production, Storage, LNG, Transmission, and Distribution Expense								
249	Manufactured Gas Production Expense								
250	Manufactured gas production operation	710.0	0						
251	Steam expenses	711.0	0						
252	Other power expenses	712.0	0						
253	Duplicate charges—credit	734.0	0						
254	Miscellaneous production expenses	735.0	71,810		STORAGE	DEMAND	DESDMD		
255	Rents	736.0	0						
256	Maintenance supervision and engineering	740.0	0						
257	Maintenance of structures and improvements	741.0	0						
258	Maintenance of production equipment	742.0	0						
259	Subtotal - Manufactured Gas Production Expense		71,810						
260	Other Gas Supply Expenses								
261	Natural gas well head purchases	800.0	0						
262	Liquefied natural gas purchases	804.1	0						
263	Other gas purchases	805.0	0						
264	Purchased gas cost adjustments	805.1	0						
265	Exchange gas	806.0	0						
266	Gas purchased expenses	807.0	415,487		STORAGE	DEMAND	THRU		
267	Subtotal - Other Gas Supply Expenses		415,487						

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Line No.	Account Description	FERC Account	Account Balance	Internal Allocation Factor	Functional Allocation Factor	Classification Allocation Factor	Demand Allocation Factor	Commodity Allocation Factor	Customer Allocation Factor
268	Underground Storage Expenses - Operation								
269	Operation supervision and engineering	814.0	0						
270	Maps and records	815.0	0						
271	Wells expenses	816.0	0						
272	Compressor station expenses	818.0	0						
273	Other expenses	824.0	0						
274	Storage well royalties	825.0	0						
275	Rents	826.0	0						
276	Subtotal - Underground Storage Expenses - Operation								
277	Underground Storage Expenses - Maintenance								
278	Maintenance supervision and engineering	830.0	0						
279	Maintenance of structures and improvements	831.0	0						
280	Maintenance of measuring and regulating station equipment	835.0	0						
281	Maintenance of purification equipment	836.0	0						
282	Maintenance of other equipment	837.0	0						
283	Subtotal - Underground Storage Expenses - Maintenance								
284	Other Storage Expenses - Operation								
285	Operation supervision and engineering	840.0	0						
286	Operation labor and expenses	841.0	0						
287	Rents	842.0	0						
288	Fuel	842.1	0						
289	Power	842.2	0						
290	Gas losses	842.3	0						
291	Subtotal - Other Storage Expenses - Operation								
292	Other Storage Expenses - Maintenance								
293	Maintenance supervision and engineering	843.1	0		STORAGE	DEMAND	WINTHRU		
294	Maintenance of structures and improvements	843.2	20,340		STORAGE	DEMAND	WINTHRU		
295	Maintenance of gas holders	843.3	52,222		STORAGE	DEMAND	WINTHRU		
296	Maintenance of measuring and regulating equipment	843.8	4,451		STORAGE	DEMAND	WINTHRU		
297	Maintenance of other equipment	843.9	83,292		STORAGE	DEMAND	WINTHRU		
298	Subtotal - Other Storage Expenses - Maintenance								
299	Other Power Supply Expenses								
300	Operation supervision and engineering	844.1	236,904		STORAGE	DEMAND	WINTHRU		
301	Processing fuel	845.0	0						
302	Processing gas losses	846.0	809,457		STORAGE	DEMAND	WINTHRU		
303	Processing maintenance supervision and engineering	847.0	0						
304	Other expenses		0						
305	Subtotal - Other Power Supply Expenses								

1,046,361

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Line No.	Account Description	FERC Account	Account Balance	Internal Allocation Factor	Functional Allocation Factor	Classification Allocation Factor	Demand Allocation Factor	Commodity Allocation Factor	Customer Allocation Factor
306	Transmission Operation Expenses								
307	Operation supervision and engineering	850.0	0						
308	System control and load dispatching	851.0	350,273		TRANSMISSION	DEMAND	DESDMD		
309	Communication system expenses	852.0	0						
310	Compressor station labor and expenses	853.0	2,152		STORAGE	DEMAND	WINTHRU		
311	Gas for compressor station fuel	854.0	0						
312	Other fuel and power for compressor stations	855.0	0						
313	Mains expenses	856.0	0						
314	Measuring and regulating station expenses	857.0	0						
315	Transmission and compression of gas by others	858.0	0						
316	Other expenses	859.0	15,953		TRANSMISSION	DEMAND	DESDMD		
317	Rents	860.0	0						
318	Subtotal - Transmission Operation Expenses		368,378						
319	Transmission Maintenance Expenses								
320	Maintenance supervision and engineering	861.0	49,201		TRANSMISSION	DEMAND	DESDMD		
321	Maintenance of structures and improvements	862.0	8,040		TRANSMISSION	DEMAND	DESDMD		
322	Maintenance of mains	863.0	31,928		TRANSMISSION	DEMAND	DESDMD		
323	Maintenance of compressor station equipment	864.0	10,667		TRANSMISSION	DEMAND	DESDMD		
324	Maintenance of measuring and regulating station equipment	865.0	66,560		TRANSMISSION	DEMAND	DESDMD		
325	Maintenance of communication equipment	866.0	0						
326	Maintenance of other equipment	867.0	0						
327	Subtotal - Transmission Maintenance Expenses		166,397						
328	Distribution Operation Expenses								
329	Operation supervision and engineering	870.0	288,583	INT_UTILPLT_ADJ					
330	Distribution load dispatching	871.0	35,805	INT_MSMPPLT_ADJ					
331	Compressor station labor and expenses	872.0	0						
332	Mains and services expenses	874.0	3,875,963	INT_MAINSVCSPLT_ADJ					
333	Measuring and regulating station expenses—general	875.0	25,043	INT_MSMPPLT_ADJ					
334	Measuring and regulating station expenses—industrial	876.0	0						
335	Measuring and regulating station expenses—city gate check stations	877.0	0						
336	Meter and house regulator expenses	878.0	2,362,388		DISTRIBUTION	CUSTOMER			METAVG
337	Customer installations expenses	879.0	2,165,126		DISTRIBUTION	CUSTOMER			BILL
338	Other expenses	880.0	1,033,488	INT_MSMPPLT_ADJ					
339	Rents	881.0	0						
340	Subtotal - Distribution Operation Expenses		9,786,394						

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Line No.	Account Description	FERC Account	Account Balance	Internal Allocation Factor	Functional Allocation Factor	Classification Allocation Factor	Demand Allocation Factor	Commodity Allocation Factor	Customer Allocation Factor
341	Distribution Maintenance Expenses								
342	Maintenance supervision and engineering	885.0	453,574	INT_MSMPPL_ADJ					
343	Maintenance of structures and improvements	886.0	0						
344	Maintenance of mains	887.0	3,042,291	INT_MAINPLT_ADJ					
345	Maintenance of compressor station equipment	888.0	0						
346	Maintenance of measuring and regulating station equipment—general	889.0	750,758	INT_MSMPPL_ADJ					
347	Maintenance of measuring and regulating station equipment—industrial	890.0	0	INT_MSMPPL_ADJ					
348	Maintenance of measuring and regulating station equipment—city gate	891.0	0						
349	Maintenance of services	892.0	201,768	INT_SVCSPLT_ADJ					
350	Maintenance of meters and house regulators	893.0	2,013,310		DISTRIBUTION	CUSTOMER			METAVG
351	Maintenance of other equipment	894.0	2,352	INT_MSMPPL_ADJ					
352	Subtotal - Distribution Maintenance Expenses		6,464,053						
353	Total Production, Storage, LNG, Transmission, and Distribution Expense		18,479,185						
354	Customer Accounts, Service, and Sales Expense								
355	Customer Account								
356	Supervision	901.0	0						
357	Meter reading expenses	902.0	166,123		DISTRIBUTION	CUSTOMER			BILL
358	Customer records and collection expenses	903.0	6,923,488		DISTRIBUTION	CUSTOMER			BILL
359	Uncollectible accounts	904.0	0		DISTRIBUTION	CUSTOMER			UNCOLL
360	Miscellaneous customer accounts expenses	905.0	649		DISTRIBUTION	CUSTOMER			BILL
361	Subtotal - Customer Account		7,090,259						
362	Customer Service & Information Expenses								
363	Supervision	907.0	0						
364	Customer assistance expenses	908.0	(80,724)		DISTRIBUTION	CUSTOMER			BILL
365	Informational and instructional advertising expenses	909.0	35,508		DISTRIBUTION	CUSTOMER			BILL
366	Miscellaneous customer service and informational expenses	910.0	661,156		DISTRIBUTION	CUSTOMER			BILL
367	Subtotal - Customer Service & Information Expenses		615,940						
368	Sales Expenses								
369	Supervision	911.0	0						
370	Demonstrating and selling expenses	912.0	241,921		DISTRIBUTION	CUSTOMER			BILL
371	Advertising expenses	913.0	676		DISTRIBUTION	CUSTOMER			BILL
372	Miscellaneous sales expenses	916.0	211,400		DISTRIBUTION	CUSTOMER			BILL
373	Subtotal - Sales Expenses		453,997						
374	Total Customer Accounts, Service, and Sales Expense		8,160,196						

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Line No.	Account Description	FERC Account	Account Balance	Internal Allocation Factor	Functional Allocation Factor	Classification Allocation Factor	Demand Allocation Factor	Commodity Allocation Factor	Customer Allocation Factor
375	Administrative and General Expenses								
376	Administrative and general salaries	920.0	7,007,570	INT_OPERLAB_ADJ					
377	Office supplies and expenses	921.0	6,843,345	INT_OPERLAB_ADJ					
378	Administrative expenses transferred—Credit	922.0	0						
379	Outside services employed	923.0	3,143,596	INT_OPERLAB_ADJ					
380	Property insurance	924.0	128,831	INT_OPERLAB_ADJ					
381	Injuries and damages	925.0	879,361	INT_OPERLAB_ADJ					
382	Employee pensions and benefits	926.0	5,662,285	INT_OPERLAB_ADJ					
383	Franchise requirements	927.0	0						
384	Regulatory commission expenses	928.0	2,213,706	INT_OPERLAB_ADJ					
385	Duplicate charges—Credit	929.0	(195,738)	INT_OPERLAB_ADJ					
386	General advertising expenses	930.1	14,997	INT_OPERLAB_ADJ					
387	Miscellaneous general expenses	930.2	(438,362)	INT_OPERLAB_ADJ					
388	Rents	931.0	3,343,732	INT_OPERLAB_ADJ					
389	Maintenance of general plant	932.0	39,436	INT_OPERLAB_ADJ					
390	Other A&G	935.0	1,574,290	INT_OPERLAB_ADJ					
391	Total Administrative and General Expenses		30,217,047						
392	TOTAL OPERATION AND MAINTENANCE EXPENSE		56,856,429						
393	Adjustments, Depreciation and Amortization Expense								
394	Depreciation Expense								
395	Intangible Plant								
396	Organization	301.0	0	-	-	-	-	-	-
397	Franchises & Consents	302.0	0	-	-	-	-	-	-
398	Misc. Intangible Plant - Plant Related	303.0	8,836,125	INT_UTILPLT_ADJ	-	-	-	-	-
399	Misc. Intangible Plant - Customer Related	303.0	0	-	-	-	-	-	-
400	Misc. Intangible Plant - Labor Related	303.0	0	-	-	-	-	-	-
401	Subtotal - Intangible Plant		8,836,125						
402	Manufactured Gas Production Plant								
403	Land and Land Rights	304.0	0	-	-	-	-	-	-
404	Structures and Improvements	305.0	0	-	-	-	-	-	-
405	Liquefied Petroleum Gas Equipment	311.0	0	-	-	-	-	-	-
406	Other Equipment	320.0	0	-	-	-	-	-	-
407	ARO for Manufactured Gas Production Plant	321.0	0	-	-	-	-	-	-
408	Subtotal - Manufactured Gas Production Plant		-						
409	Natural Gas Underground Storage Plant								
410	Land	350.1	0	-	-	-	-	-	-
411	Rights-of-way	350.2	0	-	-	-	-	-	-
412	Structures and Improvements	351.0	0	-	-	-	-	-	-
413	Wells	352.0	0	-	-	-	-	-	-
414	Storage leaseholds and rights	352.1	0	-	-	-	-	-	-
415	Reservoirs	352.2	0	-	-	-	-	-	-
416	Nonrecoverable natural gas	352.3	0	-	-	-	-	-	-
417	Lines	353.0	0	-	-	-	-	-	-
418	Compressor Station Equipment	354.0	0	-	-	-	-	-	-
419	Measuring and Regulating Equipment	355.0	0	-	-	-	-	-	-
420	Purification Equipment	356.0	0	-	-	-	-	-	-
421	Other Equipment	357.0	0	-	-	-	-	-	-
422	ARO for Natural Gas Underground Storage Plant	358.0	0	-	-	-	-	-	-
423	Subtotal - Natural Gas Underground Storage Plant		-						

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Line No.	Account Description	FERC Account	Account Balance	Internal Allocation Factor	Functional Allocation Factor	Classification Allocation Factor	Demand Allocation Factor	Commodity Allocation Factor	Customer Allocation Factor
424	Natural Gas Other Storage Plant								
425	Land and Land Rights	360.0	0	-	STORAGE	DEMAND	WINTHRU	-	-
426	Structures & Improvement	361.0	542,952	-	STORAGE	DEMAND	WINTHRU	-	-
427	Gas Holders	362.0	80,354	-	STORAGE	DEMAND	WINTHRU	-	-
428	Purification Equipment	363.0	268,965	-	STORAGE	DEMAND	WINTHRU	-	-
429	Liquefaction Equipment	363.1	29,299	-	STORAGE	DEMAND	WINTHRU	-	-
430	Vaporizing Equipment	363.2	800,114	-	STORAGE	DEMAND	WINTHRU	-	-
431	Compressor Equipment	363.3	287,670	-	STORAGE	DEMAND	WINTHRU	-	-
432	Measuring and Regulating Equipment	363.4	829	-	STORAGE	DEMAND	WINTHRU	-	-
433	Other Equipment	363.5	222,104	-	STORAGE	DEMAND	WINTHRU	-	-
434	ARO for Natural Gas Other Storage Plant	363.6	0	-	-	-	-	-	-
435	Subtotal - Natural Gas Other Storage Plant		2,232,288						
436	Base Load LNG Terminaling & Processing Plant								
437	Land and Land Rights	364.1	0	-	-	-	-	-	-
438	Structures and Improvements	364.2	0	-	-	-	-	-	-
439	LNG Processing Terminal Equipment	364.3	0	-	-	-	-	-	-
440	LNG Transportation Equipment	364.4	0	-	-	-	-	-	-
441	Measuring and Regulating Equipment	364.5	0	-	-	-	-	-	-
442	Compressor Station Equipment	364.6	0	-	-	-	-	-	-
443	Communications Equipment	364.7	0	-	-	-	-	-	-
444	Other Equipment	364.8	0	-	-	-	-	-	-
445	ARO for LNG Processing Plant	364.9	0	-	-	-	-	-	-
446	Subtotal - Base Load LNG Terminaling & Processing Plant		-						
447	Transmission plant								
448	Land and Land Rights	365.1	0	-	TRANSMISSION	DEMAND	DESDMD	-	-
449	Rights-of-Way	365.2	250,242	-	TRANSMISSION	DEMAND	DESDMD	-	-
450	Structures and Improvements	366.0	43,925	-	TRANSMISSION	DEMAND	DESDMD	-	-
451	Mains	367.0	6,351,194	-	TRANSMISSION	DEMAND	DESDMD	-	-
452	Compressor Station Equipment	368.0	202	-	TRANSMISSION	DEMAND	DESDMD	-	-
453	Measuring and Regulating Station Equipment	369.0	1,062,519	-	TRANSMISSION	DEMAND	DESDMD	-	-
454	Communication Equipment	370.0	0	-	-	-	-	-	-
455	Other Equipment	371.0	0	-	-	-	-	-	-
456	ARO for Transmission Plant	372.0	0	-	-	-	-	-	-
457	Subtotal - Transmission plant		7,708,082						
458	Distribution Plant								
459	Land and Land Rights	374.0	154,638	INT_MAINMRSVCSPLT_ADJ	-	-	-	-	-
460	Structures and Improvements	375.0	39,705	INT_MAINMRSVCSPLT_ADJ	-	-	-	-	-
461	Mains	376.0	16,525,106	INT_MAINPLT_ADJ	-	-	-	-	-
462	Compressor Station Equipment	377.0	0	-	-	-	-	-	-
463	Measuring and Regulating Station Equipment—General	378.0	1,034,526	-	DISTRIBUTION	DEMAND	PKAVGDAY	-	-
464	Measuring and Regulating Station Equipment—City Gate Check Stations	379.0	417,189	-	DISTRIBUTION	DEMAND	PKAVGDAY	-	-
465	Services	380.0	13,930,179	-	DISTRIBUTION	CUSTOMER	-	-	SVCUNIT
466	Meters	381.0	1,448,691	-	DISTRIBUTION	CUSTOMER	-	-	METAVG
467	Meter Installations	382.0	860,472	-	DISTRIBUTION	CUSTOMER	-	-	METAVG
468	House Regulators	383.0	132,091	-	DISTRIBUTION	CUSTOMER	-	-	METAVG
469	House Regulatory Installations	384.0	97,333	-	DISTRIBUTION	CUSTOMER	-	-	METAVG
470	Industrial Measuring and Regulating Station Equipment	385.0	183,828	-	DISTRIBUTION	CUSTOMER	-	-	METAVG
471	Other Property on Customers' Premises	386.0	0	-	-	-	-	-	-
472	Other Equipment	387.0	0	-	-	-	-	-	-
473	Asset Retirement Costs for Distribution Plant	388.0	0	-	-	-	-	-	-
474	Subtotal - Distribution Plant		34,823,758						

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Line No.	Account Description	FERC Account	Account Balance	Internal Allocation Factor	Functional Allocation Factor	Classification Allocation Factor	Demand Allocation Factor	Commodity Allocation Factor	Customer Allocation Factor
475	General Plant								
476	Land and Land Rights	389.0	0	INT_UTILPLT_ADJ	-	-	-	-	-
477	Structures and Improvements	390.0	748,692	INT_UTILPLT_ADJ	-	-	-	-	-
478	Office Furniture and Equipment	391.0	747,388	INT_UTILPLT_ADJ	-	-	-	-	-
479	Transportation Equipment	392.0	317,853	INT_UTILPLT_ADJ	-	-	-	-	-
480	Stores Equipment	393.0	0		-	-	-	-	-
481	Tools, Shop, and Garage Equipment	394.0	296,588	INT_UTILPLT_ADJ	-	-	-	-	-
482	Laboratory Equipment	395.0	1,996	INT_UTILPLT_ADJ	-	-	-	-	-
483	Power Operated Equipment	396.0	79,634	INT_UTILPLT_ADJ	-	-	-	-	-
484	Communication Equipment	397.0	389,936	INT_UTILPLT_ADJ	-	-	-	-	-
485	Misc. Equipment	398.0	70,555	INT_UTILPLT_ADJ	-	-	-	-	-
486	Other Intangible Property	399.0	0		-	-	-	-	-
487	ARO for General Plant	399.1	0		-	-	-	-	-
488	Subtotal - General Plant		2,652,640						
489	Other Assets								
490	Gas Plant Held for Future Use - Production Plant	101.1	0		-	-	-	-	-
491	Gas Plant Held for Future Use - Distribution Plant	102.0	0		-	-	-	-	-
492	Completed construction not classified - Intangible	105.0	0		-	-	-	-	-
493	Completed construction not classified - Distribution	106.0	0		-	-	-	-	-
494	Completed construction not classified - General	107.0	0		-	-	-	-	-
495	Subtotal - Other Assets		-						
496	Total - Depreciation Expense		56,252,894						
497	Amortization Expense								
498	Amortization and depletion of producing natural gas land and land	404.1	0						
499	Amortization of underground storage land and land rights	404.2	0						
500	Amortization of other limited-term gas plant	404.3	0						
501	Amortization of other gas plant	405.0	0						
502	Amortization of gas plant acquisition adjustments	406.0	0						
503	TN ARM Amortization Interest 2022-204	407.1	(579,090)	INT_TOTRB_ADJ					
504	TN ARM Amortization Depreciation 2022-2024	407.2	1,725,840	INT_TOTRB_ADJ					
505	Amortization of conversion expense	407.2	0						
506	Subtotal - Amortization Expense		1,146,750						
507	Adjustments								
508	Regulatory Debits	407.3	0						
509	Regulatory Credits	407.4	0						
510	Accretion Expense	411.1	0						
511	Less Interest on Customer Deposits	411.6	107,501		CUSTOMER	CUSTOMER			PROFORMAREV
512	AFUDC	411.7	(7,910,869)	INT_UTILPLT_ADJ					
513	Plus Customer Growth Adjustment	412.0	0						
514	Expenses of natural gas plant leased to others	413.0	0						
515	Other utility operating income	414.0	0						
516	Subtotal - Adjustments		(7,803,368)						
517	Total Adjustments, Depreciation and Amortization Expense		49,596,276						

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 Schedule 4 - Account Balances and Allocation Methods

Line No.	Account Description	FERC Account	Account Balance	Internal Allocation Factor	Functional Allocation Factor	Classification Allocation Factor	Demand Allocation Factor	Commodity Allocation Factor	Customer Allocation Factor
518	Taxes								
519	Taxes Other Than Income Taxes								
520	Taxes Other Than Income Taxes - Property	408.1	9,261,793	INT_UTILPLT_ADJ					
521	Taxes Other Than Income Taxes - Payroll	408.1	1,545,248	INT_OPERLAB_ADJ					
522	Taxes Other Than Income Taxes - Excise	408.1	0						
523	Taxes Other Than Income Taxes - Other general taxes	408.1	(30,732)	INT_UTILPLT_ADJ					
524	Taxes Other Than Income Taxes - PLACEHOLDER	408.1	0						
525	Taxes Other Than Income Taxes - PLACEHOLDER	408.1	0						
526	Subtotal - Taxes Other Than Income Taxes		10,776,309						
527	Income Taxes								
528	Income Taxes - federal taxes utility operating income	409.1	13,931,605	INT_TOTRB_ADJ					
529	Income Taxes - state	409.1	4,770,905	INT_TOTRB_ADJ					
530	Provisions for deferred income taxes, utility operating income	410.1	0						
531	Provision for deferred income taxes—credit, utility operating income	411.1	0						
532	Investment Tax credit Adj.	411.4	(8,864)	INT_TOTRB_ADJ					
533	Subtotal - Income Taxes		18,693,646						
534	Total Taxes		29,469,954						
535	REVENUE REQUIREMENT AT EQUAL RATES OF RETURN								
536	Test Year Expenses at Current Rates		135,922,659						
537	Return on Rate Base		101,924,242	INT_TOTRB_ADJ					
538	Gross Up Items								
539	Gross-up Federal Income Tax		2,744,809	INT_TOTRB_ADJ					
540	Gross-up State Utility Tax		908,646	INT_TOTRB_ADJ					
541	Gross-up Bad Debts		42,119		DISTRIBUTION	CUSTOMER			UNCOLL
542	Gross-up Annual Filing Fee		0						
543	TOTAL REVENUE REQUIREMENT AT EQUAL RATES OF RETURN		241,542,475						

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 Schedule 5 - External Allocation Factors

Line No.	Allocator Code	Description	Classifier	Total	Residential Service	Small General Service	Medium General Service	Large General Sales Service Firm	Large General Sales Service Interruptible	Large General Transportation Service Firm	Large General Transportation Service Interruptible
1	CUSTOMER EXTERNAL ALLOCATORS										
2	BILL	Number of Customer Bills	CUS	100.0%	90.9%	8.8%	0.2%	0.0%	0.0%	0.0%	0.0%
3				2,473,447	2,247,893	218,069	5,327	758	48	844	508
4		Number of Customers (Bills / 12)		206,119	187,324	18,172	444	63	4	70	42
5	METAvg	Average Meter Cost	CUS	100.0%	78.4%	19.2%	1.6%	0.3%	0.0%	0.3%	0.2%
6		Customer x Avg Meter		119,776,318	93,933,320	23,015,865	1,912,502	317,347	14,623	369,570	213,091
7	SVCUNIT	Average Service Cost	CUS	100.0%	80.3%	18.4%	0.8%	0.2%	0.0%	0.2%	0.1%
8		Customer x Service Unit		408,231,662	327,983,244	75,140,348	3,207,045	636,353	33,915	743,453	487,305
9	UNCOLL	Uncollectibles	CUS	100.0%	80.1%	19.9%	0.0%	0.0%	0.0%	0.0%	0.0%
10				\$ 1,017,583	\$ 815,287	\$ 202,297	\$ -	\$ -	\$ -	\$ -	\$ -
11	REVENUE EXTERNAL ALLOCATORS										
12	PROFORMAREV	Direct Assignment of Revenue	REV	100.0%	59.6%	25.7%	5.9%	2.0%	0.1%	3.4%	3.4%
13				\$ 223,222,322	\$ 132,976,422	\$ 57,375,645	\$ 13,243,899	\$ 4,402,967	\$ 129,081	\$ 7,485,202	\$ 7,609,105
14	PROFORMACOG	Direct Assignment of Cost of Gas	REV	100.0%	58.1%	27.9%	8.6%	4.3%	0.1%	1.0%	0.0%
15				\$ 128,796,856	\$ 74,793,655	\$ 35,871,740	\$ 11,087,576	\$ 5,537,841	\$ 162,997	\$ 1,343,047	\$ -
16	COMMODITY EXTERNAL ALLOCATORS										
17	THRU	Throughput	COM	100.0%	57.4%	28.8%	8.6%	5.1%	0.0%	0.0%	0.0%
18				22,085,579	12,683,938	6,360,619	1,908,607	1,132,416	-	-	-
19	WINTERTHRU	Winter Throughput (excl. Int. & Transport)	COM	100.0%	61.0%	27.1%	7.9%	4.0%	0.0%	0.0%	0.0%
20				16,702,675	10,194,035	4,522,091	1,313,459	673,089	-	-	-
21	DEMAND EXTERNAL ALLOCATORS										
22	DESDMD	Design Day Demand	DEM	100.0%	61.1%	24.5%	7.3%	2.9%	0.0%	4.1%	0.0%
23				423,093	258,662	103,640	31,037	12,411	-	17,343	-
24	PKAVGDAY	Peak and Average Day Demand	DEM	100.0%	59.28%	26.65%	7.99%	4.03%	0.00%	2.05%	0.00%
25	MAINS_CUS	Customer Component of Mains		61.61%							

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 Schedule 6 - Internal Allocation Factors

Line No.	Category Description	Total System	Residential Service	Small General Service	Medium General Service	Large General Sales Service Firm	General Sales Service	Large General Transportation Service Firm	Large General Transportation Service Interruptible
1	Allocation Factor Basis								
2	INT_MAINSVCSPLT_ADJ	1,391,877,074	1,075,872,923	212,967,850	26,894,727	10,459,052	228,644	18,485,321	46,968,556
3	INT_MAINMRSVCSPLT_ADJ	1,455,694,018	1,108,672,492	226,709,948	30,870,427	12,187,945	260,933	21,641,622	55,350,653
4	INT_UTILPLT_ADJ	2,049,180,220	1,490,399,536	367,235,379	68,432,560	27,474,229	275,761	39,101,122	56,261,633
5	INT_OMPFF	56,856,429	45,746,333	8,403,942	1,091,195	425,190	5,235	407,385	777,148
6	INT_MAINPLT_ADJ	918,061,451	695,197,930	125,755,921	23,172,459	9,720,468	189,280	17,622,430	46,402,964
7	INT_SVCSPLT_ADJ	473,815,623	380,674,994	87,211,929	3,722,268	738,585	39,364	862,891	565,592
8	INT_MSMPPLT_ADJ	1,484,524,733	1,148,530,876	230,770,752	28,374,058	10,704,522	239,955	18,771,186	47,133,384
9	INT_OPERLAB_ADJ	14,771,610	11,797,471	2,249,428	301,572	117,604	1,373	107,909	196,253
10	INT_TOTRIB_ADJ	1,514,485,999	1,142,663,040	257,796,217	46,701,007	18,586,095	133,606	24,463,385	24,142,648
11	Allocation Factor %								
12	INT_MAINSVCSPLT_ADJ	100.0%	77.3%	15.3%	1.9%	0.8%	0.0%	1.3%	3.4%
13	INT_MAINMRSVCSPLT_ADJ	100.0%	76.2%	15.6%	2.1%	0.8%	0.0%	1.5%	3.8%
14	INT_UTILPLT_ADJ	100.0%	72.7%	17.9%	3.3%	1.3%	0.0%	1.9%	2.7%
15	INT_OMPFF	100.0%	80.5%	14.8%	1.9%	0.7%	0.0%	0.7%	1.4%
16	INT_MAINPLT_ADJ	100.0%	75.7%	13.7%	2.5%	1.1%	0.0%	1.9%	5.1%
17	INT_SVCSPLT_ADJ	100.0%	80.3%	18.4%	0.8%	0.2%	0.0%	0.2%	0.1%
18	INT_MSMPPLT_ADJ	100.0%	77.4%	15.5%	1.9%	0.7%	0.0%	1.3%	3.2%
19	INT_OPERLAB_ADJ	100.0%	79.9%	15.2%	2.0%	0.8%	0.0%	0.7%	1.3%
20	INT_TOTRIB_ADJ	100.0%	75.4%	17.0%	3.1%	1.2%	0.0%	1.6%	1.6%