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Electronically Filed in TPUC Docket
Room on June 24, 2026 at 12:11p.m.

June 24, 2026

VIA ELECTRONIC MAIL **and Fed-Ex**

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

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

Dear Chairman Jones:

Pursuant to the Joint Procedural Schedule, enclosed for filing please find Spire Tennessee Inc.'s ("Spire") responses to the Consumer Advocate Division's *First Discovery Requests* in the above-referenced docket, which were produced on Thursday, June 18th and Wednesday, June 24th in collaboration with the Consumer Advocate Division. In addition to the tabbed and bound copy of the responses, you will find four flash drives, two of which contain all public responses and attachments in native format and two flash drives which contain the confidential responses and attachments to be filed under seal, all of which will be Fed-Ex'd to your office from the McGuireWoods, LLP office.

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

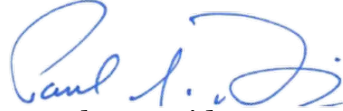
A PDF of the public responses is also being filed today by way of email to the Tennessee Public Utility Commission docket manager, Ectory Lawless. Please file the original and provide a "filed" stamped copy of the same via email.

June 24, 2026

Page 2

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

Sincerely,



Paul S. Davidson

PSD:jv

Enclosures

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

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the attached was served via electronic mail upon the following:

Shilina B. Brown
Senior Assistant Attorney General
Office of the Tennessee Attorney General
Consumer Advocate Division
P.O. Box 20207
Nashville, Tennessee 37202-0207
Email: Shilina.Brown@ag.tn.gov

Vance L. Broemel
Senior Assistant Attorney General
Office of the Tennessee Attorney General
Consumer Advocate Division
P.O. Box 20207
Nashville, Tennessee 37202-0207
Email: Vance.Broemel@ag.tn.gov

This the 24th day of June 2026.

/s/ Paul S. Davidson
Paul S. Davidson

Spire Tennessee
26-00042

DR 1-001

Confidential –

[REDACTED]

RESPONSE:

a)

[REDACTED]

b)

[REDACTED]

c)

[REDACTED]

d)

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
CONSUMER ADVOCATE'S FIRST SET OF DISCOVERY REQUESTS
Date Issued: June 5, 2026
Date Due: June 18, 2026

CONFIDENTIAL 1-1 Response

Confidential Response Filed Under Seal

Spire Tennessee
26-00042

DR 1-002

Confidential – [REDACTED]

[REDACTED]

RESPONSE:

[REDACTED]

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
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CONFIDENTIAL 1-2 Response

Confidential Response Filed Under Seal

Spire Tennessee
26-00042

DR 1-003

Confidential – [REDACTED]

[REDACTED]

RESPONSE:

[REDACTED]

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
CONSUMER ADVOCATE'S FIRST SET OF DISCOVERY REQUESTS
Date Issued: June 5, 2026
Date Due: June 18, 2026

CONFIDENTIAL 1-3 Response

Confidential Response Filed Under Seal

Spire Tennessee
26-00042

DR 1-004

Confidential – [REDACTED]

RESPONSE:

For both a. and b., [REDACTED]

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
CONSUMER ADVOCATE'S FIRST SET OF DISCOVERY REQUESTS
Date Issued: June 5, 2026
Date Due: June 18, 2026

CONFIDENTIAL 1-4 Response

Confidential Response Filed Under Seal

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
CONSUMER ADVOCATE'S FIRST SET OF DISCOVERY REQUESTS
Date Issued: June 5, 2026
Date Due: June 18, 2026

1-4 Attachments

Attachments Provided in Native Format

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
CONSUMER ADVOCATE'S FIRST SET OF DISCOVERY REQUESTS
Date Issued: June 5, 2026
Date Due: June 18, 2026

CONFIDENTIAL 1-4 Attachment

Confidential Attachment Filed Under Seal

Spire Tennessee
26-00042

DR 1-005

Confidential –

[REDACTED]

RESPONSE:

- a. [REDACTED]
- b. [REDACTED]

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
CONSUMER ADVOCATE'S FIRST SET OF DISCOVERY REQUESTS
Date Issued: June 5, 2026
Date Due: June 18, 2026

1-5 Response

Confidential Response Filed Under Seal

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
CONSUMER ADVOCATE'S FIRST SET OF DISCOVERY REQUESTS
Date Issued: June 5, 2026
Date Due: June 18, 2026

1-5 Attachment

Attachment Provided in Native Format

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
CONSUMER ADVOCATE'S FIRST SET OF DISCOVERY REQUESTS
Date Issued: June 5, 2026
Date Due: June 18, 2026

CONFIDENTIAL 1-5 Attachments

Confidential Attachments Filed Under Seal

Spire Tennessee
26-00042

DR 1-006

Confidential – [REDACTED]

[REDACTED]

RESPONSE:

[REDACTED]

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
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1-6 Response

Confidential Response Filed Under Seal

Spire Tennessee
26-00042

DR 1-007

Legal Expenses

Regarding legal invoices supporting costs charged on the books of Piedmont-Tennessee in 2025, provide the following:

- a. Copies of those invoices whose charges were directly assigned to Piedmont-Tennessee and identify the account(s) charged; and
- b. Copies of those invoices whose charges were allocated to Piedmont-Tennessee and identify the account(s) charged.

RESPONSE:

The Company reviewed the Tennessee O&M detail and identified legal costs charged directly or allocated to Piedmont-Tennessee using the accounting code block detail.

Please see the folder <CAD DR 1-7 Attachments _Confidential> provided herewith for invoices which contain the description field for details regarding each legal matter invoiced. Information contained in the attachments are covered by attorney client privilege and the work product doctrine and has been redacted accordingly. The redacted information includes, without limitation, descriptions reflecting privileged client communications, counsel's legal analysis, mental impressions, regulatory litigation strategy, and work performed in anticipation of litigation or regulatory proceedings. The redactions are made solely to preserve applicable privileges and protections.

Note the monetary amount in the O&M detail recorded to a PNG 3-State BU may not tie directly to the face of the invoice due to an allocation factor used to allocate PNG's portion of the invoice.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
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Date Issued: June 5, 2026
Date Due: June 18, 2026

CONFIDENTIAL 1-7 Attachments

Confidential Attachments Filed Under Seal

Spire Tennessee
26-00042

DR 1-008

CIAC

Regarding the three largest Contributions in Aid of Construction (CIAC) made in 2025, provide the following:

- a. A copy of all contracts which cover such contributions;
- b. Calculations identifying the amount of CIAC due; and
- c. Any supporting calculations available which demonstrate that post-CIAC the projects will generate a reasonable rate of return for the Company.

RESPONSE:

The Company worked with internal personnel in project engineering, business development, and PNG to evaluate the CIAC contributions received in calendar 2025. The three largest CIAC payments received were for non-government reimbursable relocation projects. The requested documentation for the sub-parts a and b are attached. Since these projects were 100% reimbursable, part c is not applicable. Please note that the attachments for the contracts and contribution basis are CONFIDENTIAL.

Name and title of responsible person: Eric Bouselli, Manager, Regulatory Strategy & Forecasting

Name and title of preparer: Eric Bouselli, Manager, Regulatory Strategy & Forecasting

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

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
CONSUMER ADVOCATE'S FIRST SET OF DISCOVERY REQUESTS
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1-8 Attachment

Attachment Provided in Native Format

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
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Date Issued: June 5, 2026
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CONFIDENTIAL 1-8 Attachments

Confidential Attachments Filed Under Seal

Spire Tennessee
26-00042

DR 1-009

Dues and Donations

Identify the Company's costs included in both the i) Historic Base Period and ii) Annual Base Rate Reset associated with:

- a) Dues and Donations charged directly to Piedmont-Tennessee operations; and
- b) Dues and Donations allocated to Piedmont-Tennessee operations.

For each vendor, explain why such costs should be recovered from Spire customers.

RESPONSE:

Please see the <CAD DR 1-9 Attachment - Dues and Donations> provided herewith.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Brad Evans, Rates and Regulatory Strategy Manager

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

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
CONSUMER ADVOCATE'S FIRST SET OF DISCOVERY REQUESTS
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1-9 Attachment

Attachment Provided in Native Format

Spire Tennessee
26-00042

DR 1-010

Revenue

Refer to the file titled "Schedule 29" and specifically the tab titled "Schedule 29.2" and respond to the following questions:

- a) Confirm that reversals include recoveries of past due balances? If this is not confirmed, provide a comprehensive definition of the term 'reversals' as is used in this schedule.
- b) Footnote 1 references the new billing system. Regarding the billing system, provide the following information:
 - i. Date the billing system became effective;
 - ii. Cost of the billing system; and
 - iii. Depreciation/amortization rate applicable to the billing system.

RESPONSE:

- a. Yes, reversals include recoveries of past due balances.
- b.
 1. The new billing system was effective July 8, 2024.
 2. Cost of the Billing System Software is \$103,100,913.86.
 3. Depreciation Rate Software is .5556%/month.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jenny Furr, Rates and Regulatory Strategy Manager

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

Spire Tennessee
26-00042

DR 1-012

Working Capital

Refer to the file titled “Schedule 52D Working Capital Calculation” and specifically the tab titled “Schedule 52.D.6,” as well as the corresponding file from the Company’s 2025 ARM filing. The average balance shown in account 232016 in 2025 was approximately \$100 million, representing a decline of approximately \$42 million from those levels recorded in 2024. Provide a comprehensive explanation identifying the decisions leading to such a dramatic reduction in accounts payable in 2025. Provide the underlying budgets for 2024 and 2025 which led to the dramatic reduction in Accounts Payable balances.

RESPONSE:

Although the 2024 average 3-state balance in account 0232016 (before allocating to Tennessee) was approximately \$143M, the balance began at \$182M and ended at \$97M, where it remained consistently near \$100M throughout the 2025 test period. The 2024 reduction was primarily driven by a decrease in payables to third-party pipeline construction contractors. Additionally, Piedmont did not budget for balance sheet accounts.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

Spire Tennessee
26-00042

DR 1-013

Working Capital

Refer to the file titled "Schedule 52D Working Capital Calculation" and specifically the tab titled "Schedule 52.D.6" as well as the corresponding file from the Company's 2025 ARM filing. In both the 2025 and 2026 filings, Piedmont purportedly ran queries of its Accounts Payable (AP) to determine the estimated split of AP between CWIP, Materials and Supplies, O&M and Other. The results of this sample suggested that the AP associated with O&M increased from \$587 million in 2024 to \$959 million in 2025, representing an increase of approximately \$372 million in O&M-related AP. Provide financial statement support for the two periods that supports the accuracy of this AP query. Provide any other evidence that supports the significant growth in O&M costs underlying this query.

RESPONSE:

The procedures and source file for calculating the AP split between CWIP, Materials and Supplies, O&M and Other for 2025 and 2024 are in the attached files "CAD DR 1-13_AP Source Code Query - 2024.xlsx" and "CAD DR 1-13_AP Source Code Query - 2025.xlsx."

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
CONSUMER ADVOCATE'S FIRST SET OF DISCOVERY REQUESTS
Date Issued: June 5, 2026
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1-13 Attachments

Attachments Provided in Native Format

Spire Tennessee
26-00042

DR 1-014

Adjustments

For each ratemaking adjustment reflected in this filing, explain whether the adjustment:

- a) Is expressly required by the ARM tariff;
- b) Is expressly permitted by the ARM tariff; or
- c) Reflects Company interpretation or discretion.

RESPONSE:

While ratemaking adjustments, including requirement determination, are detailed in Jay Neal's testimony filed on May 20, 2026, specific adjustments include:

Summary - Revenue Change Percentage

- Annual Base Rate Reset (ABRR)
 - (\$4,267,686) average annual base rate revenue increase limitation pursuant to Commission Order issued March 16, 2026, in Docket No. 25-00074.

Schedule 1 - Results of Operations and Schedule 12 - Carrying Cost and ARM Reconciliation Deferred Account

- Historic Base Period (HBP)
 - \$36,209 Total Revenue Requirement Deficiency (Sufficiency) will not be collected from customers pursuant to Commission Order issued March 16, 2026, in Docket No. 25-00074.

Schedule 2 - Rate Base

- Historic Base Period (HBP)
 - (\$3,032,639) adjustment needed for compliance with the Company's approved ARM Tariff (CWIP, as defined on ARM Tariff Original Page 8 of 18, item 31). Adjustment also incorporates the approved provisions pertaining to CWIP for the cumulative impact of Incentive Compensation capitalized during 2023 from the 2024 Stipulation and Settlement Agreement (Paragraph 13) filed in Docket No. 24-00036. See additional information in Schedule 15 & Settlement Agreement.
 - \$5,950,339 adjustment needed for compliance with the Company's approved ARM Tariff (ADIT, as defined on ARM Tariff Original Page 8 of 18, item 33). See additional information in Schedule 18.
 - (\$23,450,572) adjustment needed for compliance with the Company's approved ARM Tariff (ARM Regulatory Asset, as defined on ARM Tariff Original Page 8 of 18, item 32). See additional information in Schedule 20.
- Annual Base Rate Reset (ABRR)

- \$83,340,500 adjustment needed for compliance with the Company's approved ARM Tariff (Utility Plant in Service, as defined on ARM Tariff Original Page 13 of 18, item 29). See additional information in Schedule 13.
- (\$10,467,077) adjustment needed for compliance with the Company's approved ARM Tariff (CWIP, as defined on ARM Tariff Original Page 13 of 18, item 31). See additional information in Schedule 15 & Settlement Agreement.
- (\$6,158,920) adjustment needed for compliance with the Company's approved ARM Tariff (Accumulated Depreciation, as defined on ARM Tariff Original Page 13 of 18, item 30). See additional information in Schedule 16.
- (\$8,778,285) adjustment needed for compliance with the Company's approved ARM Tariff (ADIT, as defined on ARM Tariff Original Page 13 of 18, item 33). See additional information in Schedule 18.
- \$498,621 adjustment needed for compliance with the Company's approved ARM Tariff (Lead-Lag, as defined on ARM Tariff Original Page 14 of 18, item 34). See additional information in Schedule 3.
- \$28,744,225 adjustment needed for compliance with the Company's approved ARM Tariff (ARM Regulatory Asset, as defined on ARM Tariff Original Page 13 of 18, item 32). See additional information in Schedule 20.

Schedule 5 - O&M Expense Summary Under Present Rates

- Historic Base Period (HBP)
 - (\$145) adjustment needed for compliance with the Company's approved ARM Tariff (Other Expense Adjustments, as defined on ARM Tariff Original Page 7 of 18, Item 18). See additional information in Schedule 52K.
 - (\$258) adjustment needed for compliance with the Company's approved ARM Tariff (Other Expense Adjustments, as defined on ARM Tariff Original Page 7 of 18, Item 18). See additional information in Schedule 52L.
 - (\$129,795) Adjustment needed for compliance with the Company's approved ARM Tariff (Other Expense Adjustments, as defined on ARM Tariff Original Page 7 of 18, Item 18). See additional information in Schedule 52M.
 - (\$62,512) adjustment needed for compliance with the Company's approved ARM Tariff (Other Expense Adjustments, as defined on ARM Tariff Original Page 7 of 18, Item 18). See additional information in Schedule 52N.
 - (\$213,163) adjustment needed for compliance with the Company's approved ARM Tariff (Uncollectible and Bad Debt Adjustments, as defined on ARM Tariff Original Page 6 of 18, Item 7). See additional information in Schedule 29.
 - (\$818) adjustment needed for compliance with the Company's approved ARM Tariff (Other Expense Adjustments, as defined on ARM Tariff Original Page 7 of 18, Item 18). See additional information in Schedule 29.
 - (\$28,856) Adjustment needed for compliance with the Company's approved ARM Tariff (Other Expense Adjustments, as defined on ARM Tariff Original Page 7 of 18, Item 18). See additional information in Schedule 52O.
 - (\$1,138,175) adjustment needed for compliance with the Company's approved ARM Tariff (Incentive Compensation Expense Adjustments, as

defined on ARM Tariff Original Page 6 of 18, Item 10). See additional information in Schedule 31.

- (\$779,390) adjustment needed for compliance with the Company's approved ARM Tariff (Incentive Compensation Expense Adjustments, as defined on ARM Tariff Original Page 6 of 18, Item 10). See additional information in Schedule 32.
 - (\$186,604) adjustment needed for compliance with the Company's approved ARM Tariff (Expense for Allocated Return on DEBS Assets Adjustments, as defined on ARM Tariff Original Page 7 of 18, Item 15). See additional information in Schedule 35.
 - \$1,849,112 adjustment needed for compliance with the Company's approved ARM Tariff (Other Pension and OPEB Expense Adjustments, as defined on ARM Tariff Original Page 6 of 18, Item 14). See additional information in Schedule 36.
 - (\$117,132) adjustment needed for compliance with the Company's approved ARM Tariff (Lobbying, Charitable Contributions, Social Club Membership Expense Adjustments, as defined on ARM Tariff Original Page 6 of 18, Item 8). See additional information in Schedule 37.
 - (\$27,170) adjustment needed for compliance with the Company's approved ARM Tariff (Advertising Expense Adjustments, as defined on ARM Tariff Original Page 7 of 18, Item 17). See additional information in Schedule 38.
 - \$1,599,621 adjustment needed for compliance with the Company's approved ARM Tariff (Rate Case Expense Adjustments, Other Expense Adjustments and Home Protection Plan Expense Adjustments, as defined on ARM Tariff Original Page 6 of 18, Item 11 and Page 7 of 18, Items 17 and 18). See additional information in Schedule 52P.
- Annual Base Rate Reset (ABRR)
 - (\$80,815) adjustment needed for compliance with the Company's approved ARM Tariff (Amortization Expense for Deferred Environmental Expense Adjustments, as defined on ARM Tariff Original Page 12 of 18, Item 12). See additional information in Schedule 33.

Schedule 6A - Summary of Revenue

- Historic Base Period (HBP)
 - (\$37,761) adjustment needed for compliance with the Company's approved ARM Tariff (Gas Sales and Transportation Revenues, as defined on ARM Tariff Original Page 5 of 18, Item 1). See additional information in Schedules 21 & 22B.
 - \$2,752,646 adjustment needed for compliance with the Company's approved ARM Tariff (Other Revenues, as defined on ARM Tariff Original Page 5 of 18, Item 3). See additional information in Schedule 23.

- \$23,816 adjustment needed for compliance with the Company's approved ARM Tariff (Other Revenues, as defined on ARM Tariff Original Page 5 of 18, Item 3). See additional information in Schedule 23.
- (\$802,540) adjustment needed for compliance with the Company's approved ARM Tariff (Other Revenues, as defined on ARM Tariff Original Page 5 of 18, Item 3). See additional information in Schedule 23.
- Annual Base Rate Reset (ABRR)
 - \$4,014,250 adjustment needed for compliance with the Company's approved ARM Tariff (Gas Sales and Transportation Revenues, as defined on ARM Tariff Original Page 10 of 18, Item 1). See additional information in Schedules 21 & 22B.
 - \$22,182,265 adjustment needed for compliance with the Company's approved ARM Tariff (Margin Revenues, as defined on ARM Tariff Original Page 11 of 18, Item 4). See additional information in Schedules 21 & 22B.
 - \$237,841 adjustment needed for compliance with the Company's approved ARM Tariff (Other Revenues, as defined on ARM Tariff Original Page 11 of 18, Item 3). See additional information in Schedule 23.

Schedule 7 - Summary of General Taxes

- Historic Base Period (HBP)
 - (\$143,242) adjustment needed for compliance with the Company's approved ARM Tariff (Payroll Tax Expense, as defined in ARM Tariff Original Page 7 of 18, item 21). See additional information in Schedule 52V.
 - \$35,395 adjustment needed for compliance with the Company's approved ARM Tariff (Other Expense Adjustments as defined in ARM Tariff Original Page 7 of 18, item 18). See additional information in Schedule 52V.

Schedule 8 - Excise and Income Taxes

- Annual Base Rate Reset (ABRR)
 - \$26,434,356 Gas Sales and Transportation Revenues and Other Revenues ABRR adjustments noted in Schedule 9.
 - \$22,182,265 Purchased Gas Expense ABRR adjustment noted in Schedule 9.
 - (\$80,815) Operating & Maintenance Expenses ABRR adjustments noted in Schedules 5 and 9.
 - \$13,718,168 Depreciation Expense ABRR adjustment noted in Schedule 9.
 - \$828,703 Amortization Expense for ARM Regulatory Asset ABRR adjustment noted in Schedule 9.
 - (\$281,072) AFUDC – Debt ABRR adjustment noted in Schedule 9.
 - (\$1,125,016) Short-Term Debt Interest Expense and Long-Term Debt Interest Expense calculations noted in Schedule 10B.
 - (\$755,303) adjustment needed for compliance with the Company's approved ARM Tariff (State Excise Tax Expense, as defined on ARM Tariff Original Page 13

of 18, Item 25). See additional information in Schedules 11 & Settlement Agreement.

Schedule 9 - Income Statement

- Historic Base Period (HBP)
 - (\$37,761) adjustment needed for compliance with the Company's approved ARM Tariff (Gas Sales and Transportation Revenues, as defined on ARM Tariff Original Page 5 of 18, Item 1). See additional information in Schedule 6A.
 - \$1,973,922 adjustment needed for compliance with the Company's approved ARM Tariff (Other Revenues, as defined on ARM Tariff Original Page 5 of 18, Item 3). See additional information in Schedule 6A.
 - \$890,840 adjustment needed for compliance with the Company's approved ARM Tariff (Purchased Gas Expense Adjustments, as defined on ARM Tariff Original Page 6 of 18, Item 5). See additional information in Schedule 6A.
 - \$764,714 Operating & Maintenance Expenses HBP adjustments noted in Schedule 5.
 - (\$107,847) General Tax Expense HBP adjustments noted in Schedule 7.
 - \$3,492,609 adjustment needed for compliance with the Company's approved ARM Tariff (State Excise Tax Expense, as defined on ARM Tariff Original Page 7 of 18, Item 25). See additional information in Schedule 8.
 - \$268,323 adjustment needed for compliance with the Company's approved ARM Tariff (Federal Income Tax Expense, as defined on ARM Tariff Original Page 7 of 18, Item 26). See additional information in Schedule 8.
 - \$1,040,154 adjustment needed for compliance with the Company's approved ARM Tariff (AFUDC Adjustments, as defined on ARM Tariff Original Page 8 of 18, Item 27). See additional information in Schedules 39 & 15.2.
 - \$2,561,488 adjustment needed for compliance with the Company's approved ARM Tariff (AFUDC Adjustments, as defined on ARM Tariff Original Page 8 of 18, Item 27). See additional information in Schedules 39 & 15.2.

- Annual Base Rate Reset (ABRR)
 - \$26,195,515 adjustment needed for compliance with the Company's approved ARM Tariff (Gas Sales and Transportation Revenues and Purchased Gas Revenue, as defined on ARM Tariff Original Page 10 of 18, Item 1 and Page 11 of 18, Item 3, respectively). See additional information in Schedule 6A.
 - \$237,841 adjustment needed for compliance with the Company's approved ARM Tariff (Other Revenues, as defined on ARM Tariff Original Page 11 of 18, Item 3). See additional information in Schedule 6A.
 - \$22,182,265 adjustment needed for compliance with the Company's approved ARM Tariff (Purchased Gas Expense Adjustments, as defined on ARM Tariff Original Page 11 of 18, Item 5). See additional information in Schedule 6A.

PUBLIC VERSION

- (\$80,815) Operating & Maintenance Expenses ABRR adjustments noted in Schedule 5.
- \$13,718,168 adjustment needed for compliance with the Company's approved ARM Tariff (Depreciation Expense Adjustments, as defined on ARM Tariff Original Page 12 of 18, Item 19). See additional information in Schedule 14.
- \$828,703 adjustment needed for compliance with the Company's approved ARM Tariff (Amortization Expense for ARM Regulatory Asset Adjustments, as defined on ARM Tariff Original Page 12 of 18, Item 20). See additional information in Schedule 52Z.
- (\$755,303) adjustment needed for compliance with the Company's approved ARM Tariff (State Excise Tax Expense, as defined on ARM Tariff Original Page 13 of 18, Item 25). See additional information in Schedule 8.
- (\$2,281,597) adjustment needed for compliance with the Company's approved ARM Tariff (Federal Income Tax Expense, as defined on ARM Tariff Original Page 13 of 18, Item 26). See additional information in Schedule 8.
- (\$281,072) adjustment needed for compliance with the Company's approved ARM Tariff (AFUDC Adjustments, as defined on ARM Tariff Original Page 13 of 18, Item 27). See additional information in Schedules 39 & 15.2.
- (\$494,144) adjustment needed for compliance with the Company's approved ARM Tariff (AFUDC Adjustments, as defined on ARM Tariff Original Page 13 of 18, Item 27). See additional information in Schedules 39 & 15.2.
- (\$4,267,686) average annual base rate increase limitation pursuant to Commission Order issued March 16, 2026, in Docket No. 25-00074.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

Spire Tennessee
26-00042

DR 1-015

Adjustments

Please identify all adjustments reflected in this filing that were not expressly identified in prior ARM proceedings.

RESPONSE:

Other than the two following adjustments related to the Commission Order issued March 16, 2026, in Docket No. 25-00074, the current ARM filing contains no different adjustment types from previous ARM proceedings.

Summary - Revenue Change Percentage

- Annual Base Rate Reset (ABRR)
 - (\$4,267,686) average annual base rate revenue increase limitation pursuant to Commission Order issued March 16, 2026, in Docket No. 25-00074.

Schedule 1 - Results of Operations and Schedule 12 - Carrying Cost and ARM Reconciliation Deferred Account

- Historic Base Period (HBP)
 - \$36,209 Total Revenue Requirement Deficiency (Sufficiency) will not be collected from customers pursuant to Commission Order issued March 16, 2026, in Docket No. 25-00074.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

Spire Tennessee
26-00042

DR 1-016

Prudence

Please explain the process how the Company determined that each cost included in this filing is “prudently incurred” within the meaning of the ARM tariff.

RESPONSE:

As noted in Eric Bouselli’s Direct Testimony, the data and accounting records presented in this filing reflect operations conducted entirely under Piedmont’s ownership in calendar year 2025. These records are consistent with historical data and accounting records that have been reviewed during past ARM filings and relied upon in approving past rate increases. Had the transaction not been approved by the Commission, these are the same data and accounting records that would have been presented by Piedmont in its 2026 ARM filing. Piedmont incurred costs to continue operating the Tennessee system in a safe and reliable manner and the capital and O&M expenditures were reasonable, responsible, and made in good faith at the time they were made.

Name and title of responsible person: Eric Bouselli, Manager, Regulatory Strategy & Forecasting

Name and title of preparer: Eric Bouselli, Manager, Regulatory Strategy & Forecasting

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

Spire Tennessee
26-00042

DR 1-017

Prudence

Please explain how the Company verified the accuracy of all inherited Piedmont accounting records used in this filing.

RESPONSE:

As noted in Eric Bouselli's Direct Testimony, the data and accounting records presented in this filing reflect operations conducted entirely under Piedmont's ownership in calendar year 2025. These records are consistent with historical data and accounting records that have been reviewed during past ARM filings and relied upon in approving past rate increases. Spire Tennessee inherited these costs and assets at the closing of the acquisition on March 31, 2026. Had the transaction not been approved by the Commission, these are the same data and accounting records that would have been presented by Piedmont in its 2026 ARM filing. Further, the Company entered into a Transition Services Agreement with Piedmont that includes support services for this filing as well as general accounting and finance support. Additionally, a regulatory employee conveyed to Spire Tennessee with the transaction. This employee was involved with this filing and familiar with Piedmont's accounting systems and reporting. This continuity and transition support provide the Company with confidence in the accuracy and integrity of the data underlying this filing.

Name and title of responsible person: Eric Bouselli, Manager, Regulatory Strategy & Forecasting

Name and title of preparer: Eric Bouselli, Manager, Regulatory Strategy & Forecasting

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

Spire Tennessee
26-00042

DR 1-018

Acquisition

Please identify any costs associated with the acquisition transaction, integration activities, or transition activities that are reflected anywhere in:

- a) Rate base;
- b) Operating expenses;
- c) Deferred balances;
- d) TSA charges;
- e) Affiliate allocations;
- f) Capital expenditures;
- g) Environmental deferrals; and
- h) Overhead allocations.

RESPONSE:

Please see the Company's response to DR 1-26 for details on acquisition cost accounting and charging guidance.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

Spire Tennessee
26-00042

DR 1-019

Confidential - [REDACTED]

[REDACTED]

RESPONSE:

[REDACTED]

[REDACTED]

[REDACTED]

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
CONSUMER ADVOCATE'S FIRST SET OF DISCOVERY REQUESTS
Date Issued: June 5, 2026
Date Due: June 18, 2026

CONFIDENTIAL 1-19 Response

Confidential Response Filed Under Seal

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
CONSUMER ADVOCATE'S FIRST SET OF DISCOVERY REQUESTS
Date Issued: June 5, 2026
Date Due: June 18, 2026

CONFIDENTIAL 1-19 Attachments

Confidential Attachments Filed Under Seal

Spire Tennessee
26-00042

DR 1-020

Incentive Compensation

For each STIP metric, identify:

- a) Weighting;
- b) Actual achievement;
- c) Payout percentage; and
- d) Whether the metric primarily benefits customers or shareholders.

RESPONSE:

Please see the <CONFIDENTIAL CAD DR 1-20(d) Attachment – Customer Benefits.docx> from the perspective of Piedmont/Duke and <CONFIDENTIAL CAD DR 1-20(a)-(c) Attachment – STI Metrics.xlsx> provided herewith.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
CONSUMER ADVOCATE'S FIRST SET OF DISCOVERY REQUESTS
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CONFIDENTIAL 1-20 Attachments

Confidential Attachments Filed Under Seal

Spire Tennessee
26-00042

DR 1-021

Capital Budget

Provide the Spire 2026 – 2029 capital budget by the following primary categories:

- a) New Business/Growth;
- b) Maintenance/System Integrity;
- c) System Improvements;
- d) Facilities;
- e) IT;
- f) Automated Meter Reading, if applicable;
- g) LNG, if applicable;
- h) RNG, if applicable; and
- i) All Other.

RESPONSE:

Please see the attached CONFIDENTIAL spreadsheet for the requested information.

Name and title of responsible person: Eric Bouselli, Manager, Regulatory Strategy & Forecasting

Name and title of preparer: Bill Wingbermuehle, Director, Operations Analytics

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

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
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CONFIDENTIAL 1-21 Attachment

Confidential Attachment Filed Under Seal

Spire Tennessee
26-00042

DR 1-022

Regulatory Asset

Refer to the file titled "Schedule 52Z_Calculation of ARM Regulatory Asset" and provide the following documentation:

- a) Supporting calculations for "Depreciation Expense Portion" and "Interest Expense Portion" for 2025 with cell references intact;
- b) Supporting calculations for "Depreciation Expense Portion" and "Interest Expense Portion" for 2024 with cell references intact; and
- c) Supporting calculations for "Weighted Average Depreciable Life" for 2024 and 2025 with cell references intact.

RESPONSE:

- a) The supporting calculations for the 2025 Depreciation Expense and Interest Expense amounts on "Schedule 52Z" can be found on TN ARM Schedules "52E ARM Reg Asset_Deferred Depreciation Monthly Activity_2025.xlsx" and "52F ARM Reg Asset_Deferred Interest Monthly Activity_Revised_2025.xlsx." Please see the <CAD DR 1-22 Attachments> folder provided herewith.

Note that these schedules were provided with the 2026 ARM Filing submitted on May 20, 2026.

- b) The supporting calculations for the 2024 Depreciation Expense and Interest Expense amounts on "Schedule 52Z" can be found on the attached TN ARM Schedules "52E ARM Reg Asset_Deferred Depreciation Monthly Activity_2024.xlsx" and "52F ARM Reg Asset_Deferred Interest Monthly Activity_2024.xlsx." Please see the <CAD DR 1-22 Attachments> folder provided herewith.
- c) The calculation for the 2025 Weighted Average Depreciable life can be found on tab "Schedule 52Z.1" of the referenced file "Schedule 52Z_Calculation of ARM Reg Asset Amortization Expense."

The calculation for the 2024 Weighted Average Depreciable life can be found in ARM "Schedule 52Z" from the 2025 ARM Filing. Please see the <CAD DR 1-22 Attachments> folder provided herewith.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
CONSUMER ADVOCATE'S FIRST SET OF DISCOVERY REQUESTS
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1-22 Attachments

Attachments Provided in Native Format

Spire Tennessee
26-00042

DR 1-023

Amortization Expense

Refer to the file titled "Schedule 52Z" and specifically the tab titled "Schedule 52Z.1," the weighted average Depreciation Life in Years, and specifically to the three-state asset section of the spreadsheet and respond to the following:

- a) Indicate whether the three state asset values contained in this spreadsheet are gross values, or net Tennessee values after applying an allocation factor.
- b) Provide the analytical support underlying the response in part (a), demonstrating that the values are either pre- or post-allocation to Tennessee.
- c) If the values represent gross values prior to application of the Tennessee three-state allocation factor, discuss the rationale for using the gross values rather than the Tennessee portion of these balances.
- d) Refer to the July value associated with account 20300 Miscellaneous Intangible Plant in the amount of \$9,271,936. Provide:
 - i. A description of the intangible asset(s) under construction and the benefits accruing to Tennessee customers; and
 - ii. Provide supporting documentation for the July charges to this account.

RESPONSE:

- a. Gross Values
- b. Please reference <Schedule 52A> for the pre-allocated gross plant additions.
- c. The methodology is consistent with prior ARM filings
- d.
 - i. Software and License upgrades that benefit all Piedmont customers, including those in Tennessee.
 - ii. Please see the <CAD 1-23 Attachment – 20300_support-CONFIDENTIAL> provided herewith for supporting documentation for the July charges to account 20300.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
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CONFIDENTIAL 1-23 Attachment

Confidential Attachment Filed Under Seal

Spire Tennessee
26-00042

DR 1-024

Depreciation Expense

Refer to the files titled "Schedule 14.2" from Piedmont's 2025 ARM filing, Schedule 14.1 from the pending ARM filing and "Schedule 52Z" and respond to the following:

- a) The annualized Depreciation Expense on Schedule 14.2 in the 2025 Piedmont ARM filing was calculated at \$51,958,622. The 2025 Depreciation Expense recorded to Account 0403002 was \$42,019,347. If these two balances are not comparable, explain the distinction between the forecasted annualized depreciation expense in the 2025 ARM filing, with the gross depreciation expense recorded in this account.
- b) Provide a reconciliation between the two values referenced in item (a).
- c) Confirm that the Depreciation Expense recorded to account 0403002 would incorporate Depreciation Expense on assets in service as of December 31, 2024, as well as assets placed in service during 2025.
- d) Confirm that the Depreciation Expense associated with new plant placed in service subsequent to December 31, 2024, is recorded both in account 0403002 and offset by a credit to account 0403500. If this is not confirmed, please provide an explanation of the nature of the transactions contained in the two accounts.

RESPONSE:

- a) The annualized depreciation expense calculated in the 2025 ARM filing was based on the UPIS plant balance at the end of year, calculated using the newly approved depreciation rates in Docket 24-00082. The 2025 book depreciation was calculated based plant balances throughout the year and are also net of the credits to depreciation expense from the TN ARM deferral entries. The new depreciation rates were not used for book purposes until effective October 1, 2025.
- b) Please refer to the Company's response to part (a) for reconciliation on the two values referenced.
- c) The depreciation expense recorded in 2025 would be based on depreciable assets that were in service not yet fully depreciated as well as those assets that were placed in service during 2025.
- d) The depreciation expense associated with the new plant placed in service subsequent to December 31, 2024, is recorded in account 0403002 and offset by a credit to account 0403010. Schedule 14.1 shows the credit offset account as 0403500 which is a clerical error. It should read 0403010 Dep – deferral offset.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Misty Lyons

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

Spire Tennessee
26-00042

DR 1-025

CWIP

For each CWIP project with a December 31, 2025, balance more than \$1 million, provide the following:

- a) Project description;
- b) Estimated completion date;
- c) Original budget;
- d) Current budget;
- e) Cost overruns;
- f) Justification for the project; and
- g) Customer benefits.

RESPONSE:

Please see the <CAD 1-25 Attachment - CWIP Balance Greater than \$1M Budget – working CONFIDENTIAL> provided herewith.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

SPIRE TENNESSEE INC.
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CONFIDENTIAL 1-25 Attachment

Confidential Attachment Filed Under Seal

Spire Tennessee
26-00042

DR 1-026

Acquisition Transaction

Regarding the decision and eventual sale of its Tennessee operations to Spire, respond to the following:

- a) Identify the costs incurred by Piedmont, by month, by account, by department. related to the preparation, planning, and eventual sale of its Tennessee operations. Identify the portion of the above costs that are included in the Historic Base Period costs within the pending filing.
- b) Provide a narrative of how Piedmont identified the costs associated with the transactions.
- c) Provide a copy of all internal documents describing how employees were to identify such costs for special reporting purposes.

RESPONSE:

- a) All transaction costs incurred by Duke are included in the <CAD DR 1-26(a) BLURDG GL Activity 2025.xlsm> provided herewith. The majority of these costs were reclassified to Piedmont once there was a successful purchase agreement signed. See also response to question 1-27. None of these costs are included in the historic base period.
- b) All costs associated with the transaction used accounting code block Process ID "BLURDG" as instructed in the charging guidance. Please see the Company's response to c).
- c) Charging guidance was shared with separation leads working on the divestiture. Please see the <CAD DR 1-26(c) Attachment - TN Separation_Charging Guidance_September 2025_ - Reg – CONFIDENTIAL.pptx> copy of the charging guidance is attached.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
CONSUMER ADVOCATE'S FIRST SET OF DISCOVERY REQUESTS
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Date Due: June 18, 2026

1-26(a) Attachment

Attachment Filed in Native Format

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
CONSUMER ADVOCATE'S FIRST SET OF DISCOVERY REQUESTS
Date Issued: June 5, 2026
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CONFIDENTIAL 1-26(c) Attachment

Confidential Attachment Filed Under Seal

Spire Tennessee
26-00042

DR 1-027

Acquisition Transaction

Regarding the decision and eventual sale of its Tennessee operations to Spire, respond to the following:

- a) Identify the costs incurred by Duke, by month, by account, by department. related to the preparation, planning, and eventual sale of Piedmont's Tennessee operations. Identify the portion of the above costs that are included in the Historic Base Period costs within the pending filing.
- b) Provide a narrative of how Duke identified the costs associated with the transactions.
- c) Provide a copy of all internal documents describing how Duke employees were to identify such costs for special reporting purposes.

RESPONSE:

Please see the Company's response and attachments provided for DR 1-26. None of these costs are included in the historic base period.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

Spire Tennessee
26-00042

DR 1-028

Incentive Compensation

Short-term incentive compensation charged to Administrative and General Expense (A&G) accounts increased from \$124,968 in 2024 to \$1,342,372 in 2025. Respond to the following:

- a) What portion of the 2024 Incentive compensation expense included in A&G were based upon:
 - i. group metrics versus; and
 - ii. specific individual criteria?
- b) What portion of the 2025 Incentive compensation expense included in A&G were based upon:
 - i. group metrics versus; and
 - ii. specific individual criteria?
- c) What portion of the 2025 incentive compensation expenses relates either directly or indirectly to the sale of Piedmont's Tennessee operations?
- d) Provide a copy of the team metrics applicable to Piedmont Tennessee employees whose costs are direct assigned to Piedmont-Tennessee operations.
- e) Provide a copy of the short-term incentive compensation metrics applicable to Piedmont's corporate employees whose costs are allocated to Piedmont-Tennessee operations and compare with the actual application of such metrics based upon 2025 results.
- f) Provide a copy of the individual or team (as applicable) portion of short-term incentive compensation metrics applicable to those five employees with the largest short-term incentive compensation costs charged to the A&G expense accounts of Piedmont Tennessee.
- g) Compare the actual accrued costs included within the Historic Base Period with the actual employee payments made for incentive compensation associated with 2025 operating results. This response should include listing the accounts charged for the 2025 short-term incentive compared with the accounts used in the true-up between estimated incentive costs and actual incentive costs.
- h) Provide a narrative explanation discussing the reason for the dramatic increase in short-term incentive compensation charged to A&G expense accounts.

RESPONSE:

Please see the <CAD DR 1-28 Attachment - TN ARM (Sch 31_Short Term Incentive Comp Adj)_response.xlsx> for response provided herewith.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
CONSUMER ADVOCATE'S FIRST SET OF DISCOVERY REQUESTS
Date Issued: June 5, 2026
Date Due: June 18, 2026

1-28 Attachment

Attachment Provided in Native Format

Spire Tennessee
26-00042

DR 1-029

Incentive Compensation

Identify the amount of short-term incentive compensation allocated to Piedmont-Tennessee operations in 2025 from Duke affiliates other than Piedmont. Identify the portion of this amount included in historic base period operating expenses.

RESPONSE:

Please see <CAD DR 1-29 Attachment> for a summary of the information on short-term incentives, including the direct and allocated amounts.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
CONSUMER ADVOCATE'S FIRST SET OF DISCOVERY REQUESTS
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1-29 Attachment

Attachment Provided in Native Format

Spire Tennessee
26-00042

DR 1-030

Incentive Compensation

Identify the amount of long-term incentive compensation allocated to Piedmont-Tennessee operations in 2025 from Duke affiliates other than Piedmont. Identify the portion of this amount included in historic base period operating expenses.

RESPONSE:

Please see the Company's response and attachments provided for DR 1-29. None of these costs are included in the historic base period.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

Spire Tennessee
26-00042

DR 1-031

Employee Agreements

Identify and provide copies of all employee agreements in effect in 2025 for any Piedmont employees whose costs are included in the historic base period. Identify such costs and the account(s) where they were recorded.

RESPONSE:

Please see the attached <CAD DR 31 Attachment - UA Local 702 contract agreement>. The attached <CAD DR 1-31 - Union Labor Dollars.xlsx> file shows the distribution of union labor dollars included in the HBP.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
CONSUMER ADVOCATE'S FIRST SET OF DISCOVERY REQUESTS
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1-31 Attachment

Attachment Provided in Native Format

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
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Date Issued: June 5, 2026
Date Due: June 18, 2026

CONFIDENTIAL 1-31 Attachment

Confidential Attachment Filed Under Seal

Spire Tennessee
26-00042

DR 1-032

EADIT Amortization

Refer to the files titled “Schedules 52X_Amortization of EDIT” within Piedmonts’ 2023-2025 ARM filings and not the significant decline in amortization rates for both the Tennessee Direct and Three State Joint Property. For the latter category the amortization rate has declined from 10.34% in 2023 to .77% in 2025. Respond to the following:

- a) Please provide a reconciliation of the annual ARAM amortization calculation by plant vintage and account showing the factors causing the year-over-year change in amortization, including the impact of retirements, depreciation rate changes, protected balance reclassifications, and any modifications to the ARAM model for each year of 2023 - 2025.
- b) Provide a narrative discussion explaining why the ARAM amortization period has changed on the Tennessee Direct Property in 2025 vs 2024.
- c) Provide a narrative discussion explaining why the ARAM amortization period has changed significantly on the three-state joint property for 2023 vs. 2024 and 2024 vs 2025.

RESPONSE:

- a. ARAM is a calculation that is performed on every individual record in PowerTax. ARAM starts on any given record when book depreciation exceeds tax depreciation (calculations performed in PowerTax).

Each year there can be ARAM records that are just starting amortization in the current year and there can be ARAM records that have finished amortizing. ARAM records would need to be analyzed individually by record to understand the change in ARAM year over year. ARAM rates can go up one year and down the next year as new assets may start ARAM in one year and older asset will drop off ARAM amortization as they become fully depreciated for book and tax. Each year the ARAM rate that is provided is a summarized amount of ARAM for every record in our PowerPlan tax system. The total ARAM amount for every record is divided by the original Protected EDIT amounts for PPE.

- For example, on the 2024 ARM filing the ARAM rate for TN Direct was calculated by taking the forecasted ARAM amount of \$700,000 divided by the original PP&E Edit amount of \$44,059,244 = 1.59%.
- Every record in the PowerTax system will have its own ARAM amount and rate. The rate presented on the annual schedule is a summarized calculated amount.

PUBLIC VERSION

- Note the \$700,000 was a rounded forecasted amount based on our best estimates of what actual ARAM would be for that year.

Analysis of year-over-year changes requires an analysis of every record in PowerTax individually. This is a significant amount of detail. Actual ARAM rate detail for any given tax year can be provided if requested.

Retirements - Any unamortized EDIT on fully retired PowerTax records gets amortized over the average remaining book life of assets.

Depreciation rate changes - Book Depreciation is calculated in the book accounting system. Any book depreciation rate changes would impact the amount of book depreciation that is stored in PowerPlant. PowerTax interfaces with PowerPlant at year-end and picks up the total book depreciation recorded for a given year. Any book depreciation rate changes would be reflected in the total amount interfaced between the two systems. Actual book depreciation rate changes can be provided by the book accounting team if requested. Controls exist to ensure that PowerTax book assets and accumulated depreciation tie to the assets in PowerPlant.

Protected balance reclassifications - No protected balance reclassifications were made during 2023 - 2025.

Modifications to the ARAM model - No modifications were made during 2023 - 2025.

b-c. When the original EDIT amounts relate mostly to short lived assets (book and tax) such as software, computers, office equipment, the ARAM will get amortized quickly as the asset becomes fully depreciated for both book and tax very quickly. This is especially true for 3 state which has a very high percentage of these assets with shorter book and tax lives. For 3 state assets, the total amount of EDIT amortized through year-end 2024 was approximately 75% and now starting in tax year 2025 the EDIT amortization rate is beginning to reduce significantly as the remaining EDIT balance is now related to longer lived assets like structures. Also, any assets added in 2018 and forward don't impact the EDIT or ARAM because these assets did not exist when the rates changed at the end of Tax Year 2017.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Matt Gordon & Brooke Jenkins

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

Spire Tennessee
26-00042

DR 1-033

4% Cap

Refer to the Commission's order in Docket No. 25-00074 issued June 2, 2026, and the revenue change summary tab within the file "1-12 Lead Schedules_2026 ARM" and specifically the Company's application of the cap to apply to its Total Operating revenue and respond to the following:

- a) Has the Company's position regarding the application of the cap to total Operating Revenue changed with the reading of the Commissions' order in Docket 25-00074?
- b) If the answer to part (a) is yes, please modify the Rate Change Summary schedule to reflect the change in the Company's position.
- c) If not, provide support reconciling the use of Total Operating Revenue to calculate the cap with specific language contained in the order which the Company believes supports its position.
- d) If part (a) is no, provide the Company's definition of 'base rate increase' as such term is used in the Commission's order on lines 1 through 3 of page 31.

RESPONSE:

- a) No.
- b) NA
- c) The Commission's Order on page 30 states, "This cap is intended to limit the annual increase in the total revenue requirements. Spire presented evidence that a range of 3% to 5% represents a reasonable range of estimated annual rate increases." The framing of the increases in the ARM filings under Piedmont ownership were calculated and presented relative to the Total Operating Revenues brought forth in the respective filings. It is in this frame and reference that the Company presented the range of 3% to 5%, which the Commission said represented a reasonable range. Part of the rationale for imposing a cap was to ensure Piedmont's customers did not experience a large rate increase due to integration efforts of Spire Tennessee with no material impact to the quality of service. It should be noted that the 2026 ARM filing is based on calendar 2025 activity which was completely under Piedmont's ownership and control. The calculation of the percentage increase prior to Spire Tennessee's application of the 4% cap was 5.22%, which would have been the requested increase if Piedmont still owned the Tennessee utility operations.

Further supporting that the calculation historically used by Piedmont is appropriate, on page 31, the Commission states "the public interest is served by transferring a modified version of Piedmont's ARRM." Those modifications are: (1) the transfer of the ARRM is limited to three years; (2) if there is an earnings deficiency calculated,

PUBLIC VERSION

Spire cannot collect any of the deficiency or defer any amount of the deficiency; (3) if there is an earnings sufficiency, Spire shall refund the sufficiency; and (4) the rate increase shall not exceed 4% and Spire shall not defer any excess or seek recovery in a future rate case. The modifications did not include a different calculation for the ARRM from what Piedmont has used under its tariff.

- d) See the response to part c above. The Company is using the calculation for the increase consistent with the Commission's order and the ARRM tariff transferred to Spire. There is no definition of "base rate increase" in the AARM tariff. Schedule 1 contains the calculation of the "Annual Base Rate Reset" in column B. The total Annual Base Rate Reset to Revenue Requirement Deficiency shown in [B]8 was then used to calculate the percentage increase of 5.22% noted earlier, however, due to the Commission's order was capped at 4%.

Name and title of responsible person: Eric Bouselli, Manager, Regulatory Strategy and Forecasting

Name and title of preparer: Eric Bouselli, Manager, Regulatory Strategy and Forecasting

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

!Spire Tennessee
26-00042

DR 1-036

CIAC

Provide any analysis or evaluations in the possession of either Piedmont or Spire that evaluate the reasonableness of Piedmont's line extension policy from the perspective of Piedmont's legacy customers based upon current and/or recent construction costs.

RESPONSE:

The Company is not in possession of the analysis described. However, please refer to DR 1-61 for guidelines and narrative about the process followed for evaluating service extensions as well as the TPUC approved Service Regulations.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Eddie Davidson, Vice President, External Affairs

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

Spire Tennessee
26-00042

DR 1-037

Capital Budgets

Provide the variance between projected and actual construction costs for new business for the period 2015 through 2025. The projected capital budget should be the final such budget prior to the start of the calendar year.

RESPONSE:

Please see the <CAD DR 1-37 Attachments> folder for the annual construction reports submitted annually to David Foster in regards to Rule 1220-4-1-.01. The first reports we have available covers the 2017 plan year. The reports provide actuals vs budget for the Residential and Commercial Additions and continues through 2025. Please see the final page of each report.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

****FY26 is still confidential**

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
CONSUMER ADVOCATE'S FIRST SET OF DISCOVERY REQUESTS
Date Issued: June 5, 2026
Date Due: June 18, 2026

CONFIDENTIAL 1-37 Attachments

Confidential Attachments Filed Under Seal

Spire Tennessee
26-00042

DR 1-038

Capital Budgets

Provide the annual five-year capital budget for 'new business' that was prepared in the period 2015 – 2025. This would include ten separate five-year capital budget forecasts, with the first prepared in 2015 covering the period 2016 – 2020. The second such forecast would be 2016 prepared forecast covering the period 2017 – 2021.

RESPONSE:

Please see the attached <CAD DR 1-38 Attachment - Five Year Budgets - 2019-2025 CONFIDENTIAL.xlsx> file. Responses were provided for 2020 through 2025. Note that the 2025 information included a forecast only covering four years due to PNG's expected sale of the Tennessee operations.

Name and title of responsible person: Eric Bouselli, Manager, Regulatory Strategy & Forecasting

Name and title of preparer: Eric Bouselli, Manager, Regulatory Strategy & Forecasting

Response provided by Spire Tennessee Inc. on June 24, 2026.

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
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Date Issued: June 5, 2026
Date Due: June 18, 2026

CONFIDENTIAL 1-38 Attachment

Confidential Attachment Filed Under Seal

Spire Tennessee
26-00042

DR 1-039

ADIT

Refer to the file titled "Schedule 18_ADIT 13 Month Avg Bal" and respond to the following:

- a) Provide a narrative explanation identifying the distinctions between tabs identified as "M DBR Statutory Proforma – TN", "J DRB Statutory Proforma – TN", "S DBR, N DBR Statutory Proforma – TN" and "D DRB Statutory Proforma – TN".
- b) Identify the name and provide an explanation for each of the codes contained in column B of tab "M DBR – Statutory Proforma – TN".
- c) Provide the rationale for inclusion of the NOL attributable to North Carolina (excel row 9) within the M DRB-Statutory Proforma-TN tab.

RESPONSE:

- a. The tabs labeled "M DBR Statutory Proforma – TN," "J DBR Statutory Proforma – TN," "S DBR Statutory Proforma – TN," "N DBR Statutory Proforma – TN," and "D DBR Statutory Proforma – TN" represent the ADIT balances as of various reporting periods throughout the year, specifically March, June, September, November, and December 2025.
- b. See attached excel file, <CAD DR 1-39(b) Attachment>.
- c. State NOLs are allocated using the three-state allocation. Total company tax attributes, unless specifically assignable to a jurisdiction, have been historically treated as a three-state item.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Brian Neiheisel & Brooke Jenkins

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

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
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1-39 Attachment

Attachment Provided in Native Format

Spire Tennessee
26-00042

DR 1-040

DEBS Costs

Refer to the file titled "Schedule 52T". Provide a complete explanation of the functions performed at the a) Charlotte Data Center and b) the Carolinas West Primary Control Center and how these assets benefit the Company's Tennessee customers.

RESPONSE:

The Charlotte Data Center is a mission critical facility that hosts and supports enterprise IT systems and operational technologies that enable reliable electric and natural gas system operations. It provides secure computing, storage, and network infrastructure for business applications, grid monitoring and control systems, and data analytics, while also serving as part of the Company's redundancy and disaster recovery architecture. Together, these functions ensure continuity, reliability, and performance of both corporate and grid operations.

The Carolinas West Primary Control Center functions are Transmission Energy Control Center, Distribution Control Center, Regulated Renewables Control Center, Enterprise Security Command Center, and related Engineering, Training, Real Estate Services, Security, and IT / OT data center and support functions.

As described above, these locations house shared service assets and functions. DEBS assets, including the Charlotte Data Center and Carolinas West Primary Control Center, provide centralized infrastructure that supports enterprise-wide operational, information technology, and system control functions across Duke Energy's regulated utilities. These assets enable real-time monitoring and operation of the transmission and distribution system, support customer service and billing systems, and provide critical cybersecurity and data management capabilities. Because these functions are inherently shared and cannot be segmented to individual jurisdictions, the benefits extend to all customers served by the system, including those in Tennessee. Consistent with approved cost allocation methodologies, the costs of these shared assets are allocated across jurisdictions based on appropriate allocators, ensuring that each customer group pays its equitable share of assets that support safe, reliable, and efficient utility service.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

Spire Tennessee
26-00042

DR 1-041

Advertising Costs

Refer to the file titled "Schedule 38". Provide the text of the advertising deployed in 2025 and the associated costs for each ad placement. Please also identify the media used to deploy the ads.

RESPONSE:

Please see the attached <CAD DR 1-41 Attachment - 2025 Advertising Campaigns List.xlsx> in the <CAD DR 1-41 Attachments> folder provided herewith which includes the 2025 advertising campaigns identified in TN ARM Schedule 38. Please see the <CAD DR 1-41 Attachments> folder for the advertisement based on the advertising campaign categories noted in the aforementioned file. The media used to deploy the ads were web, social media, and radio.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

Response provided by Spire Tennessee Inc. on June 24, 2026.

SPIRE TENNESSEE INC.
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1-41 Attachments

Attachments Provided in Native Format

Spire Tennessee
26-00042

DR 1-042

Capital Expenditures

Provide a breakdown of Capital Expenditures included in the 2025, 2024 and 2023 ARM Test Years by the primary categories listed below. If Spire uses other similar category designations that would equate to the list below, please note the differences in the response.

- a) New Business/Growth;
- b) Maintenance/System Integrity;
- c) System Improvements;
- d) Facilities;
- e) IT;
- f) Automated Meter Reading, if applicable;
- g) LNG, if applicable;
- h) RNG, if applicable; and
- i) All Other

RESPONSE:

Please see the <CAD DR 1-42 Attachment> provided herewith.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
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Date Issued: June 5, 2026
Date Due: June 18, 2026

1-42 Attachments

Attachments Provided in Native Format

Spire Tennessee
26-00042

DR 1-043

Capital Expenditures

Provide a breakdown of Capital Expenditures budget amounts for the 2025, 2024 and 2023 ARM Test Years by the primary categories listed below. If the budget time frame does not align with the ARM Test Year, the nearest corresponding 12-month period would be acceptable. If Spire uses other similar categories designations that would equate to the list below, please note the differences in the response.

- a) New Business/Growth;
- b) Maintenance/System Integrity;
- c) System Improvements;
- d) Facilities;
- e) IT;
- f) Automated Meter Reading, if applicable;
- g) LNG, if applicable;
- h) RNG, if applicable; and
- i) All Other.

RESPONSE:

Please see the <CAD DR 1-43 Attachment> provided herewith.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

SPIRE TENNESSEE INC.
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Date Issued: June 5, 2026
Date Due: June 18, 2026

1-43 Attachment

Attachment Provided in Native Format

Spire Tennessee
26-00042

DR 1-044

Line Extensions

When Spire reviews proposals for line extensions for new residential, commercial or industrial business, there would be a decision as to whether AIC is charged to the requesting party. Does the Company consider the following issues when making that decision and would the response be different based upon the class of customer requesting the extension?

- a) Financial security of the party requesting the extension?
- b) Consideration of the timing of revenue generation from the project, i.e., 1 year, 3 years, 5 years, etc.?
- c) How is the decision made whether to collect AIC prior to construction or at the end of a given time period?
- d) If the model used to determine ROE/ROI of a project identifies the need for AIC, who in the Company can override the model and waive the AIC?

RESPONSE:

- a) No. If AIC is required, payment must be received prior to initiation of construction.
- b) No. The timing of revenue generation does not impact the decision whether AIC is charged.
- c) If AIC is required, payment must be received prior to initiation of construction.
- d) Waiver of AIC is determined pursuant to our Delegation of Authority limits and the amount of the requested waiver.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Kirby Lane, Manager, Business Development

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

Spire Tennessee
26-00042

DR 1-045

Line Extensions

Identify all proposals for a line-extension for new residential, commercial or industrial business, with a cost of over \$500,000 where no AIC was charged to the requesting party.

RESPONSE:

Please see the attached <CAD DR 01-45_Attachment 1_CONFIDENTIAL.xlsx> for the requested information.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Kirby Lane, Manager, Business Development

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

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
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CONFIDENTIAL 1-45 Attachment

Confidential Attachment Filed Under Seal

Spire Tennessee
26-00042

DR 1-046

Line Extensions

Identify all proposals for a line-extension for new residential, commercial or industrial business, with a cost of over \$500,000 and the amount of AIC that was charged to the requesting party

RESPONSE:

Please see the attached <CAD DR 01-46_Attachment 1_CONFIDENTIAL.xlsx> for the requested information.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Kirby Lane, Manager, Business Development

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

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
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CONFIDENTIAL 1-46 Attachment

Confidential Attachment Filed Under Seal

Spire Tennessee
26-00042

DR 1-047

Plant Accounting

If a new main or service line is installed and ready for service for a new development, but the development is not yet ready to receive gas deliveries, where is the cost of that installation recorded?

RESPONSE:

The in-service date is based as the earlier of 1) the date when the asset becomes “ready” for use, 2) the date when the asset becomes used and useful, or 3) the date when the asset begins generating revenue. Once one of the criteria is met, AFUDC would cease as of that date and the project would move from 10700 (CWIP) to 10600 (Plant in-service).

Name and title of responsible person: Eric Bouselli, Manager, Regulatory Strategy & Forecasting

Name and title of preparer: Eric Bouselli, Manager, Regulatory Strategy & Forecasting

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

Spire Tennessee
26-00042

DR 1-048

Capital Expenditures

Provide the Contractor costs for Capital Expenditures included in the 2025, 2024 and 2023 ARM Test Years?

RESPONSE:

Please see the <CAD DR 1-48 Attachment> provided herewith.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

SPIRE TENNESSEE INC.
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1-48 Attachment

Attachment Provided in Native Format

Spire Tennessee
26-00042

DR 1-049

Capital Expenditures

What is the net dollar volume of Developer installed natural gas piping for new customers compared to Spire installed natural gas piping for new customers that is included in the New Business/Growth category of Capital Expenditure?

RESPONSE:

Not applicable. The Company, nor PNG before it, allows developers to perform piping installation.

Name and title of responsible person: Eric Bouselli, Manager, Regulatory Strategy & Forecasting

Name and title of preparer: Kirby Lane, Manager, Business Development

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

Spire Tennessee
26-00042

DR 1-050

Capital Expenditures

What Capital Expenditures are typically completed by Contractors?

RESPONSE:

Typically, growth-related work (adding new customers), major project-related work (transmission and high-pressure distribution), LNG, Corrosion-related work, and most main installs (except short main extensions), including integrity installations are handled by contractors.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

Spire Tennessee
26-00042

DR 1-051

Capital Expenditures

Does the Company have employees (Contractor Inspectors) designated to monitor Contractor Construction projects? If not, how does the Company ensure that work is completed in compliance with regulatory related issues and Company policy?

RESPONSE: Yes, we utilize company inspectors, company superintendents, and independently contracted inspectors to monitor construction projects to ensure that work is completed in compliance with regulatory and company requirements.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Greg Hazlett, General Manager - Natural Gas Major Projects; Katie Wilson, Director - Distribution Construction; and Billy Wooldridge, Director - NGMP Implementation

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

Spire Tennessee
26-00042

DR 1-052

Capital Expenditures

What Capital Expenditures are typically completed by Company Employees?

RESPONSE:

Typically, telemetry related capital work, short main extensions, certain meter retirements, and certain M&R station projects may be handled by Company employees.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

Spire Tennessee
26-00042

DR 1-053

Customer Counts

Provide the number of customers by class (i.e., Residential, Commercial, etc.) at the end of the 2025, 2024 and 2023 ARM Test Years?

RESPONSE:

Please see the table below for customer counts by rate class for December 2025, December 2024, and December 2023.

Rate Class	2025	2024	2023
301 - Residential Service	188,394	186,269	183,123
302 - Small General Service	18,409	18,198	18,079
302 / 343 - Small General Service	1	1	1
352 - Medium General Service	459	416	463
352 / 343 - Medium General Service	0	0	0
303 - Large General Sales Service	64	61	60
303 / 343 - Large General Sales Service	1	1	1
304 - Interruptible General Sales Service	4	4	3
304 / 343 - Interruptible General Sales Service	0	0	0
313 - Firm Transportation Service	69	70	67
313 / 343 - Firm Transportation Service	2	2	2
314 - Interruptible Transportation Service	42	43	47
314 / 343 - Interruptible Transportation Service	0	0	0
310 - Resale Service	0	0	0
310 / 343 - Resale Service	0	0	0
Total	207,445	205,065	201,846

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Jay Neal, Sr. Analyst Regulatory Affairs

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

Spire Tennessee
26-00042

DR 1-054

Capital Expenditures

Provide all specific new business construction projects and the number of anticipated new customers to be added as a result of each capital expenditure project.

RESPONSE:

Please see the attached <CAD DR 1-54 Response CONFIDENTIAL.xlsx> file responsive to this request. To answer this request, 2025 New Business-Growth capital expenditures from DR 1-42 were used as the basis of identifying applicable projects. Additional detail was received for projects included in the pool revenue producing funding projects. Due to the number of projects in this category and the given time constraints, the requested information was provided for projects over \$100,000 only.

Name and title of responsible person: Eric Bouselli, Manager, Regulatory Strategy & Forecasting

Name and title of preparer: Kirby Lane, Manager, Business Development

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

SPIRE TENNESSEE INC.
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CONFIDENTIAL 1-54 Attachment

Confidential Attachment Filed Under Seal

Spire Tennessee
26-00042

DR 1-055

DIMP

Provide a copy of the most recent Distribution Integrity Management Plan (DIMP) and the most recent Transmission Integrity Management Plan (TIMP).

RESPONSE:

Please see the attached files for the requested information.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Randy Wilson, Director, Pipeline & System Integrity

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

SPIRE TENNESSEE INC.
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CONFIDENTIAL 1-55 Attachments

Confidential Attachments Filed Under Seal

Spire Tennessee
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DR 1-056

DIMP

Identify the Risk Assessment Model used to rank the risks, both operational and capital, and the risk tiers identified within the DIMP. Provide the risks that were ranked as High Risk by integrity management areas and what risks are being mitigated. If risks were identified as High Risk but were not included in the operational or capital plan for mitigation, please provide an explanation for postponing risk mitigation.

RESPONSE:

The NGBU identifies, evaluates, ranks, and prioritizes risks in its distribution system through the DIMP risk assessment process, consistent with 49 CFR §192.1007. This process uses risk models to evaluate threats such as corrosion, natural forces, excavation damage, other outside force damage, material or weld concerns, equipment failure, incorrect operations, and other issues that could threaten pipeline integrity. The models consider factors such as leak history, asset characteristics, environmental conditions, operating conditions, and population density. The highest identified risks are excavation damage, incorrect operations and other outside force damage, which the Company addresses through ongoing mitigation programs including damage prevention, public awareness, excess flow valve and pipeline marker installations, operator qualification, drug and alcohol misuse prevention, and capital pipe replacement prioritization.

Name and title of responsible person: Eric Bouselli, Manager, Regulatory Strategy & Forecasting

Name and title of preparer: Randy Wilson, Director, Pipeline & System Integrity

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

Spire Tennessee
26-00042

DR 1-057

DIMP

If a Risk Prioritization model was utilized to prioritize the risks which were identified by the Risk Assessment Model to be mitigated, provide the results of that model for the 2025 period and the purpose for utilizing the prioritization model.

RESPONSE:

Please see the <CAD DR 1-57 Attachment CONFIDENTIAL> provided herewith.

Name and title of responsible person: Eric Bouselli, Manager, Regulatory Strategy & Forecasting

Name and title of preparer: Randy Wilson, Director, Pipeline & System Integrity

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

SPIRE TENNESSEE INC.
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CONFIDENTIAL 1-57 Attachment

Confidential Attachment Filed Under Seal

Spire Tennessee
26-00042

DR 1-058

DIMP

When the risk evaluation is completed and a high risk is identified, how long does it take for the mitigation of that risk to occur and what is the process to ensure that the risk is addressed?

RESPONSE:

Mitigative actions identified in response to DR 1-056 are ongoing. The installation of excess flow valves and pipeline markers, damage prevention activities, public awareness efforts, stand-by watch-and-protect activities during pipeline crossings, operator qualification, and drug and alcohol misuse prevention programs are ongoing programs. For capital projects related to risk reduction, identified projects are scoped, estimated, and included in the budget as needed. The timing for mitigation depends on factors such as available funding, material availability, permitting requirements, and weather conditions.

Name and title of responsible person: Eric Bouselli, Manager, Regulatory Strategy & Forecasting

Name and title of preparer: Randy Wilson, Director, Pipeline & System Integrity

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

Spire Tennessee
26-00042

DR 1-059

DIMP

How is the risk assessment/prioritization process utilized in determining Capital Expenditure Budgets for current and future years?

RESPONSE:

The risk assessment and prioritization process is used to help inform capital expenditure budgets for current and future years by supporting the scoping, review, estimating, approval, funding, and scheduling of capital projects. Capital project prioritization is a collaborative process between the project Category Owner, who requests the project, and the Project Controls group, which facilitates project scoping, review, estimating, and approval. Project priority scoring is separate from the annual TIMP and DIMP risk runs required by code. However, it is used as an input for discussions regarding project funding and scheduling. Factors considered include:

- Segment Risk Score
- System Infrastructure Risk
- Corrosion Risk
- Material Risk
- Equipment Risk
- Natural Forces Risk
- Excavation Risk
- Other Outside Forces Risk
- Regulatory Requirement
- Charter Objective
- Employee Safety
- Customer Impacts
- Growth of Business
- DOT / GOV – Conflict Avoidance
- TVC Records
- Environmental

Name and title of responsible person: Eric Bouselli, Manager, Regulatory Strategy & Forecasting

Name and title of preparer: Randy Wilson, Director, Pipeline & System Integrity

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

Spire Tennessee
26-00042

DR 1-060

DIMP

How many Integrity Management Regions does Spire Tennessee have in their DIMP and in their TIMP?

RESPONSE:

Spire Tennessee's service area is treated as a single region for evaluation in the integrity management programs.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Randy Wilson, Director, Pipeline & System Integrity

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

Spire Tennessee
26-00042

DR 1-061

CIAC

Provide a narrative description, including hypothetical examples of how the Company complies with its line extension policies regarding the collection of customer contributions.

RESPONSE:

Please see the attached PNG guidelines for residential and commercial service extensions. The documents contain narratives about the guidelines, practices, requirements, and calculations involved. Note that Spire Tennessee is still following these processes and will evaluate if any changes are necessary during the integration period.

Name and title of responsible person: Jay Neal, Sr. Analyst Regulatory Affairs

Name and title of preparer: Kirby Lane, Manager, Business Development

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

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
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CONFIDENTIAL 1-61 Attachments

Confidential Attachments Filed Under Seal

Spire Tennessee
26-00042

DR 1-062

LNG Project

Refer to the Direct Testimony of David Yonce, at 7:13 – 16: The project was originally expected to be placed in service in calendar year 2025. However, due to construction challenges, the in service date has shifted, and the project is now expected to be placed in service in mid-2026.

- a) Identify and explain the “construction challenges” that have caused the shift of the in service date.
- b) Identify any changes in cost resulting from the change of the service date.

RESPONSE:

- a) Spire experienced issues with the EPC (engineer, procure, construct) contractor of the LNG project that impacted how certain subcontractors and onsite construction were managed. This resulted in the replacement of some sub-contractors and some required rework which contributed to the change of the in service date.
- b) The project estimate at completion (“EAC”) was \$90.1 million with an in-service date of September 2025. However, the current in service date is now in June 2026 with an EAC of \$90.6 million. This includes the collection of ~\$2 million in liquidated damages as a result of the EPC contractor missing the contractual in-service date. There is an open legal matter related to the LNG project, and the Company is seeking additional damages that are not reflected in the current EAC.

Name and title of responsible person: David Yonce, Vice President, Regulatory

Name and title of preparer: Cristina Paolicchi, Project Manager III, Project Engineering

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

Spire Tennessee
26-00042

DR 1-063

Affordability

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

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

RESPONSE:

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

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

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

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

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

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

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

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

- d) Not applicable. See response to subpart c.

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

- e) Affordability is always top of mind. Spire considers affordability when making all economic decisions, including both capital deployment and O&M decisions.
- f) Affordability considerations inform Spire's decisions in several respects, while remaining consistent with its obligation to comply with Commission-approved tariffs and ensure safe and reliable service. As an example, Spire considers the timing and prioritization of capital investments and O&M expenditures to balance infrastructure needs with customer bill impact.

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

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

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

Spire Tennessee
26-00042

DR 1-064

Economic Development

Refer to the Direct Testimony of Joe Hampton, at 5:9-12:

Spire Tennessee is committed to supporting local economic development, workforce initiatives, and community programs and providing safe, reliable service at reasonable rates for the long term.

Refer to Hampton, at 5:15-6:5:

Although we're just getting started, just over a month after the Tennessee community welcomed Spire Tennessee, we hosted our first Day for Good project on May 8, 2026. More than 35 volunteers helped students at Nashville's Dan Mills Elementary School celebrate their annual field day. Orange Spire Serves shirts made their Nashville debut as members of Spire Tennessee cooked 800 hot dogs and staffed activities for students, their families and faculty.

- a) How does Spire intend to support local economic development and community programs?
- b) Does Spire have outreach and economic development plans and budgets?
- c) How will/does Spire's interaction with the community differ from Piedmont's previous activities? Provide the budgets for these efforts.
- d) How does Spire intend to recover the expenses associated with these activities?

RESPONSE:

- a) Spire intends to continue supporting local economic development and community programs consistent with Piedmont Natural Gas's prior approach. As noted in the testimony of Joe Hampton (Docket 25-00074), Spire has a strong history of community engagement and economic development and plans to maintain a similar level of support in Tennessee, including efforts to expand service and promote business growth.

Q. How does Spire intend to support the community and the state?

A. As discussed in the direct testimony of Company witness Yonce, Spire has a history of providing significant support to the community and advancing economic development within the states it operates. Spire is committed to bringing this same level of support to Tennessee and intends to be active in the community in the same ways it supports the communities it serves in the other states it operates in and will focus on expanding service and bringing business and economic development to the state.

PUBLIC VERSION

- b) Yes. For 2026, Spire is utilizing the budget and strategy previously approved by Piedmont. Future plans are under development and will align with Spire's broader community engagement strategy.
- c) No significant changes are anticipated relative to Piedmont's prior approach, consistent with Mr. Hampton's testimony. Please see the attached file that contains the 2025 and 2026 spend levels.
- d) Direct charitable donations and sponsorships have not historically been recovered from customers. However, dues for memberships in chambers of commerce and economic development organizations (excluding lobbying-related portions) are generally treated as allowable business expenses and are an important component of corporate citizenship.

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

Name and title of preparer: Eddie Davidson, Vice President, External Affairs

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

SPIRE TENNESSEE INC.
DOCKET NO. 26-00042
CONSUMER ADVOCATE'S FIRST SET OF DISCOVERY REQUESTS
Date Issued: June 5, 2026
Date Due: June 18, 2026

1-64 Attachment

Attachment Provided in Native Format

Spire Tennessee
26-00042

DR 1-065

Rate Design

Refer to the Direct Testimony of Eric Bouselli, at 12:7-12:

Spire Tennessee is proposing the same overall rate design, which includes fixed monthly charges, demand charges, and volumetric rates, for each rate schedule, including step rates for Large General Service, which underlies its existing rates. This is the same rate design methodology that the TPUC approved in Piedmont's last general rate case proceeding and Piedmont's previous Annual ARM proceedings.

- a) Provide Spire's definition of rate design.
 - i. Does Spire's definition of rate design allow for changes in the relationship (ratios) of rates among the rate components for specific customer classes?
 - ii. Does Spire's definition of rate design allow for changes in the relationship (ratios) of rates among the rate components between customer classes?
- b) Provide Spire's definition of rate structure.
- c) Explain the difference between rate design and rate structure as used by Spire.

RESPONSE:

As noted in the highlighted section of testimony, the Company is pursuing the same rate design methodology and approach to the ARM increases that Piedmont brought forth previously and was approved by the TPUC.

- a) Spire's definition of rate design is that it is a framework used to set prices for gas service to ensure it can recover costs while providing fair and efficient pricing to customers. The current pricing utilizes a rate structure composed of fixed charges as well as volumetric rates to achieve this.
 - i. Yes.
 - ii. Yes.
- b) The rate structure is the component of rate design that focuses on the method of charging customers to achieve the overall rate design objectives. Spire Tennessee uses a combination of fixed charges as well as differing volumetric rates that are assigned to different customer classes.
- c) The rate structure effectuates the underlying goals of the rate design to distribute costs between rate classes.

Name and title of responsible person: Eric Bouselli, Manager, Regulatory Strategy & Forecasting

Name and title of preparer: Eric Bouselli, Manager, Regulatory Strategy & Forecasting

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

Spire Tennessee
26-00042

DR 1-066

Rate Design

Refer to the Direct Testimony of Eric Bouselli, at 12:16-19:

“Spire proposed to change the base margin volumetric billing rates”.

- a) Confirm that the proposed increase is only applied to the volumetric portion of rates.
- b) Confirm that Spire is not proposing a change to the monthly charge.
- c) Is Spire representing that the ratio between the monthly service charge and the volumetric charge in rates will be the same as that approved in the last rate case?
- d) Is Spire representing that the rate changes in Piedmont’s last rate case were made only to the volumetric rates?
- e) Is Spire representing that the monthly charge (rates) did not change in Piedmont’s last rate case?
- f) Confirm that the ratio between the base rate for volumetric charges and the monthly charge would change.
- g) Explain how an increase in one component of the rate design while others change maintains the same rate design.

RESPONSE:

- a) True.
- b) True.
- c) Spire is not representing that.
- d) Spire is not representing that.
- e) Spire is not representing that.
- f) Since the fixed charge is being held steady and the volumetric portion of rates is changing, the underlying ratio will change.
- g) These changes impact the rate structure by increasing the volumetric rate but still keeps the underlying structure components in place. As discussed in DR 1-065, the rate structure supports the overall rate design. To the Company's knowledge, this type of increase has stayed relatively consistent for this system under PNG and now Spire Tennessee control.

Name and title of responsible person: Eric Bouselli, Manager, Regulatory Strategy & Forecasting

Name and title of preparer: Eric Bouselli, Manager, Regulatory Strategy & Forecasting

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

Spire Tennessee
26-00042

DR 1-067

CCOSS/Rate Design

Refer to the Direct Testimony of Eric Bouselli, at 12:22-13:4:

In allocating the proposed rate increase, however, Spire Tennessee also strives to avoid disproportionately or unfairly burdening one class of customers versus another, i.e., cross-subsidization. Generally, the Company seeks to mitigate cross subsidization by gradually and simultaneously moving each customer class toward parity with the overall jurisdictional rate of return to avoid customer bill volatility.

- a) Is Spire alleging that cross-subsidization currently exists in rates?
 - i. Explain how Spire defines cross subsidization.
 - ii. How does Spire determine cross subsidization.
 - iii. Is the determination in response to (ii) above based on a fully allocated cost study?
 - iv. Is the response to (ii) dependent on the allocation of joint and/or common costs?

RESPONSE:

- a) Cross subsidization is measured by an embedded cost-of-service study and the resulting revenue-to-cost parity ratios. As shown in Exhibit 2 of John D. Taylor's Direct Testimony, Schedule 1, page 8, line 27, the current parity ratios indicate the relative level of cross-subsidization among customer classes under existing rates. The proposed parity ratios are found in Exhibit 2 of John D. Taylor's Direct Testimony, Schedule 1, page 9, line 73. The proposed ARM increase applies equally across all customer classes and therefore does not materially change the current level of cross-subsidization. Historically, PNG has not made material adjustments to class cross-subsidization in ARM filings, and that same approach is being followed in this proceeding by the Company.
 - i. Cross-subsidization generally refers to a situation where a customer class recovers through rates materially more or less than its allocated cost of service.
 - ii. Please see response to subpart a above.
 - iii. Yes.
 - iv. Yes. The revenue-to-cost parity ratios presented in the COSS are based on a fully allocated cost study and, therefore, reflect the allocation of joint and common costs.

Name and title of responsible person: Eric Bouselli, Manager, Regulatory Strategy & Forecasting

Name and title of preparer: Eric Bouselli, Manager, Regulatory Strategy & Forecasting

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

Spire Tennessee
26-00042

DR 1-068

CCOSS/Rate Design

Refer to the Direct Testimony of Eric Bouselli, at 13:14-13:18:

Spire Tennessee proposes to allocate the margin revenue increase of \$13,966,022 evenly across all applicable Rate Schedules such that the margin revenue percentage increase is the same for all the customer classes. This approach aligns with Spire Tennessee's rate design objectives.

Refer to Bouselli at 13:21-14:2:

The proposed rate design is incorporated into the Ninety-Second Revised Sheet No. 1, which is included as part of Attachment No. 5 to Spire Tennessee's 2026 Annual ARM Filing. This proposed rate design meets Spire Tennessee's rate design objectives and will gradually lead to more equalized rates of return across the customer classes.

- a) Is Spire submitting that the proposed rate design is an equal margin increase across rate classes and does not include the relationships/ratios of fixed vs variable costs for intra class rates and inter class rates?
- b) Will Spire's proposed rates change the
- c) Is Spire suggesting that its rate design objectives mirror those in Docket No 20-00086?
- d) Is Spire equating rate design with percentage of class revenue contribution to total revenue?
- e) Will Spire's proposed rates change the Rate of Return in Table 1 of the Direct Testimony of John D. Taylor?

RESPONSE:

- a) The proposed increase is being put forth in a manner consistent with Piedmont's previous methodology, which was to allocate the increase equally across all rate classes based on margin revenue.
- b) *Per emails between Spire and the CAD, this question was struck.*
- c) As noted before, the Company is pursuing the same rate design methodology and approach to the ARM increases that Piedmont brought forth previously and was approved by the TPUC.
- d) No. Rate design encompasses many factors that can impact the proposed rate structures pursued. As noted before it is not Spire's objective to come in and dramatically change the rate design or structures utilized by Piedmont, so the proposed rate changes followed those methods employed previously to incrementally change rates under the ARM process.
- e) No. The rate of return in Table 1 of the Direct Testimony of John D. Taylor reflects the rate of return at current rates.

Name and title of responsible person: Eric Bouselli, Manager, Regulatory Strategy & Forecasting

Name and title of preparer: Eric Bouselli, Manager, Regulatory Strategy & Forecasting

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

Spire Tennessee
26-00042

DR 1-069

CCOSS

Refer to the Direct Testimony of John D. Taylor, at 3:19-20:

The COSS provides insights into the development of economically efficient rates and the cost responsibility by rate class.

- a) Define economically efficient rates as use in this context.
- b) Is the cost study an embedded cost study?
- c) Is the cost study a marginal cost study?
- d) Is the revenue increase allocation recommendation predicated on rates reflecting cost per component?
- e) Does the cost study suggest that volumetric charges reflect only the commodity cost?
- f) Does the cost study suggest that volumetric charges reflect marginal costs of delivering the commodity?
- g) Were the price elasticities of demand assessed or included as part of the cost study?

If so, did you analyze the response to monthly rates and volumetric rates?

- h) What is Spire's avoided cost for each residential customer that disconnects from the system/no longer takes gas service?

RESPONSE:

- a) As used in witness Taylor's testimony, "economically efficient rates" refers to rates that are informed by cost-of-service principles so that revenues are assigned among rate classes in a manner that reflects the relative costs of providing service to those classes. In addition, the CCOSS develops unit costs associated with the underlying cost drivers, such as customer, demand, and commodity-related costs, which can be used in rate design to better align the recovery of costs with the factors that cause those costs to be incurred. In that sense, the CCOSS provides insight into class cost responsibility and helps guide rate design so that rates send the appropriate price signals.
- b) Yes. The study presented is an embedded cost-of-service study. It is a fully allocated CCOSS that assigns the Company's adjusted going-level costs and revenue requirement among the retail rate classes.
- c) No. The study presented is not a marginal cost study. Please refer to answer in part b.
- d) The embedded CCOSS informs the revenue apportionment process by providing class-level cost responsibility and guidance for rate design. As explained by Company witness Eric Bouselli, Spire Tennessee proposes to allocate the margin revenue increase evenly across all applicable Rate Schedules so that the margin

revenue percentage increase is the same for all applicable customer classes, and the specific rate design and revenue proof are addressed in his testimony.

- e) No. Witness Taylor's testimony does not state that volumetric charges reflect only commodity cost. Rather, the testimony explains the customer, demand, and commodity cost categories used in the CCOSS and how that cost information can be used to guide rate design.
- f) No. Witness Taylor's testimony does not state that volumetric charges reflect marginal costs of delivering the commodity. As noted above, the study presented is not a marginal cost study.
- g) No. An embedded CCOSS is designed to allocate the Company's revenue requirement among customer classes based on cost causation and cost responsibility, and it does not, in itself, require an analysis of price elasticities of demand.
- h) No. An embedded CCOSS is designed to allocate the Company's revenue requirement among customer classes and does not, in itself, require a customer-specific avoided-cost analysis. As discussed in witness Taylor's testimony, many utility costs are common and most non-gas-related utility costs are fixed in the short run.

Name and title of responsible person: John D. Taylor, Chief Executive Officer, Atrium Economics, LLC

Name and title of preparer: John D. Taylor, Chief Executive Officer, Atrium Economics, LLC

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

Spire Tennessee
26-00042

DR 1-070

CCOSS

Refer to the Direct Testimony of John D. Taylor, at 5:5-11:

Cost causation addresses the need to identify which customer or group of customers causes the utility to incur types of costs, so the analysis results in an appropriate allocation of the utility's total revenue requirement among the various rate classes. In other words, the costs assigned or allocated to particular customers should be costs that those particular customers caused the utility to incur because of the characteristics of their usage of utility service.

Refer to Taylor at 6:2:

“In order to establish the cost responsibility of each customer class”

- a) What is the relationship between cost responsibility in 6:2 and cost causation at 5:3 and 5:5.
- b) Are the terms substitutable?
- c) How are abandoned, legacy, and unused capital expenditures treated? Are they removed from the CCOSS?

RESPONSE:

- a) As used in witness Taylor's testimony, cost causation is the guiding principle used to determine which customer or group of customers causes the utility to incur particular costs, while cost responsibility refers to the resulting assignment of those costs to the customer classes through the CCOSS. In that respect, cost responsibility is established by applying the principle of cost causation.
- b) Those terms are not strictly substitutable. Cost causation is the underlying principle, whereas cost responsibility is the outcome of applying that principle in the cost study.
- c) The CCOSS is based on the cost components set forth in the Application and supporting witness testimony, including revenue, expense, and rate base items based on the test period and proposed pro forma adjustments. To the extent particular capital expenditures are included in those underlying inputs, they would be reflected in the CCOSS consistent with that support.

Name and title of responsible person: John D. Taylor, Chief Executive Officer, Atrium Economics, LLC

Name and title of preparer: John D. Taylor, Chief Executive Officer, Atrium Economics, LLC

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

Spire Tennessee
26-00042

DR 1-071

CCOSS

Refer to the Direct Testimony of John D. Taylor, at 6:11-14:

Indirect costs that support these functions, such as general plant and administrative and general expenses, are allocated to functions using allocation factors related to plant and/or labor ratios, i.e., internal allocation factors.

- a) Confirm that general plant and administrative and general expenses do not change based on based on the usage by an individual customer. If this is not confirmed, provide the amount by which these expenses change with the sale of the commodity to one residential customer.
- b) Confirm that general plant and administrative and general expenses do not change based on the addition or loss of a single residential customer. If this is not confirmed, provide the amount by which the general plant and administrative and general expenses change with the addition or loss of a residential customer.
- c) Explain how the allocation factors used in this context relate to the key factors that cause general plant and administrative and general costs to vary. Identify the amount by which costs the Company would change with a marginal change in each key factor. Do the variances equate to 100% of total costs?

RESPONSE:

- a) Witness Taylor's testimony does not state that general plant and administrative and general expenses change based on the usage of an individual customer. The embedded CCOSS assigns responsibility for those costs among customer classes using allocation factors related to plant and/or labor ratios based on the Company's revenue requirement inputs. It does not, in itself, calculate the change in those costs associated with the usage of an individual customer.
- b) Witness Taylor's testimony likewise does not state that general plant and administrative and general expenses change in a directly measurable amount based on the addition or loss of a single residential customer. The embedded CCOSS assigns those costs among customer classes based on the underlying revenue requirement and allocation factors; it is not, in itself, a study of the incremental cost impact of adding or losing a single customer.
- c) Indirect costs such as general plant and administrative and general expenses are allocated using internal factors selected to reflect the type of direct costs those overhead accounts generally support. General plant is allocated based on plant-related allocators, and administrative and general expenses are allocated based on labor-related allocators. In the embedded CCOSS, these allocators are used to assign responsibility for costs included in the Company's revenue requirement among customer classes. Witness Taylor's testimony does not present a marginal

cost study or quantify how the Company's costs would change with a marginal change in each such factor.

Name and title of responsible person: John D. Taylor, Chief Executive Officer, Atrium Economics, LLC

Name and title of preparer: John D. Taylor, Chief Executive Officer, Atrium Economics, LLC

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

Spire Tennessee
26-00042

DR 1-072

CCOSS

Refer to the Direct Testimony of John D. Taylor, at 7:3-9:

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 by the utility and are costs that the utility continues to incur whether or not the customer uses any natural gas. They may include capital costs associated with minimum size distribution systems, services, meters, customer billing, and accounting expenses.

- a) Confirm that customer costs include imbedded costs.
- b) Confirm that the customer costs are a function of the number of meters connected to the utility's system and are costs that the utility continues to incur whether a customer is served by the meter. If not, explain why customer costs are not a function of the number of meters connected to the system.

RESPONSE:

- a) Yes, in the sense that the customer costs reflected in the CCOSS are embedded customer-related costs developed as part of the fully allocated embedded cost-of-service study presented. In his Direct Testimony, witness Taylor explains that customer-related costs include the costs incurred to attach a customer to the distribution system, meter gas usage, and maintain the customer's account.
- b) The question does not accurately restate witness Taylor's testimony. In his testimony, witness Taylor explain that customer costs are a function of the number of customers served by the utility and are costs the utility continues to incur whether or not the customer uses any natural gas. Those customer-related costs may include costs associated with services, meters, customer billing, and accounting. His testimony does not state that customer costs are solely a function of the number of meters connected to the system regardless of whether a customer is served by that meter.

Name and title of responsible person: John D. Taylor, Chief Executive Officer, Atrium Economics, LLC

Name and title of preparer: John D. Taylor, Chief Executive Officer, Atrium Economics, LLC

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

Spire Tennessee
26-00042

DR 1-073

CCOSS

Refer to the Direct Testimony of John D. Taylor, at 20, Table 1:

- a) Confirm that the Summary Results on Table 1 are dependent on the assumptions contained in the CCOSS and that modifications in the assumptions would change the values in Table 1.
- b) Confirm that removal of common costs would change the values in Table 1.

RESPONSE:

- a) Table 1 in the Direct Testimony of John D. Taylor reflect the results of the CCOSS. Results are dependent upon the input data used in the model.
- b) Changes to the revenue requirement will impact the results of the CCOSS and, therefore, the values in Direct Testimony of John D. Taylor, Table 1.

Name and title of responsible person: John D. Taylor, Chief Executive Officer, Atrium Economics, LLC

Name and title of preparer: John D. Taylor, Chief Executive Officer, Atrium Economics, LLC

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