MISSOURI PUBLIC SERVICE COMMISSION

STAFF REPORT



IN THE MATTER OF STAFF'S INVESTIGATION OF SPIRE STL PIPELINE'S APPLICATION AT FERC FOR A TEMPORARY CERTIFICATE TO OPERATE

FILE NO. GO-2022-0022

JANUARY 21, 2022

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I. Background

On November 18, 2021, the Missouri Public Service Commission ("Commission") issued an *Order Directing Spire Missouri to Cooperate with Staff in Communicating with Customers* ("Communications Order"). The Commission's Communications Order was in response to *Staff's Motion for Order Requiring Spire to take Certain Actions*, filed on November 18, 2021. Staff's Motion was prompted by its review of Spire Missouri Inc.'s (Spire) webpages¹ dedicated to the STL Pipeline and the City of St. Louis Board of Aldermen's November 11, 2021, letter to the Federal Energy Regulatory Commission (FERC) regarding an email that Spire sent to its customers on November 4, 2021.

In its Communications Order, the Commission ordered that no later than December 8, 2021, Spire shall provide Staff a copy of every communication to its customers and/or the public that refers to the Spire STL Pipeline disseminated by any means since June 22, 2021. In an effort to allay public fears and concerns, Spire was ordered to prepare a letter to each customer in its Spire East service area that accurately explains the gas supply situation for the upcoming winter heating season; how future real time communication will be made available, and suggest voluntary actions that customers may take to help to reduce gas consumption when temperatures fall. Spire was ordered to submit drafts, including Public Service Announcements, providing the same message to Staff for review and approval. Staff was instructed to file a notice in this case no later than November 22, 2021, indicating whether Spire complied with the aforementioned and describing when the notification to customers will occur.

In the same Communications Order, the Commission directed Staff to file a recommendation no later than January 4, 2022, indicating whether a complaint against Spire Missouri is warranted for

¹<u>Reliable and Affordable Natural Gas in Eastern Missouri | Spire (spireenergy.com)</u>

false and misleading communications to its customers and the public; failure to ensure the availability of sufficient gas supplies for the upcoming winter heating season; and any other matter Staff's investigations might disclose. The final directive in the Communications Order instructed Staff to investigate and file a report in this case no later than January 21, 2022, regarding all of Spire's communications with its customers regarding the operation of Spire STL Pipeline since June 22, 2021.

On November 22, 2021, Staff filed a motion² advising the Commission that Spire complied with the Communications Order issued November 18, 2021, as directed; that Staff was reviewing and editing the draft letter and public service announcement ("PSA") provided by Spire in order to ensure that both items accurate and that Staff and Spire expected to get the letter and PSA communicated to the public later in the week or, at the latest, at the beginning of the following week.

After a collaborative effort between Spire and Staff to draft an informative and accurate communication to customers, Staff approved the final version of the letter on November 30, 2021, and the letter was e-mailed to Spire customers on December 1, 2021.

As directed, on January 4, 2022, Staff filed its recommendation stating that it found no evidence that Spire Missouri failed to ensure the availability of sufficient gas supplies for the upcoming (and now current) winter heating season. From a supply, transportation, and storage standpoint, Staff recommends that this aspect of the investigation be closed, subject to Spire Missouri's continued obligation to provide periodic reports on its contingency plans as ordered by the Commission in this matter on September 1, 2021.³ Staff's recommendation noted that its investigation regarding Spire Missouri's communications with its customers regarding the operation of Spire STL Pipeline is ongoing and that Staff would file its report including recommendations on this aspect of the investigation no later than January 21, 2022, as directed by the Commission in its Order.

Contributor: Contessa King, Customer Experience Department

² Case No. GO-2022-0022, Staff's Response to the Commission's Order Requiring Spire to Take Certain Actions, filed November 22, 2021.

³ Case No. GO-2022-0022, Staff Recommendation, page 2, filed January 4, 2022.

II. Introduction of Staff's Investigation Report Regarding Spire's Communications

This Report is the second Staff Investigation Report⁴ filed in this case. In this Investigation Report, the Customer Experience Department and Procurement Analysis Department focus on Spire's communications with its customers regarding the operation of the Spire STL Pipeline since June 22, 2021.

In *Spire's Response to Staff's Motion for Order Requiring Spire to take Certain Actions,* Spire states the following:

"Spire is very mindful of its communications with its customers, and understands that it is important to keep customers informed of the important facts that may impact them. The Company is perplexed that the Staff would refer to Spire's communications as potentially false or misleading. In fact, nothing in Staff's filing has pointed to any language used by Spire to communicate with customers or the public that is either false or misleading."⁵

Staff concurs with Spire, agreeing that it is important for the Company to keep its customers and the public informed on significant matters that may affect natural gas service. However, it is Staff's opinion that in an attempt to provide important facts and information regarding the Spire STL Pipeline to its customers, portions of Spire's communications and marketing strategies created unnecessary panic and confusion and focused too much on the mobilization of public opinion instead of consistently educating the public on Spire's curtailment plan and contingency planning.

As part of its investigation, Staff reviewed Spire's webpage SpireEnergy.com/Critical, which now directs viewers to <u>https://spireenergy.com/reliable-and-affordable-natural-gas-eastern-missouri</u>, the various communications attached to Spire's December 8, 2021, email to Staff⁶ (**Attachment 1**), Spire's responses to Staff's 11 data requests and Spire's social media channels. The following discussion summarizes Staff's analysis, observations and recommendations from its investigation on Spire's communications efforts. Staff will note a number of comments,

⁴ Staff's Investigation of Spire STL Pipeline's Application at FERC for a Temporary Certificate to Operate, filed August 16, 2021.

⁵ Spire's Response to Staff's Motion for Order Requiring Spire to take Certain Actions, page 1, filed November 19, 2021.

⁶ Email and Attachments from Spire's Managing Director, Regulatory & Legislative Affairs Scott Weitzel to Staff, December 8, 2021.

concerns and recommendations regarding Spire's customer communication efforts in the report sections that follow.

Contributor: Contessa King, Customer Experience Department

III. Gas Supply References in Spire Communications

With regard to Spire's communications regarding its gas supply situation, the Staff refers to previous reports and recommendations filed on August 16, 2021, and January 4, 2022, in this case. In addition to those reports, the Staff has reviewed statements made by the Company in communications to its customers regarding its gas supply situation.

In a July 26, 2021, news release Spire states, "The widespread impact of mass gas service outage during the winter could result in loss of life and property similar to that seen in Texas during Winter Storm Uri in February 2021." This statement, without the immediate context and assessment that a FERC decision not to ultimately extend a certificate through the winter would be an unlikely event, would have had the unintended consequence of heightening customers concerns beyond the level necessary to inform them of the situation. The statement essentially likened the possible FERC decision not extend a certificate to massive wellhead freeze-offs in Texas.

In its November 4, 2021, email to customers, Spire states, "Unfortunately, while the STL Pipeline continues to operate today, it is now in jeopardy". That statement could have been interpreted as cautioning a significant risk that the FERC would not act to extend the Spire STL Pipeline certificate prior to the December 13, 2021, deadline. No reason was set forth to assign significant levels of risk that FERC would jeopardize service in St. Louis. Although it was prudent to set out precautions about how important the FERC extension was, not to provide additional context of the low probability likely alarmed Spire customers.

In the same November 4, 2021, email, Spire noted, "We're confident that we've done everything we can to demonstrate the critical role the pipeline plays in providing the St. Louis community with energy, but **there are no guarantees it will operate beyond Dec. 13**." That statement, without assessing FERC inaction as a low probability event, would have likely raised additional alarm for Spire customers.

In a November 11, 2021, media advisory Spire noted, "Today, we have no assurances that the FERC will issue an additional certificate to cover the duration of the winter heating season." This statement, without assessing the low probability of a FERC decision not to extend the certificate beyond December 13, 2021, may have caused undue concern from Spire's customer base.

The Staff also takes issue with what were essentially Spire Missouri testimonials for Spire STL Pipeline, an affiliated pipeline, when the benefits of a new supply source were discussed in its customer communications. An example includes a December 3, 2021, email that stated, "The Spire STL Pipeline has already saved hundreds of millions of dollars for eastern Missouri customers during Winter Storm Uri."

The above example illustrates that Spire's communication efforts with customers regarding the Spire STL pipeline in many instances appeared to be designed to meet dual goals: a) to provide information to customers regarding the status of the Pipeline during the winter of 2021 – 2022, and b) to directly or indirectly support Spire's prior decisions to construct the Pipeline and enter into an affiliated contract with it. Of course, Spire's decision-making in this regard was challenged both before FERC and in the courts, and there is an open docket before the Missouri Commission in which the prudence of the costs charged to Missouri by Spire related to the contract with Spire STL Pipeline may be subject to dispute as well. While "informational" advertising costs are generally includable in customer rates in Missouri, costs associated with advertising to convey a utility's advocacy of political or regulatory positions (such as argumentation for the need for the Spire STL Pipeline) is presumptively disallowable. Staff recommends that in the future that Spire avoid intermingling its informational and advocacy communications with customers.

Contributor: David Sommerer, Procurement Analysis Department

IV. Overview of Spire's Communication Efforts A. Direct Customer Emails

Staff's investigation of Spire's communications with its customers included direct communications in the form of email. Staff focused its investigation into these communications on three emails in particular that were sent to non-transportation customers: an email sent on November 4, 2021, an email sent on November 18, 2021, and an email sent on December 1, 2021.

The November 4 and 18, 2021, emails were created by Spire's Communications and Marketing Department, and were reviewed by Spire regulatory, legal, customer experience, operations, and communications subject matter experts and leadership prior to sending.⁷ Staff received these emails on December 8, 2021, after the Commission ordered Spire to provide a copy of every communication to its customers and/or the public since June 22, 2021, that referred to the Spire STL Pipeline. Staff considered whether or not the language in these emails could be considered false or misleading, and if alternative language would have been more suitable.

November 4 Email

On November 4, 2021, Spire sent its first direct-to-customer email to all active Spire Missouri East non-transportation customers in concurrence with the beginning of the winter heating season.⁸ In the e-mail, Spire warns that the Spire STL Pipeline is at risk of being shut down after December 13, 2021, if the federal government does not grant an extension to continue operating. Spire's stated intention is to keep its customers "informed and prepared for potential natural gas disruptions- and outages- this winter if the pipeline is not kept in service." The email also provides background into how the Spire STL pipeline came to be in jeopardy, a brief overview of the ongoing legal battle, and a mention of an unspecified emergency plan in place to reduce the potential impact for residential customers and the St. Louis community. It concludes with a commitment to keep customers informed and a notice that customers may be asked to conserve energy if the pipeline is shut down, and provides a link to a webpage to provide customers with more information and updates about the Spire STL Pipeline.

Staff did not find any statements in the November 4 email to be false. Staff did, however, find that one statement suffered from poor phrasing. Spire states:

Our goal, as always, is to keep you safe and warm. As the most reliable energy source to heat homes, cook meals and fuel industry, natural gas outages are extremely rare.* However, a St. Louis winter without the STL Pipeline in service is a different situation.

⁷ Spire response to Staff Data Request No. 0023.

⁸ See Attachment 1, pg. 23.

Spire notes that a winter without the Spire STL Pipeline is a "different situation," but fails to elaborate on what this situation is. Lacking such context, the reader would naturally draw a contrast to what was stated previously: the "different situation" would be one where the customer *cannot* be kept safe and warm, natural gas *will not* be a reliable energy source, and outages *will not* be extremely rare. In Staff's view, these conclusions suggest that more clarity by Spire in what the "different situation" would actually mean for customers would have been helpful, when considering the highly unlikely event that FERC would fail to extend the Spire STL Pipeline certificate and that some subset of Spire's customers would be subject to loss of service. As a result, this particular phrasing perhaps exacerbated customer anxiety.

Staff also notes that Spire avoids giving any estimates regarding the probability that the Spire STL Pipeline's certificate would be extended. Instead, Spire only says that they have done all that they can. From Staff's perspective, it was always highly unlikely that the FERC would take no action to extend the Spire STL Pipeline's certificate when taking into account possible threats to customers' life and health from an extended gas outage. A statement to that effect from Spire would have furthered Spire's stated goal of keeping their customer base informed, while mitigating the anxiety that comes with the unknown.

November 18 Email

On November 18, 2021, Spire sent out a second email to its customers.⁹ This email was sent following an open agenda meeting of the FERC on the same day. For context, Spire stated that it had been encouraged by the chairman of FERC that action would be taken to keep the Spire STL Pipeline in operation, but remained concerned that action had not yet been taken. Spire's goals for the second email to customers were to provide information on the current status of the pipeline and to correct unspecified "misinformation" in the media. This email was released after some members of the St. Louis Board of Aldermen filed a November 11, 2021, letter with FERC.

In the email, Spire reiterates its commitment to keeping its customers informed of conditions that might impact its ability to deliver gas. Spire conveys that it is "encouraged" that the FERC would soon act to extend the operations of the Spire STL Pipeline beyond December 13, 2021, and

⁹ See Attachment 1, pg. 22.

includes a quote from Chairman Christie to that effect while also noting that nothing is certain. The email includes an abbreviated background of the legal battle over the pipeline and Spire's efforts to manage the situation by communicating with its customers, stressing the need for the pipeline to regulators, and preparing for a possible winter scenario without the pipeline. The email also provides a link to a webpage to provide customers with more information and updates about the Spire STL Pipeline.

Staff did not find any statements in the November 18, 2021, email to be false. However, Staff did find one misleading statement within the context of the email. In a stand-alone paragraph, Spire states:

We'll continue doing everything to ensure you and your family- and homes and businesses across the greater St. Louis region- have access to reliable, affordable energy this winter through the continued operation of the Spire STL Pipeline.

Without any further context detailing the nature and extent of Spire's emergency plans or a discussion of access to possible alternative sources of gas, customers reading this paragraph could conclude incorrectly that their access to reliable and affordable energy is contingent solely upon the actions of FERC, with no mitigating efforts by Spire possible. Although Spire suggests that a favorable outcome might be forthcoming, the continuing uncertainty coupled with the exaggerated ramifications of failure would not have reduced the anxiety level of Spire's customers.

December 1 Email

On November 18, 2021, the Commission ordered Spire to provide customers with clarifying information on the gas supply situation for the 2021-2022 winter, methods for future communication, and a list of suggestions for voluntary actions that customers could take to reduce gas consumption when temperatures fall. Spire was ordered to submit drafts of this message to Staff by no later than 5:00pm on November 19, 2021. Spire complied with the Commission's order

and in collaboration with Staff finalized an email that was sent to customers on December 1, 2021.¹⁰

In the December 1, 2021, email, Spire provides an update of FERC proceedings that largely reiterates what was said on this topic in the November 18 email. However, unlike the prior email, Spire states more definitively that "the STL Pipeline seems poised to receive approval from the FERC to operate throughout this winter." Spire also provides more information regarding the source and transportation methods of the gas that it provides to its customers, how it determines anticipated demand, and how the loss of the Spire STL Pipeline would affect its operations on peak days. The email concludes with a brief timeline of relevant events regarding the pipeline, a stated commitment to keep customers updated, links to web pages for Spire STL Pipeline updates, and tips to reduce natural gas use.

Staff includes discussion of the December 1 email in its investigation in order to highlight the differences between this email, which was compelled by Commission order and reviewed by Staff, and prior emails. Doing so highlights the primary issue with Spire's direct communications with its customers: although its stated goal was to keep its customers informed about the ongoing situation and possible ramifications of losing the Spire STL Pipeline, Spire's emails omitted information that Spire could have included that would have provided a more complete understanding of the situation and alleviated some of their customers' fears. As referenced above, Spire added a sentence in its December 1 email to emphasize the likelihood that the pipeline extension would be approved. In addition, Staff notes that Spire's November 4 and 18 emails do not elaborate on what would happen with the gas supply should the Spire STL Pipeline shut down. Those messages only warn of potential shortages and outages. Spire's December 1 email is the only customer-directed message that mentions that there are other pipelines besides the Spire STL Pipeline and that Spire was attempting to obtain gas from alternative sources to at least partially replace the Spire STL Pipeline capacity. Without outside knowledge, customers reading the November emails might conclude that the supply of gas would be eliminated entirely without access to the Spire STL Pipeline.

¹⁰ See Attachment 1, pg. 20.

The December 1 email is also the only customer-directed email to note that shortages would only become an issue on peak days of usage. This omission in its November emails is curious considering that, in all of Spire's press releases, Spire specifically predicts service disruptions during "extreme cold weather periods," elaborating in its July 26, 2021 press release that "Spire Missouri customers will begin to lose service at an average daily temperature of 9 degrees Fahrenheit, and without access to gas storage reserves, customers will begin to lose service as warm as 38 degrees Fahrenheit."¹¹ Without this information, customers having only read the November 4 and 18 emails would conclude that service disruptions might become a regular occurrence regardless of weather patterns.

Staff notes that Spire could also have included in the emails a discussion of its tariffed procedures when pipeline curtailment takes place to give its customers as much foreknowledge as possible in a unique situation. Providing all of this information up front would have given customers a more complete understanding of the situation and reduced public panic without disclosing confidential information.

B. SpireEnergy.com

Staff also conducted a review of information found on Spire's website, SpireEnergy.com. Staff's investigation focused on the page that Spire set up specifically to provide information regarding the Spire STL Pipeline and the legal proceedings surrounding it, SpireEnergy.com/Critical.¹² Spire's Communications and Marketing Department is responsible for content posted on its website, though it partners with both internal and departments and external service providers to develop and refine customer-focused web content. Content is routinely reviewed by Spire regulatory, legal, customer experience, operations, subject matter experts, and leadership prior to publishing.

Spire's STL Pipeline webpage used the slogan "Don't Lose What You Use" in large font at the top of the webpage. In addition to the pipeline information, there was also preparedness information, cold weather/energy efficiency tips, a sign-up form for those interested in receiving updates, a petition to FERC that visitors could sign, and examples of feedback from the community. Spire stated that the petition was added to the website after its initial communications

¹¹ See Attachment 1, pg. 6.

¹² The URL now seems to be: https://spireenergy.com/reliable-and-affordable-natural-gas-eastern-missouri

with the public regarding the Spire STL pipeline were met with requests from customers asking what they could do to support the Spire STL Pipeline's continued operation.

Staff notes that the slogan "Don't Lose What You Use" is an exaggeration of the consequences to Spire's customers if the Spire STL Pipeline were to be shut down. Spire's models did not predict a complete loss of service for all Spire customers, but that is what the slogan suggests. Furthermore, "Don't Lose What You Use" urges action based on a misleading premise. Customers heeding the advice are encouraged to sign the petition and/or take further steps, such as contacting FERC directly, with the belief that not doing so might mean losing their access to gas. However, they are actually acting to prevent the possibility of service disruption that would occur only under a highly unlikely set of future events.

C. Miscellaneous Media Communications

In addition to the communications already mentioned, Spire's media communications included press releases, a 60-Sec public service announcement, an Opinion-Editorial (op-ed), and communications with Spire's transportation customers. Staff received Spire's communications with transportation customers in response to Staff Data Request No. 0026. The rest of the media communications were received by Staff on December 8, 2021, from Spire after the Commission ordered Spire to provide a copy of every communication to its customers and/or the public since June 22, 2021, that referred to the Spire STL Pipeline.

Public News Releases

Spire sent out three press releases, a public advisory, a public service announcement, and an oped between July and December 2021 in relation to the Spire STL Pipeline. The first press release was on July 26, 2021, and announces that Spire is filing for an emergency certificate to continue operating the pipeline.¹³ The second press release was on September 14, 2021, and announces that a temporary certificate for the pipeline has been granted until December 13, 2021.¹⁴ The third press release, on November 5, 2021, warns St. Louis-area customers about potential service disruptions if the Spire STL Pipeline is shut down.¹⁵ On November 11, 2021, Spire released an advisory about a presentation it planned to give on the same day about the potential loss of the STL Pipeline and

¹³ See Attachment 1, pg. 6.

¹⁴ See Attachment 1, pg. 8.

¹⁵ See Attachment 1, pg. 10.

the ramifications.¹⁶ Spire also released a 60-second public service announcement on an unspecified date informing the public of the potential loss of the STL Pipeline.¹⁷ On November 14, 2021, Spire's Chief Legal Officer submitted an Op-Ed to the St. Louis American.¹⁸ It mirrors the format of the November 4 email to customers but provides more information. Staff notes in particular that the Op-Ed mentions Spire's efforts to acquire alternative natural gas supply options.

Staff did not have any concerns about false or misleading statements concerning Spire's public news releases. However, Staff does note that a customer who only read the news releases would have had a better understanding of the situation than a customer who had only read the direct emails.

On November 11, 2021, Spire responded to *Staff's Motion for Order Requiring Spire to Take Certain Actions* with extensive criticism of the St. Louis Board of Aldermen's allegations regarding fear-mongering in their customer communications. As part of that response, Spire states:

The complaining Board of Aldermen go on to assert that the email has spun our constituents and advocacy organizations into a panic that St. Louis could face the type of situation seen in Texas last year where homes were left without heat for days in freezing temperatures and residents died. This allegation misrepresents the contents of the Company's letter. If there is no Spire STL pipeline and we have a polar vortex like last February, then we could see homes without heat for days and human life could be in jeopardy. The company never communicated this specific dire outcome to its customers or the public.¹⁹

Spire asserts that it never communicated to its customers or the public the specific dire outcome of lives at risk and homes without heat because of a polar vortex situation like Texas had in 2021. That assertion is false. In its July 26, 2021, press release, Spire's third estimate of not having the Spire STL Pipeline was:

¹⁶ See Attachment 1, pg. 12.

¹⁷ See Attachment 1, pg. 33.

¹⁸ See Attachment 1, pg. 13.

¹⁹ Case No. GO-2022-0022 Spire Response to Staff Filing, pg. 3.

3. The widespread impact of mass gas service outage during the winter could result in loss of life and property similar to that seen in Texas during Winter Storm Uri in February 2021.²⁰

Spire clearly references Texas' polar vortex-induced energy shortage in February 2021 with the intention of associating that crisis situation with the loss of the Spire STL Pipeline.

Communication with Transportation Customers

Spire began communications regarding the Spire STL Pipeline to its transportation customers on July 26, 2021. On that date, Spire's Large Commercial and Industrial Business Development Manager emailed a list of 74 transport customers to inform them of the DC Circuit Court decision and potential ramifications, as well as Spire's future plans to seek emergency authorization. On September 7, 2021, Spire emailed all 154 of its transport customers to ask that they complete an Emergency Authorized Contact Form and to ask if they had an alternative source of natural gas. On October 12-13, 2021, Spire emailed out a Transport Legal Memo to all of its transportation customers that gave a background of the Spire STL pipeline situation, potential impact on transportation customers, and Spire's commitments to its transportation customers. On October 18, 2021, Spire emailed all of its transportation customers to inform them that the Supreme Court had denied Spire STL Pipeline's motion for stay. On December 1, 2021, Spire emailed a Commission-ordered update on the status of the Spire STL Pipeline that included additional information on natural gas supply. On December 3, 2021, Spire emailed an announcement that the FERC had granted the Spire STL Pipeline a new temporary operating certificate.²¹

Staff did not have any concerns about false or misleading statements regarding Spire's communications with its transportation customers. Spire appears to have kept those customers better-informed and updated with direct communication than its non-transportation customers, which to some extent is understandable because Spire's transportation customers would be the most at-risk group of service disruption.

Contributor: Charles Thomason, Customer Experience Department

²⁰ See Attachment 1, pg. 6.

²¹ Spire response to Staff Data Request No. 0023. See also Attachment 1, pg. 26-29.

Social Media

Staff inquired about Spire's communications procedures regarding the Spire STL Pipeline, and questioned what Social Media platforms were used. Spire responded that Facebook, Twitter and LinkedIn were being used. Spire stated they aggregated messages from social media within a social monitoring and management tool called Sprout Social as well as on the native platforms when necessary. Spire says they used paid advertising on these social media platforms for monitoring and response to customer and public comments on posts. Spire also stated that it responded to some private messages they received from customers on Instagram. Spire used Instagram to respond to a few messages regarding customer concerns but stated they did not share any content about the Spire STL Pipeline and the potential impact to customers' natural gas service on Instagram. The Communications and Marketing Department is responsible for social media for Spire, including content.²²

Communications and Marketing coordinated with Business Development, Legal, Customer Experience, Regulatory, Operations and other departments at Spire to create customer communications to increase awareness and preparedness for potential service disruptions related to loss of operations of the Spire STL Pipeline for transportation customers, as well as residential and commercial (non-transport) customers. In addition to sending direct-to-customer emails, Spire stated that it amplified communication efforts through the use of social media, media relations and other communication channels.²³

On November 11, 2021, Spire sent out its first tweet regarding the possible disruptions to the Spire STL Pipeline and what it could mean for its customers in the St. Louis area. The tweet let its customers know it would be holding a press conference.²⁴ On November 18, 2021, Spire tweeted approximately eight (8) tweets with "important facts" to help its customers understand the Spire STL Pipeline. Spire stated it wanted to "keep Spire customers informed about important updates that could impact their natural gas service."²⁵ These eight tweets contained information regarding the Spire STL Pipeline such as how Spire taps into other diverse and reliable natural gas supplies,

²² Spire's response to Staff Data Request No. 0025

²³ Spire's response to Staff Data Request No. 0027

²⁴ Spire, Twitter post, November 11, 2021, 1:24pm, http://twitter.com/Spire

²⁵ Spire, Twitter post, November 18, 2021, 3:50pm, http://twitter.com/Spire

Spire's emergency plan to reduce the possible threat, basic infrastructure design, and also that Spire felt it was its responsibility/job to inform customers about the potential for disruption in their gas services.

On October 18, 2021, almost a month earlier than it began its Twitter activity concerning possible service disruptions, Spire began posting on its Facebook page regarding the potential for the Spire STL Pipeline shutdown. Spire noted that 650,000 homes and businesses in eastern St. Louis could be impacted (**Attachment 2**).²⁶ A post on November 4, 2021, states "shutting down the STL Pipeline could have dire consequences on local businesses' ability to operate and deliver goods and services to the St. Louis community (**Attachment 3**)."²⁷ On November 9, 2021, Staff observed Spire had used a slogan on its Facebook post stating "Don't Lose What You Use." Spire did answer some comments it received from customers on Facebook with only a link to visit SpireEnergy.com/Critical. Others were given the option to leave a supportive comment on Spire STL Pipeline (docket number CP17-40-007) with a link to FERC's website https:ferconline.ferc.gov/eregistration.aspx (**Attachment 4**).²⁸

After Staff's review of the Social Media platforms used by Spire in regards to the possible disconnection/interruption of the Spire STL Pipeline, Staff believes Spire did effectively use Facebook, Twitter and Instagram to help reach as many Spire customers as possible and keep them informed of the possibilities that could happen. Staff does find however that, given the information presented on Spire's social media platforms, Spire did perhaps inadvertently cause some unnecessary panic in the community. In Staff's opinion, the messages that were conveyed could lead the common person to believe there was a higher probability of losing their gas for the winter than was actually the case, causing anxiety for some customers and the community.

Contributor: Lisa Stockman, Customer Experience Department

V. Call Center Operations

Call Centers provide a means for customers to conduct a number of different functions with Spire, such as initiating turn on or off service, asking questions regarding a bill, or requesting payment

²⁶ Attachment 2 Spire's Facebook page, accessed January 12, 2022, www.facebook.com/Spire

²⁷ Attachment 3 Spire's Facebook page, accessed January 12, 2022, www.facebook.com/Spire

²⁸ Attachment 4 Spire's Facebook page, accessed January 12, 2022, www.facebook.com/Spire

arrangements. Customers are able to call the Company and, by using the Interactive Voice Response (IVR) system, select from a menu of choices. Customers can choose to be connected to a Call Center representative if they have questions and wish to speak to someone. Spire maintains its own internal call center representatives at the St. Louis, Missouri headquarters building. In addition, Spire utilizes contractor representatives at three other locations outside the state of Missouri. Customer calls come in through all call queues and are routed to available representatives. Spire customers calling to seek further information about the impact that the Spire STL Pipeline could have on their service may have been routed to representatives. Therefore, it was very important that all service representatives were trained in factual, appropriate and consistent talking points regarding the Spire STL Pipeline to be able to handle customer inquiries.

Spire states it is unable to provide the specific number of calls pertaining to the Spire STL Pipeline that it received from customers since this summer. The Company was willing to make a "best guess" regarding what did occur for the four days after the November 4, 2021, email to customers was sent out. Spire estimated that about 20% of their total calls in that time frame were related to the email, which equated to a little more than 3,000 calls over that period.²⁹

All representatives were given talking points developed by Spire's Communications and Marketing team with input from the Spire Customer Experience team. Questions from customers that representatives have received about the Spire STL Pipeline situation were used to help refine the talking points. Weekly meetings with the representatives (known as Rep Connect meetings) were also used to communicate updated information to the representatives.

Starting the week of July 12, 2021, representatives were directed to share with Spire customers two different websites developed by Spire regarding the value and reliability of natural gas and the Spire STL Pipeline. Spire Missouri customers with questions about the value of natural gas and the reliability provided by the STL Pipeline were to be directed to: SpireEnergy.com/reliable-

²⁹ Spire response to Staff Data Request No. 0021 in Case No. GO-2022-0022.

and-affordable-natural-gas-eastern-missouri. For specific questions about the Spire STL Pipeline itself, customers were referred to: spireenergy.com/spire-stl-pipeline³⁰.

On September 16, 2021, additional talking points were developed and communicated to representatives along with another website to refer customers to for the opportunity to sign up for email updates on the Spire STL Pipeline. On November 9, 2021, talking points were again revised and provided to representatives. On December 1, 2021, an advance copy of a communication that would be sent to customers was provided to supervisors. Copies of the email communication that went to customers were also provided to supervisors along with additional talking points.³¹

Call Center Recommendation

Spire stated it was unable to determine the number of calls it had received specifically inquiring about the Spire STL Pipeline.³² It does appear that Spire attempted to maintain some information regarding questions posed by customers in their inquiries to call center representatives, as these questions were shared with supervisors to reflect changes to talking points. Staff believes it may have also been useful for Spire to maintain a count of the total number of phone inquiries regarding the Spire STL Pipeline and the location of the customer. This could have provided helpful information for a number of areas such as:

- Assist in evaluating the effectiveness of the messaging being used by Spire
- Assist in determining the most effective method to communicate with the customer
- Determine if certain geographic areas are not receiving sufficient accurate information

Going forward, Staff recommends that Spire develop a method to track the types of calls handled by both internal and contractor call center representatives. Information on the types of inquiries handled by representatives can provide useful information to Spire on the effectiveness of its communication efforts with customers, even beyond the Spire STL Pipeline issue.

Contributor: Deborah A. Bernsen, Customer Experience Department

³⁰ Spire response to Staff Data Request No. 0022 in Case No. GO-2022-0022

³¹ Spire response to Staff Data Request No. 0022 in Case No. GO-2022-0022

³² Spire response to Staff Data Request No. 0021 in Case No. GO-2022-0022

VI. Summary of Staff Investigation

- In its press releases and in its emails Spire neglected to inform its customers and the general public of the quite low probability that the FERC would choose not to extend the Spire STL Pipeline's certificate though the winter, thereby heightening customer concerns beyond necessity to inform them of the situation.
- Staff takes issue with Spire Missouri intermingling its informational communications with customers with advocacy communications regarding the Spire STL Pipeline. The informational communications concerned the status of the Pipeline for this winter. The advocacy communications with customers appeared to be intended to defend Spire's prior decisions to construct the pipeline and enter into an affiliated contract with it.
- Spire's November 4, 2021, and November 18, 2021, emails contained phrasing that, lacking further clarifying statements from Spire, were potentially misleading and might have exacerbated customer anxiety. The November 4 and November 18 emails, in contrast to the Commission ordered December 1, 2021, email, also omit relevant information about the gas supply situation facing Spire without the Spire STL Pipeline.
- Staff's opinion is that, if Spire had provided more information about its contingency and emergency plans to its customers, including discussion of Spire's tariffed procedures on pipeline curtailment, it might have mitigated public panic.
- Spire's webpage slogan "Don't Lose What You Use" urges action based on a misleading premise.
- Spire's communications to its transportation customers and to the public at large were more detailed than Spire's direct communications with its non-transportation customers.
- Spire effectively utilized various social media platforms to amplify its communications regarding the Spire STL Pipeline to reach as many Spire customers as possible.
- Similar to Spire's November 4th and 18th emails to customers, Staff believes that the information posted on Spire's social media platforms could lead the average person to believe that there was a higher probability of customers losing their gas for the winter than was actually the case, thus inadvertently causing fear and panic in Spire's customers and the public.

- Spire created talking points for representatives in their call centers to use when talking with customers about the Spire STL Pipeline, and had a process in place to refine those talking points over time in response to representatives' conversations with customers.
- Although Spire recorded enough information about customers' calls to refine its communications, Spire did not track the specific number of calls that it received from customers regarding the Spire STL Pipeline. Staff recommends that Spire develop a method to track the types of calls handled by both internal and contract call center representatives, to include figures such as total number of calls and the location of the customer.

VII. Conclusion

The Commission's Communications Order instructs Staff to file a recommendation indicating whether a complaint against Spire Missouri is warranted for false and misleading communications to its customers and the public. Staff's investigation highlights several areas of concern with Spire's communications and marketing efforts regarding the status of the Spire STL Pipeline. However, Staff did not find substantial evidence in its investigation indicating that Spire deliberately developed a communications and marketing plan intended to present false information or misleading information to Spire customers and the public. Accordingly, Staff is not intending to file a complaint against Spire regarding this matter. If the Commission determines that the results of Staff's investigation necessitates further analysis, Staff will abide by any Commission directive.

ATTACHMENTS 1-4

OF THIS STAFF REPORT

HAVE BEEN DEEMED CONFIDENTIAL IN

THEIR ENTIRETY