

MISSOURI · GAS UTILITIES · CAPITAL BRIEFING

In Missouri, the gas capital plan is a pipe-replacement plan — recovered one ISRS filing at a time.

Spire, Ameren, and Liberty are pushing a decade of main replacement, integrity, and winter-supply spending through a surcharge that is capped, narrowly defined, and set to sunset in 2029. Every deferred main, every ISRS reset, and every design-day commitment reshuffles the project list. Invizion helps gas utilities re-sequence a capital portfolio in a click — and defend every decision to the Public Service Commission.

1.21M¹ Natural gas customers served by Spire Missouri, the state's largest LDC, across St. Louis and Kansas City. ¹	\$11.2B² Spire's 10-year capital investment plan — the bulk of it pipe replacement and system integrity. ²	1.46M³ Missouri households that heat with natural gas — a Midwest heating base that isn't going away fast. ³	10%⁴ Statutory ceiling on ISRS as a share of base revenue — the cap that forces gas mains back into rate cases. ⁴
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THE MISSOURI LANDSCAPE

Four forces are moving your project list at once

None of these is theoretical, and none of them waits for your next budget cycle. Together they mean the capital plan you approved last year may already be the wrong plan.

INTEGRITY — AGING PIPE & SAFETY

Old mains, on a replacement clock

Missouri's replacement surcharge exists precisely because the ground under its cities is old: the statute lets gas utilities recover accelerated replacement of worn-out or deteriorated mains, valves, and service lines — expressly including cast-iron and bare-steel pipe — along with main relining, service-line insertion, and government-mandated relocations⁵

Spire alone operates more than 60,000 miles of mains and services, and the gas ISRS statute is set to sunset on August 28, 2029 — putting a legislative clock on the very mechanism that funds this work¹

THROUGHPUT — DECARBONIZATION PRESSURE

Less pressure than the coasts, but the long horizon still bends

Missouri is not California. Roughly 1.46 million Missouri households heat with natural gas, and the state has adopted no gas ban or building-electrification mandate³

But the capital math is unforgiving: mains going in the ground today are recovered over 40 to 60 years, and every efficiency gain, heat-pump install, or policy shift that trims future throughput raises the stranded-asset question on a system you are still expanding. The long horizon is exactly where a decision made now is hardest to unwind.

SUPPLY — RELIABILITY & WINTER PEAKS

One pipeline, a design-day commitment, and Uri-scale exposure

The Spire STL Pipeline delivers up to 400,000 MMBtu/day into eastern Missouri, with Spire Missouri contracted for 350,000 MMBtu/day as foundation shipper — infrastructure that, by the company's account, kept roughly 133,000 customers from facing interruption during Winter Storm Uri and now serves more than 650,000 St. Louis-area homes and businesses¹⁶

That line cleared a multi-year FERC certificate review before consolidating under a single certificate in its 2025 merger into Spire MoGas Pipeline — a reminder that supply-security capital in Missouri is inseparable from regulatory and legal risk¹

RECOVERY — ISRS & RATE CASES

A surcharge that's capped, narrow, and on the clock

The Infrastructure System Replacement Surcharge lets Missouri gas utilities recover replacement investment between rate cases — but it is capped at 10% of base revenue, can be adjusted no more than twice in twelve months, and must be rolled into base rates at the next general rate proceeding⁴⁷

What qualifies is defined narrowly by statute, so ISRS is a fast track for safety-driven pipe replacement — not a blank check⁵ It drives a familiar tension: keep an \$11.2 billion build moving while every reset and every rate case tests affordability²

WHO RUNS MISSOURI'S GAS SYSTEM

Three investor-owned LDCs, and a thin municipal layer

Missouri’s gas distribution is overwhelmingly investor-owned and PSC-regulated, led by Spire Missouri, with Ameren Missouri and Liberty Utilities serving smaller footprints. A handful of municipally owned systems round out the map.

Investor-owned gas utilities

Rates, ISRS & capital recovery regulated by the Missouri PSC

Spire Missouri ~1.21M customers · St. Louis (east) & Kansas City (west)¹; acquired Missouri Gas Energy in 2013⁸

Ameren Missouri (gas) ~110,000 natural gas customers · central & eastern Missouri⁹

Liberty Utilities (Midstates Natural Gas) Northwest & southeast Missouri · former Atmos Missouri system, acquired 2012¹⁰

Spire serves about 1.7 million customers across Missouri, Mississippi, and Alabama — Missouri is its largest market.¹¹

Municipal gas systems & public sector

Locally governed — not PSC rate-regulated

Hannibal Board of Public Works Municipal natural gas system · Hannibal

Marshall Municipal Utilities Municipal natural gas system · Marshall

City of Fulton Municipal natural gas system · Fulton

Municipal gas ownership in Missouri is limited; the large majority of the state’s roughly 1.46 million residential gas customers are served by the three PSC-regulated LDCs above.³

Every capital dollar has to survive the PSC

In Missouri the question is the same whether it's an ISRS filing or a general rate case: why this project, why now, why at this cost?

Missouri Public Service Commission (MoPSC) regulates rates, capital recovery, and the ISRS for the state's investor-owned gas utilities — Spire Missouri, Ameren Missouri, and Liberty Utilities¹²

The ISRS is Missouri's between-rate-case recovery mechanism for safety-driven replacement. It is capped at 10% of base revenue, subject to a minimum threshold of the lesser of \$1 million or one-half of one percent of base revenue⁴

ISRS cadence & true-up: a utility may change its ISRS rate no more than twice in twelve months, and the accumulated surcharge must be reset into base rates at the next general rate proceeding⁷

What qualifies is narrow: worn-out or deteriorated mains, valves, and service lines (including cast-iron and bare-steel replacement), main relining and service-line insertion, and government-mandated relocations — not routine growth capitals⁵

A 2029 deadline hangs over the mechanism: the gas ISRS statute is scheduled to sunset on August 28, 2029, making its renewal a live capital-planning variable¹

In Missouri, the money is the surcharge

There is little dedicated federal money for gas distribution here; capital is recovered the Missouri way — through rate base and the ISRS. That makes the surcharge's cap, cadence, and sunset the real funding constraints.

ISRS is the primary between-case funding path, letting utilities begin recovering qualifying replacement investment without waiting for a full rate case — up to the 10%-of-base-revenue ceiling^{4,7}

Eligible scope is safety- and integrity-driven: cast-iron and bare-steel replacement, relining, insertion, and mandated relocations — the categories that dominate an aging-system capital plans⁵

An \$11.2 billion, 10-year Spire capital plan (about \$797 million in fiscal 2026) is recovered mostly through rate base and ISRS — not grants — so sequencing and timing directly drive customer bills²

The 2029 ISRS sunset is a funding risk, not a footnote: if the mechanism lapses or narrows, replacement dollars fall back on the slower general-rate-case path¹

MISSOURI'S GAS SYSTEM, IN BRIEF

Questions Missouri gas utility leaders are asking

Short, sourced answers — the same facts we dig into with utilities looking at their capital programs.

Who is the largest natural gas utility in Missouri?

Spire Missouri, which serves about 1.21 million customers across the St. Louis (eastern) and Kansas City (western) regions — far larger than Ameren Missouri's gas operation or Liberty Utilities¹

What is the ISRS, and why does it matter so much here?

The Infrastructure System Replacement Surcharge lets gas utilities recover safety-driven replacement (cast-iron and bare-steel mains, service lines, relining, mandated relocations) between rate cases. It is capped at 10% of base revenue, can change at most twice a year, and must be reset into base rates at the next general rate case⁴⁵⁷

What is the Spire STL Pipeline and why is it a capital issue?

It is a 65-mile FERC-regulated line delivering up to 400,000 MMBtu/day into eastern Missouri, with Spire Missouri as its 350,000 MMBtu/day foundation shipper. By Spire's account it kept about 133,000 customers from interruption during Winter Storm Uri and serves 650,000-plus St. Louis-area homes; it consolidated under a single certificate in a 2025 merger into Spire MoGas Pipeline¹⁶

Is Missouri banning natural gas?

No. Missouri has adopted no gas ban or statewide building-electrification mandate, and roughly 1.46 million households still heat with gas. The pressure on long-horizon gas capital here is throughput and affordability, not prohibition³

Who regulates Missouri gas utilities' rates?

The Missouri Public Service Commission sets rates, ISRS, and capital recovery for the investor-owned LDCs³² Ameren Missouri — the state's largest electric utility — also distributes gas, while municipal systems set their own rates locally¹³

How does Invizion help Missouri gas utilities plan capital?

Invizion is scenario-based capital portfolio optimization for utilities. It lets you model how an ISRS reset, a rate-case outcome, a design-day supply commitment, or a shifted replacement mandate reshuffles your whole project list, re-sequence the portfolio automatically against the constraints you set, and keep a defensible record of every decision for the PSC.

REFERENCES

Sources

Every figure in this briefing is tied to a primary or authoritative source.

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2. StockTitan — "Spire reports FY26 third quarter results," Aug. 5, 2026: 10-year capital investment plan of \$11.2 billion and expected fiscal-2026 capex of ~\$797 million. www.stocktitan.net
3. U.S. Energy Information Administration — Number of Natural Gas Consumers, Missouri (residential): 1,461,770 (2024). www.eia.gov
4. Missouri Revised Statutes §393.1012 — ISRS revenues capped at 10% of the gas corporation's base revenue from its most recent rate proceeding; minimum threshold the lesser of \$1 million or one-half of one percent of base revenue. revisor.mo.gov
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6. Spire Missouri — Spire STL Pipeline & Winter Storm Uri: the pipeline serves more than 650,000 Missouri homes and businesses; ~133,000 customers could have faced service interruption during Winter Storm Uri without it. www.spireenergy.com
7. Missouri Revised Statutes §393.1015 — ISRS procedure: a gas corporation may change its ISRS rate no more than twice every twelve months; PSC review within 180 days; annual reconciliation; surcharge reset in the next general rate proceeding. revisor.mo.gov
8. Wikipedia — Spire Inc. / Laclede Gas Company: acquired Missouri Gas Energy (Kansas City) in 2013; Laclede historically served ~631,000 customers in the City of St. Louis and eastern Missouri counties. en.wikipedia.org
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11. Spire Inc. — About Spire: serves about 1.7 million customers across Missouri, Mississippi, and Alabama. www.spireenergy.com
12. Missouri Public Service Commission — regulates rates, infrastructure surcharges, and capital recovery for the state's investor-owned natural gas utilities. psc.mo.gov
13. Ameren — About Ameren: serves approximately 2.5 million electric and 900,000+ natural gas customers across Missouri and Illinois; Ameren Missouri is the state's largest electric provider. www.ameren.com

ABOUT INVIZION

Capital program optimization for utilities

Invizion is a purpose-built capital lifecycle management platform for utilities. It integrates budgeting, CIP, scenario analysis, and funding-source tracking in one system — so utilities can re-sequence a capital portfolio in a click and demonstrate audit-ready, defensible decisions to regulators, boards, and rating agencies.

See how utilities keep capital plans current and defensible with Invizion.

Explore Invizion →