# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Spire Missouri, Inc. d/b/a ) Spire's Purchased Gas Adjustment ) Case No. GR-2023-0157 Tariff No. JG-2023-0090

### **STAFF RECOMMENDATION**

**COMES NOW** the Staff of the Missouri Public Service Commission and for its Recommendation, states as follows:

1. On November 11, 2022, Spire Missouri, Inc. d/b/a Spire filed revised tariff sheets to reflect changes in its Purchased Gas Adjustment for its eastern Missouri and western Missouri operating divisions. The tariff sheets bear an effective date of November 29, 2022.

2. On November 14, 2022, the Commission directing Staff to file a recommendation concerning Spire's above referenced tariff sheets no later than November 18, 2022.

3. Staff has reviewed this filing and has determined it was calculated in conformance with Spire's PGA Clause. Staff is of the opinion that good cause for approval of these tariff sheets on less than thirty (30) days' notice is demonstrated by Spire's Commission-approved PGA clause allowing for ten (10) business days' notice for PGA change filings. Staff recommends the Commission issue an order approving the tariff sheets (No. JG-2023-0090) on an interim basis, subject to refund, for service on and after November 29, 2022.

4. Due to the limited time available to review the documentation supporting the ACA factors submitted in this filing, the Procurement Analysis Department (PAD) requests permission to submit its results and recommendations regarding the

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information included in this ACA filing to the Commission on or before December 15, 2023.

WHEREFORE, for the foregoing reasons and those stated in Staff's Memorandum attached hereto, Staff recommends that the Commission issue an order approving Spire's tariff sheet in Tracking No. JG-2023-0090 as listed below, on an interim, subject to refund:

## PSC Mo No. 9

1<sup>st</sup> Revised Sheet 11.7, Cancelling Original Revised Sheet 11.7 (Spire East)

1<sup>st</sup> Revised Sheet 11.8, Cancelling Original Revised Sheet 11.8 (Spire West)

Respectfully submitted,

## <u>/s/ Don Cosper</u>

Don Cosper Legal Counsel Missouri Bar No. 73231 P.O. Box 360 Jefferson City, MO 65102 573-751-4140 (Telephone) 573-751-9285 (Fax) don.cosper@psc.mo.gov

Attorney for the Staff of the Missouri Public Service Commission

# CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand delivered, transmitted by facsimile or electronically mailed to all parties and/or counsel of record this 17<sup>th</sup> day of November, 2022.

# <u>/s/ Don Cosper</u>

# **MEMORANDUM**

TO: Missouri Public Service Commission Official Case File Case No. GR-2023-0157, Tariff No. JG-2023-0090 Spire Missouri Inc., d/b/a Spire (East & West)

**FROM:** Michael J. Ensrud, Procurement Analysis Department

/s/ David M. Sommerer11/17/2022Financial and Business Analysis Div./Date/s/ Jamie Myers11/17/2022Staff Counsel's Office/Date

- **SUBJECT:** Staff Recommendation for Spire Missouri Inc., d/b/a Spire Scheduled Winter Season PGA/ACA Filing Effective November 29, 2022
- **DATE:** November 17, 2022

On November 11, 2022, Spire Missouri Inc., d/b/a Spire ("Company"), filed two tariff sheets with an effective date of November 29, 2022 - one for Spire Missouri's East operating division and one for the West operating division. The two tariff sheets were filed to reflect scheduled changes in Spire's Purchased Gas Adjustment (PGA) factors as the result of an estimated change in the cost of natural gas for the winter season and changes in the Actual Cost Adjustment (ACA) factors.

Beyond the typical PGA issues that can either increase or decrease (in this particular filing, it is an increase), this filing continues to reflect the PGA/ACA rate impact due to "*the deferral of Winter Storm Uri*"<sup>1</sup>. These increases are a combination of typical PGA costs and Uri deferrals – both upwardly impacting customer's PGA rates in this filing.

On November 14, 2022, the Missouri Public Service Commission ("PSC" or "Commission") issued an **ORDER DIRECTING FILING**, which directs Staff to file its recommendation by November 18, 2022.

Unlike the past PGA filings, this PGA memo addresses both East and West operating divisions in one case; although the practice of having one set of PGA/ACA rates for "Spire Missouri East" and one set of rates for "Spire Missouri West" still continues.

Spire states the following in its cover letter:

Spire East's charges for gas will change from \$0.60014 to \$0.70904 per ccf; and Spire West's charges for gas will change from \$0.79310 to \$0.92304 per ccf.

Staff has verified these figures are consistent with current and proposed tariffs.

<sup>&</sup>lt;sup>1</sup> GR-2023-0157 cover letter.

The magnitude of the proposed PGA are as follows:

|      |           |           | <u>\$ Increase</u> |
|------|-----------|-----------|--------------------|
|      | Current   | Proposed  | per Ccf            |
| East | \$0.60014 | \$0.70904 | \$0.10890          |
| West | \$0.79310 | \$0.92304 | \$0.12994          |

Spire' cover letter projects the impact of this PGA as follows:

Compared to currently existing rates, and assuming normal usage, the PGA rate will increase the average monthly bill of the typical residential customer. For Spire East the increase will be about \$7.31 per month (or 8.86%) and for Spire West the change results in an increase of approximately \$8.14 per month (or 9.16%). Such bill impacts may be less or more depending on a customer's actual usage, which is primarily affected by weather.

These are the rate classes subject to the above PGA: Residential, Small General Service, Large General Service, Unmetered Gas Light, and Large Volume Sales.

Case No. GR-2023-0157, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2021-2022 ACA filing. Any rate change implemented pursuant to this tariff filing should be on an interim basis, subject to refund status pending final Commission decisions in ACA Case Nos. GR-2023-0157, GR-2022-0135, GR-2022-0136, GR-2021-0127, and GR-2021-0128.

Due to the limited time available to review the documentation supporting the ACA factors submitted in this filing, the Procurement Analysis Department (PAD) requests permission to submit its results and recommendations regarding the information included in this ACA filing to the Commission on or before December 15, 2023.

Staff has verified that Spire Missouri, Inc. has filed its annual report, and is not delinquent on its PSC assessment. Staff is not aware of any other matter before the Commission that affects or is affected by this filing, other than as mentioned above.

Staff has reviewed this filing and has determined it was calculated in conformance with Spire's PGA Clause. Staff is of the opinion that good cause for approval of these tariff sheets on less than thirty (30) days' notice is demonstrated by Spire's Commission-approved PGA clause

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allowing for ten (10) business days' notice for PGA change filings. Staff recommends the Commission issue an order approving the following tariff sheets, filed on November 11, 2022, to become effective on November 29, 2022, on an interim basis, subject to refund:

## PSC Mo No. 9

1<sup>st</sup> Revised Sheet 11.7, Cancelling Original Revised Sheet 11.7 (Spire East) 1<sup>st</sup> Revised Sheet 11.8, Cancelling Original Revised Sheet 11.8 (Spire West)

### BEFORE THE PUBLIC SERVICE COMMISSION

### **OF THE STATE OF MISSOURI**

In the Matter of Spire Missouri, Inc.)Case No. GR-2023-0157d/b/a Spire's Purchased Gas Adjustment)Tariff No. JG-2023-0090

### **AFFIDAVIT OF MICHAEL J. ENSRUD**

| STATE OF MISSOURI | ) |     |
|-------------------|---|-----|
| ۵                 | ) | SS. |
| COUNTY OF COLE    | ) |     |

**COMES NOW MICHAEL J. ENSRUD** and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Staff Recommendation in Memorandum form*; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

Ensued

#### JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this  $17\frac{4}{5}$  day of November 2022.

D. SUZIE MANKIN Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: April 04, 2025 Commission Number: 12412070

Notary Public