

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of	)	
Summit Natural Gas of Missouri Inc.'s	)	<b><u>File No. GR-2014-0086</u></b>
Filing of Revised Tariffs to Increase Its	)	Tracking No. YG-2014-0285
Annual Revenues for Natural Gas Service	)	

**ADDITIONAL RECONCILIATION**

**COMES NOW** the Staff of the Missouri Public Service Commission, by and through counsel, and pursuant to the Commission's order dated October 15 hereby submits this additional reconciliation and respectfully states:

1. On October 15, 2014, the Commission directed Staff to file an additional reconciliation pursuant to discussion at the Commission's agenda meeting that day. Consistent with the Commission's order, the attached documents assume the terms set forth in the partial settlements filed in this case. In addition, the additional reconciliation documents assume a cost of debt at 3.1 percent and a capital structure of 43 percent debt and 57 percent equity; they assume no imputation of volumes, customer levels and/or revenues and no phase-in for any rates.

2. Based on those assumptions, the additional reconciliation shows Staff's estimation of the revenue increase for each rate division using four different return on equity percentages—10.30 percent, 10.80 percent, 11.15 percent and 11.50 percent. These four ROE scenarios, assuming the capital structure referenced above, are attached hereto as Appendix A and incorporated by reference.

3. At an ROE of 10.30 percent, Staff's calculations show a total incremental revenue requirement increase of \$6.57 million. This represents increases of between 22.38 and 64.42 percent in the Company's four service areas, for a total increase of

45.75 percent. An ROE of 11.50 percent represents an incremental revenue requirement increase of \$7.80 million. This represents increase of between 29.21 and 73.44 percent in the Company's four service areas, for a total increase of 54.36 percent.

4. Appendix B, attached here and incorporated by reference, shows pro forma revenues at each of the different ROE scenarios by rate division and customer class. Appendix B shows that residential customers will see estimated rate increases ranging from \$24.06 to \$39.73 at 10.30 ROE, and increases from \$26.83 to \$43.19 at 11.50 percent ROE. Appendix B also shows Staff's estimated annual customer impact.

**WHEREFORE**, Staff respectfully submits this Additional Reconciliation.

Respectfully Submitted,

**STAFF OF THE MISSOURI  
PUBLIC SERVICE COMMISSION**

*/s/ John D. Borgmeyer*

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**CERTIFICATE OF SERVICE**

I hereby certify that true and correct copies of the foregoing were served electronically to all counsel of record this 20<sup>th</sup> day of October, 2014.

*/s/ John D. Borgmeyer*

SUMMIT NATURAL GAS OF MISSOURI, INC. GR-2014-0086  
 INCREASE WITHOUT PGA COMPARISONS  
 COMPANY CAPITAL STRUCTURE - ROE SCENARIOS

District	10.30%		10.80%		11.15%		11.50%	
	Increase	Increase %	Increase	Increase %	Increase	Increase %	Increase	Increase %
Branson	\$ 1,514,418	60.99%	\$ 1,603,826	64.59%	\$ 1,666,255	67.11%	\$ 1,728,682	69.62%
Gallatin	\$ 282,558	22.38%	\$ 318,550	25.23%	\$ 343,681	27.22%	\$ 368,812	29.21%
Rogersville	\$ 4,011,891	42.54%	\$ 4,357,895	46.21%	\$ 4,599,491	48.77%	\$ 4,841,087	51.33%
Warsaw	\$ 757,843	64.42%	\$ 802,136	68.19%	\$ 833,063	70.82%	\$ 863,990	73.44%
Total	<u>\$ 6,566,710</u>	45.75%	<u>\$ 7,082,407</u>	49.35%	<u>\$ 7,442,490</u>	51.86%	<u>\$ 7,802,571</u>	54.36%

**Summit Natural Gas of Missouri, Inc.**  
**Case No GR-2014 -0086**  
**Pro forma Revenues At Different Return on Equity Rates Without PGA Revenue**

	Monthly Customer Impact At 10.30%	Annual Customer Impact At 10.30%	Monthly Customer Impact At 10.80%	Annual Customer Impact At 10.80%	Monthly Customer Impact At 11.15%	Annual Customer Impact At 11.15%	Monthly Customer Impact At 11.50%	Annual Customer Impact At 11.50%
<b>Gallatin</b>								
GS- residential	\$24.06	\$288.76	\$25.22	\$302.60	\$26.02	\$312.28	\$26.83	\$321.95
GS-commercial	\$27.05	\$324.56	\$28.58	\$342.97	\$29.65	\$355.82	\$30.72	\$368.68
CS	\$102.74	\$1,232.90	\$112.70	\$1,352.42	\$119.66	\$1,435.87	\$126.61	\$1,519.33
LVS	\$2,062.21	\$24,746.48	\$2,314.41	\$27,772.86	\$2,490.50	\$29,886.03	\$2,666.60	\$31,999.19
ISS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TS	\$854.93	\$10,259.11	\$937.76	\$11,253.18	\$995.61	\$11,947.28	\$1,053.45	\$12,641.38
<b>Warsaw</b>								
GS- residential	\$39.73	\$476.75	\$41.18	\$494.12	\$42.19	\$506.23	\$43.19	\$518.30
GS-commercial	\$53.04	\$636.45	\$55.26	\$663.16	\$56.82	\$681.80	\$58.36	\$700.36
CS	\$379.33	\$4,551.99	\$399.78	\$4,797.32	\$414.04	\$4,968.46	\$428.25	\$5,138.95
LVS	\$1,502.91	\$18,034.88	\$1,585.01	\$19,020.09	\$1,642.28	\$19,707.39	\$1,699.34	\$20,392.07
TS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Rogersville</b>								
GS-residential	\$24.43	\$293.15	\$25.67	\$308.09	\$26.54	\$318.51	\$27.41	\$328.93
GS - residenital - optional	\$12.48	\$149.74	\$13.55	\$162.65	\$14.31	\$171.67	\$15.06	\$180.68
GS-commercial	\$54.91	\$658.96	\$58.36	\$700.28	\$60.76	\$729.11	\$63.16	\$757.93
GS-commercial - optional	\$20.47	\$245.62	\$22.23	\$266.81	\$23.47	\$281.59	\$24.70	\$296.38
LGS	\$341.49	\$4,097.87	\$366.64	\$4,399.64	\$384.18	\$4,610.13	\$401.72	\$4,820.63
LVS	\$1,673.66	\$20,083.91	\$1,792.17	\$21,506.01	\$1,874.83	\$22,497.99	\$1,957.50	\$23,489.96
TS	\$5,730.83	\$68,769.91	\$6,199.35	\$74,392.23	\$6,526.17	\$78,314.07	\$6,852.99	\$82,235.91
<b>Branson</b>								
GS-residential	\$33.45	\$401.46	\$34.84	\$418.07	\$35.81	\$429.70	\$36.77	\$441.28
GS - residenital - optional	\$12.95	\$155.37	\$13.71	\$164.54	\$14.25	\$170.96	\$14.78	\$177.35
GS-commercial	\$105.61	\$1,267.28	\$110.95	\$1,331.46	\$114.70	\$1,376.38	\$118.43	\$1,421.13
GS-commercial - optional	\$27.23	\$326.81	\$28.84	\$346.10	\$29.97	\$359.61	\$31.09	\$373.06
LGS	\$397.76	\$4,773.07	\$418.28	\$5,019.39	\$432.65	\$5,191.82	\$446.96	\$5,363.56
LVS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TS	\$7,835.64	\$94,027.74	\$8,280.44	\$99,365.33	\$8,591.80	\$103,101.65	\$8,901.93	\$106,823.14