BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of Laclede Gas) Company to Change its Infrastructure System) Replacement Surcharge in its Missouri Gas) Energy Service Territory.) In the Matter of the Application of Laclede Gas) Company to Change its Infrastructure System) **Case No. GO-2016-0332** Tariff No. YG-2017-0148) **Case No. GO-2016-0333**

In the Matter of the Application of Laclede Gas Company to Change its Infrastructure System Replacement Surcharge in its Laclede Gas Service Territory.

Case No. GO-2016-0333 Tariff No. YG-2017-0147

Staff's Recommendation Regarding Tariffs filed by Laclede Gas Company <u>and Missouri Gas Energy</u>

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

1. On September 30, 2016, Laclede Gas Company filed *Applications* to change the Infrastructure System Replacement Surcharges ("ISRS") of both its Laclede Gas Company ("LGC") service area and its Missouri Gas Energy ("MGE') service area, docketed as Cases GO-2016-0333 and GO-2016-0332, respectively.

2. Also on September 30, 2016, Laclede filed its proposed ISRS tariff sheets, which the Commission's Data Center designated as Tariff Tracking No. YG-2017-0048 and Tariff Tracking No. YG-2017-0047. Each of these sheets had a designated effective date of October 30, 2016.

3. On October 3, 2016, the Commission suspended Tariffs YG-2017-0048 and YG-2017-0047 until January 28, 2017, the 120th day after September 30, 2016.

4. Following an objection by the Office of the Public Counsel ("OPC"), the Commission convened an evidentiary hearing on January 3, 2017.

5. Thereafter, the Commission issued its *Report & Order* on January 18, 2017, effective January 28, 2017. Therein, the Commission rejected Tariffs YG-2017-0048 and YG-2017-0047, and authorized Laclede to file new or revised tariff sheets compliant with the *Report & Order* by 1:00 p.m., January 19, 2017. The Commission additionally directed its Staff to review the compliance tariffs and to file its recommendation by 4:00 p.m. on January 20, 2017.

6. Laclede timely filed its revised tariff sheets compliant with the *Report* & *Order* on January 19, 2017. The Commission's Data Center designated these filings as Tariff YG-2017-0148 and Tariff YG-2017-0147.

7. Staff has reviewed Tariff YG-2017-0148 and Tariff YG-2017-0147 and has determined that they are compliant with the *Report & Order* issued on January 18, 2017, effective January 28, 2017, all as set out in detail in the memorandum attached hereto. Staff therefore recommends that the Commission **APPROVE** Tariff YG-2017-0148 and Tariff YG-2017-0147 for service rendered on and after January 28, 2017. Staff has determined further that there is good cause for these sheets to be approved on less than 30-days' notice in that § 393.1015.2(3), RSMo., requires that the Commission's order be effective not later than the 120th day following the filing of an application to establish or change an ISRS and accompanying rate schedules. January 28, 2017, is the 120th day following September 30, 2016.

WHEREFORE, Staff prays that the Commission will APPROVE Tariff YG-2017-0148 and Tariff YG-2017-0147 for service rendered on and after January 28, 2017. The sheets to be approved are:

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YG-2017-0147:

P.S.C. Mo. No. 5 Consolidated 27th Revised Sheet No. 12, Cancelling 26th Revised Sheet No. 12

YG-2017-0148:

P.S.C. Mo. No. 6 7th Revised Sheet No. 10, Cancelling 6th Revised Sheet No. 10

Respectfully submitted,

/s/ Kevin A. Thompson

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by electronic mail on each of the parties listed in the Service List for this case maintained by the Commission's Data Center on this 20th day of January, 2017.

<u>/s/ Kevin A. Thompson</u>

MEMORANDUM

- **TO:** Missouri Public Service Commission Official Case File Case No. GO-2016-0333 - Tariff Tracking No. YG-2017-0147 Laclede Gas Company
- **FROM:** Kimberly K. Bolin, Regulatory Auditor V, Auditing Department Michael J. Ensrud, Rate & Tariff Examiner II, Procurement Analysis

<u>/s/ Mark L. Oligschlaeger 01/20/17</u> Auditing Department / Date

<u>/s/ David M. Sommerer 01/20/17</u> Commission Staff Division / Date /s/ Kevin Thompson 01/20/17 Staff Counsel's Office / Date

- **SUBJECT:** Staff Report on the Tariff Sheet Filed in Compliance with the Commission's Report and Order
- **DATE:** January 20, 2017

On January 18, 2017, the Missouri Public Service Commission ("Commission") issued its REPORT & ORDER ("Order") authorizing Laclede Gas Company (Laclede or Company) to file a new tariff sheet to recover the revenue authorized in its Order. The Order directed the Company to file a tariff sheet in compliance with the order no later than 1:00 p.m., January 19, 2017. On January 19, 2017, Laclede filed a cover letter and a compliance tariff sheet with the Commission. The tariff sheet has a proposed effective date of February 18, 2017. However, the Company requests that the Commission approve the tariff to be effective on January 28, 2017 consistent with the effective date of the Order.

Staff has reviewed Laclede's tariff sheet and has determined that Laclede's submitted ISRS tariff sheet (YG-2017-0147) complies with those prescribed rates authorized by the Commission's Order.

Based upon its review and all of its calculations, Staff is recommending that Laclede receive ISRS revenues of \$4,504,138. Upon Commission approval, this amount will be included with the currently-in-effect ISRS (Case Nos. GO-2014-0212, GR-2015-0026, GO-2015-0269, GO-2015-0341, and GO-2016-0196). The below table shows the cumulative amount to be included in rates:

ISRS Case No.	Revenue Requirement	Cumulative
GO-2014-0212	\$7,018,225	
GR-2015-0026	\$2,780,045	\$9,798,270
GO-2015-0269	\$5,378,541	\$15,176,811
GO-2015-0341	\$4,456,045	\$19,632,856
GO-2016-0196	\$5,389,900	\$25,022,756
GO-2016-0333	\$4,504,138	\$29,526,894

The rate design for each customer class as set out in Appendix B of the original Staff Recommendation does not change. See *Staff Recommendation*, filed Nov. 29, 2016, File No. GO-2016-0333.

Staff has verified that Laclede has filed its annual report and is not delinquent on any assessment.

Staff is not aware of any other matter before the Commission that affects, or is affected by this filing.

Staff has determined further that there is good cause for these sheets to be approved on less than 30-days' notice in that § 393.1015.2(3), RSMo., requires that the Commission's order be effective not later than the 120th day following the filing of an application to establish or change an ISRS and accompanying rate schedules. January 28, 2017, is the 120th day following September 30, 2016.

Therefore, Staff recommends that the Commission issue an order approving the following tariff sheet, as filed on January 19, 2017 to go into effect on January 28, 2017, as requested by the Company.

P.S.C. MO. No. 5 Consolidated

Twenty-Seventh Revised Sheet No. 12, CANCELLING Twenty-Sixth Revised Sheet No. 12

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of Laclede Gas Company to Change its Infrastructure System Replacement Surcharge in its Laclede Gas Service Territory.

Case No. GO-2016-0333 Tariff No. YG-2017-0147

AFFIDAVIT

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State of Missouri) ss. County of Cole

COMES NOW Kimberly K. Bolin and on her oath declares that she is of sound mind and lawful age; that she contributed to the attached Staff Memorandum; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.

mberly K. Bolin

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 20th day of January, 2017.

JESSICA LUEBBERT Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: February 19, 2019 Commission Number: 15633434

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of Laclede Gas Company to Change its Infrastructure System Replacement Surcharge in its Laclede Gas Service Territory.

Case No. GO-2016-0333 Tariff No. YG-2017-0147

AFFIDAVIT

State of Missouri) 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 attached Staff Memorandum; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

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 20th day of January, 2017.

JESSICA LUEBBERT Notary Public - Notary Seal State of Missouri **Commissioned for Cole County** My Commission Expires: February 19, 2019 Commission Number: 15633434