BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Laclede Gas Company's) (PGA Filing) 7

Case No. GR-2016-0224 Tracking No. JG-2016-0227

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission in the above-captioned matter and files its Staff Recommendation as set forth in the accompanying Memorandum (which is incorporated herein by reference) concerning the March 4, 2016, tariff filing by the Laclede Gas operating division of Laclede Gas Company ("Laclede" or "Company"), and further states as follows:

1. On March 4, 2016, Laclede filed a tariff sheet with a requested effective date of March 21, 2016, to reflect a change in Laclede's Purchased Gas Adjustment ("PGA") factor as a result of estimated changes in the cost of natural gas that have occurred since it established its existing PGA rates last November.

2. As explained in the accompanying Memorandum, the total residential general winter only PGA rate filed by Laclede will decrease to \$0.18666 per therm for the first 30 therms from the current PGA rate of \$0.22004 per therm. For all therms in excess of the first 30 therms, this PGA rate filed by Laclede will decrease to \$.43077 per therm from the current PGA rate of \$.46415 per therm. These changes represent a decrease of \$0.03338 per therm. The LP PGA will decrease from \$.89671 per gallon to \$.81771 per gallon. This is a decrease of \$0.07900 per gallon.

3. Case No. GR-2016-0224, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2015-2016 Actual Cost Adjustment ("ACA") filing. Case No. GR-2015-0201 was established to track the

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Company's PGA factors to be reviewed in its 2014-2015 ACA filing. Case No. GR-2014-0231 was established to track the Company's PGA factors to be reviewed in its 2013-2014 ACA filing. This rate change should be implemented on an interim basis, subject to refund, pending final Commission decisions in Case Nos. GR-2016-0224, GR-2015-0201, and GR-2014-0231.

4. Staff has verified that the Company 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 except for the cases mentioned above.

5. As explained in the accompanying Memorandum, Staff has reviewed this filing and has determined that it was calculated in conformance with Laclede's PGA Clause. Staff is of the opinion that good cause for approval of this tariff sheet on less than thirty (30) days' notice is demonstrated by Laclede's Commission-approved PGA clause allowing for ten (10) business days' notice for PGA change filings.

WHEREFORE, Staff recommends the Commission issue an order approving the following tariff sheet as filed on March 4, 2016, on an interim basis, subject to refund:

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

Two Hundred and Twenty-Fifth Revised Sheet No. 29, Cancelling Two Hundred and Twenty- Fourth Revised Sheet No. 29

Respectfully submitted,

/s/ Jeffrey A. Keevil

Jeffrey A. Keevil Missouri Bar No. 33825 Attorney for the Staff of the Missouri Public Service Commission P. O. Box 360 Jefferson City, MO 65102 (573) 526-4887 (Telephone) (573) 751-9285 (Fax) Email: jeff.keevil@psc.mo.gov

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to counsel of record this 14th day of March, 2016.

<u>/s/ Jeffrey A. Keevil</u>

<u>MEMORANDUM</u>

- TO: Missouri Public Service Commission Official Case File Case No. GR-2016-0224, Tariff No. JG-2016-0227 Laclede Gas Company
- FROM:David M. Sommerer, Regulatory ManagerProcurement Analysis Unit, Operational Analysis Department

/s/ David M. Sommerer03/14/2016/s/ Jeffrey A. Keevil03/14/2016Commission Staff Division /DateStaff Counsel's Office/Date

- **SUBJECT:** Staff Recommendation to Approve Laclede Gas Company's Optional PGA Filing Effective March 21, 2016
- **DATE:** March 14, 2016

On March 4, 2016, the Laclede Gas operating division of Laclede Gas Company ("Laclede" or "Company") of St. Louis, Missouri, filed a tariff sheet with an effective date of March 21, 2016. This tariff sheet was filed to reflect a change in Laclede's Purchased Gas Adjustment (PGA) factor as a result of estimated changes in the cost of natural gas that have occurred since it established its existing PGA rates last November.

The total residential general winter only PGA rate filed by Laclede will decrease to \$0.18666 per therm for the first 30 therms from the current PGA rate of \$0.22004 per therm. For all therms in excess of the first 30 therms, this PGA rate filed by Laclede will decrease to \$.43077 per therm from the current PGA rate of \$.46415 per therm. These changes represent a decrease of \$0.03338 per therm. The LPPGA will decrease from \$.89671 per gallon to \$.81771 per gallon. This is a decrease of \$0.07900 per gallon.

Case No. GR-2016-0224, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2015-2016 Actual Cost Adjustment (ACA) filing. Case No. GR-2015-0201 was established to track the Company's PGA factors to be reviewed in its 2014-2015 ACA filing. Case No. GR-2014-0231 was established to track the Company's PGA factors to be reviewed in its 2013-2014 ACA filing. This rate change should be implemented on an interim, subject to refund status pending final Commission decisions in ACA Case Nos. GR-2016-0224, GR-2015-0201, and GR-2014-0231.

Staff has verified that Laclede 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.

OFFICIAL CASE FILE MEMORANDUM MO PSC Case No. GR-2016-0224, Tariff No. JG-2016-0227 March 14, 2016 PAGE 2 OF 2

Staff has reviewed this filing and has determined it was calculated in conformance with Laclede's PGA Clause. Staff is of the opinion that good cause for approval of this tariff sheet on less than thirty (30) days' notice is demonstrated by Laclede's Commission-approved PGA clause allowing for ten (10) business days' notice for PGA change filings. Therefore, Staff recommends the Commission issue an order approving the following tariff sheet as filed on March 4, 2016, on an interim basis, subject to refund:

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

Two Hundred and Twenty-Fifth Revised Sheet No. 29, Cancelling Two Hundred and Twenty- Fourth Revised Sheet No. 29

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

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In the Matter of Laclede Gas Company's **PGA Filing**

Case No. GR-2016-0224

AFFIDAVIT OF DAVID M. SOMMERER

STATE OF MISSOURI) SS. COUNTY OF COLE)

COMES NOW DAVID M. SOMMERER 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.

<u>o m. X</u>5 **DAVID M. SOMMERER**

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 44 day of March 2016.

D. SUZIE MANKIN Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: December 12, 2016 Commission Number: 12412070

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