

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

In the Matter of )  
Summit Natural Gas of Missouri's )  
Purchased Gas Adjustment )

**Case No. GR-2013-0257**

## **STAFF REPLY TO SUMMIT'S RESPONSE TO STAFF RECOMMENDATION**

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

1. On August 26, 2013, the Commission issued its *Order Directing Filing* directing Staff to file a reply no later than September 5, 2013, to the *Response to Staff Recommendation and Memorandum* (Response) that Summit Natural Gas of Missouri (Summit) filed on August 26, 2013.

2. Staff has reviewed Summit's Response and is of the opinion there are no issues in this case that require either a procedural schedule or resolution by the Commission.

3. However, the Staff offers the following reply to Summit's comments on the matter of its selection of heating degree days (HDD) for its Northern and Southern systems. The Staff informed Summit on August 9, 2013, after it had filed its Recommendation, that it did not dispute Summit's selection of HDD for the Northern system and that it would review Summit's selection of weather station and peak HDD in the relevant Actual Cost Adjustment (ACA) review for the Southern system. That said, Staff did not recommend financial adjustments related to the HDD issue and is of the belief this issue is resolved for the 2011/2012 ACA period. Staff appreciates the dialog with Summit on the HDD issue.

4. Based on Summit's Response, the Staff believes there is agreement with the 2011/2012 ACA balances listed in the tables contained in Staff's July 24, 2013, Recommendation as shown below:

<b>Description</b>	<b>Company's ACA Balance</b>	<b>Staff Adjustments</b>	<b>Staff Recommended ACA Balance</b>
<b>NORTHERN SYSTEM</b>			
Beginning ACA Balance @ 8/31/11 (Over-recovered)/Under-recovered	(\$24,317)	\$0	(\$24,317)
Total Cost MGU Gas Delivered City Gate	\$639,566	\$0	\$639,566
Total Revenue Recovery	(\$687,512)	(\$5,342) (A) \$2,896 (B)	(\$689,958)
Ending ACA Balance @ 8/31/12 (Over-recovered)/Under-recovered	(\$72,263)	(\$2,446)	(\$74,709)

A) PSF cash-out charges

B) (\$684,616) – (\$687,512) Restate to billed revenues

<b>Description</b>	<b>Company's ACA Balance</b>	<b>Staff Adjustments</b>	<b>Staff Recommended ACA Balance</b>
<b>SOUTHERN SYSTEM</b>			
Beginning ACA Balance @ 8/31/11 – (Over-recovered)/Under- recovered	(\$3,951)	\$0	(\$3,951)
Total Cost MGU Gas Delivered to City Gate	\$629,659	(\$7,348) (A)	\$622,311
Total Revenue Recovery	(\$687,776)	\$47,737 (B)	(\$640,039)
Ending ACA Balance @ 8/31/12- (Over-recovered)/Under-recovered	(\$62,068)	\$40,389	(\$21,679)

A) Gas Supply adjustment

B) Restate to billed revenues

5. Therefore, the Staff recommends the Commission issue an order directing Summit to adjust its ACA balances according to the balances shown in the above tables and close this case.

**WHEREFORE**, for the above-stated reasons, the Staff prays the Commission will accept its Reply and issue an order directing Summit to adjust its ACA balances according to the balances shown in the above tables and close this case.

Respectfully submitted,

**/s/ Robert S. Berlin**

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**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 4<sup>th</sup> day of September 2013.

**/s/ Robert S. Berlin**