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

In the Matter of Spire Missouri, Inc.	)	
d/b/a Spire (East) Purchased Gas	)	Case No. GR-2022-0135
Adjustment (PGA) Tariff Filing	)	

## STAFF RECOMMENDATION REGARDING SPIRE EAST'S 2020-2021 ACTUAL COST ADJUSTMENT FILING

**COMES NOW** the Staff of the Missouri Public Service Commission in the above-captioned matter and files its Actual Cost Adjustment ("ACA") Recommendation in this case concerning Spire Missouri Inc., d/b/a Spire's ("Spire East") 2020-2021 ACA filing as set forth in the accompanying Staff Recommendation Memorandum (Appendix A), and further states as follows:

- 1. Spire East filed its ACA for the 2020-2021 period in this case on November 12, 2021. This filing revised the ACA rates based upon Spire East's calculations of its ACA account balances.
- 2. The Commission's Procurement Analysis Department Staff ("Staff") has reviewed Spire East's filing and submits its recommendation as further explained in the accompanying Staff Recommendation Memorandum, marked as Appendix A and incorporated herein by reference. Staff's analysis consisted of a review of Spire East's natural gas supply plans including a review of Spire East's gas purchasing practices to evaluate the prudence of the purchasing decisions for this ACA period; a reliability analysis; and a hedging review. Staff's analysis also included a review of Spire East's billed revenues compared with its actual gas costs to determine whether there exists an over-recovery or under-recovery of the ACA balance. An over-recovery is

shown as a negative ACA balance that must be returned to customers; an under-recovery is shown as a positive ACA balance that must be collected from customers.

- 3. Based on its review, as discussed in further detail in the accompanying Staff Recommendation Memorandum (in "Public" and "Confidential" formats), Staff recommends the Commission issue an order requiring Spire East to establish the ACA account balances to reflect the adjustments<sup>1</sup> and under-recovery balances as of September 30, 2021, as shown in the table in the "Recommendations" section of the Staff Recommendation Memorandum.
- 4. Staff has certain comments, concerns and recommendations as set forth in the Billed Revenue and Actual Gas Costs, Reliability Analysis and Gas Supply Planning, and Hedging sections of the accompanying Staff Recommendation Memorandum. Staff recommends the Commission order Spire East to respond to these concerns, comments, and recommendations within thirty (30) days.

WHEREFORE, for the reasons stated above and discussed in detail in the accompanying Staff Recommendation Memorandum, Staff recommends the Commission issue an order directing Spire East to respond within thirty (30) days to Staff's concerns, comments, and recommendations discussed in the Billed Revenue and Actual Gas Costs, Reliability Analysis and Gas Supply Planning, and Hedging sections of Staff's Recommendation Memorandum and establish the ACA account balances to reflect the under-recovery balances as of September 30, 2021, as shown in the table in the "Recommendations" section of the Staff Recommendation Memorandum.

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<sup>&</sup>lt;sup>1</sup> Staff proposed no adjustments for the 2020-2021 ACA period, there is an unresolved adjustment from the prior 2019-2020 ACA period.

Respectfully submitted,

## Is/ Jamie S. Myers

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## **CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been emailed to all parties and/or counsel of record on this 15th day of December, 2022.

/s/ Jamie S. Myers