

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

Ozarks Medical Center d/b/a Ozarks)
 Healthcare,)
)
 Complainant,)
)
 v.)
)
 Summit Natural Gas of Missouri, Inc.,)
)
 Respondent.)

Case No. GC-2022-0158

STAFF STATEMENT OF POSITION

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

1. Should the Public Service Commission address OMC’s cashout imbalance by authorizing/directing SNGMO to track and defer the imbalance as a regulatory asset for recovery in SNGMO’s next general rate proceeding?

No. An Accounting Authority Order (“AAO”) is an order from the Commission that allows a utility to defer costs associated with an extraordinary event. If deferral of those costs is authorized through an AAO, the utility treats these costs as a regulatory asset and records them on its balance sheet to be amortized over some period. (Bolin rebuttal, p.3.)

AAOs have usually been used in Missouri to allow utilities to capture certain unanticipated costs that have not been included in ongoing rate levels. The Commission has authorized AAOs when the costs in question were associated with an event that is extraordinary, unusual or unique in nature and not recurring. Typically, the costs in question have also been material. (Bolin rebuttal, p.4.)

Staff does not recommend the Commission authorize an AAO for OMC's unpaid cashout imbalances. OMC's cashout imbalances are associated with its fuel costs. It is Staff's opinion that OMC's fuel costs should not be authorized for deferral in an AAO, which would ultimately lead to these costs being considered for recovery from potentially all of SNGMO's rate payers in SNGMO's next rate case. (Bolin rebuttal, p.5.)

2. Should the Public Service Commission order SNGMO to address OMC's cashout imbalance through a separate payment arrangement? If so, what should the length and payment terms be for any ordered payment arrangement?

Staff has not taken a position in its testimony on whether the Commission should order SNGMO to address OMC's cashout balance through a separate payment arrangement. Staff has stated that it would not be opposed to an extended payment arrangement that allows OMC to pay its owed balance over time. (Bolin rebuttal, p.5.)

WHEREFORE, Staff submits its *Staff Statement of Position* for the Commission's information and consideration.

Respectively submitted,

/s/ Jamie S. Myers

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served electronically on all counsel of record on this 18th day of May, 2022.

/s/ Jamie S. Myers