BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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

Case No. GO-2017-0201 Tariff No. YG-2017-0220

STAFF RECOMMENDATION ON COMPLIANCE TARIFF FILING

COMES NOW the Staff of the Missouri Public Service Commission and pursuant to the Commission's April 28, 2017 *Order Directing Filing* submits its *Staff Recommendation on Compliance Tariff Filing* to the Commission as set forth in the attached memorandum, and in support states as follows:

1. On April 26, 2017, the Commission issued an *Order Approving Unanimous Stipulation and Agreement* which authorized Missouri Gas Energy ("MGE") to file a tariff sheet with an ISRS rate for each customer class as reflected in Appendix B of the Staff Recommendation filed on April 4, 2017.

2. On April 27, 2017, MGE filed a tariff sheet intended to comply with the Commission's April 26th order, which tariff sheet bears a proposed effective date of June 1, 2017. This tariff filing was designated as Tariff Tracking No. YG-2017-0220.

3. On April 28, 2017, the Commission issued an *Order Directing Filing* which ordered Staff to file a response to the proposed tariff no later than May 9, 2017, indicating if the tariff is in compliance with the unanimous agreement of the parties¹ and whether Staff recommends approval of the tariff sheet.

¹ Staff interprets "the unanimous agreement of the parties" to refer to the Unanimous Stipulation and Agreement filed herein on April 18, 2017.

4. Staff's recommendation is attached hereto and is incorporated herein by reference. As reflected in the attached, Staff has reviewed the tariff sheet filed by MGE on April 27, 2017, and has determined that the rates therein comply with those authorized by the Commission and that the tariff sheet is in compliance with the unanimous agreement of the parties.

5. Staff has verified that MGE 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, other than MGE's previous ISRS cases which are on appeal.

WHEREFORE, Staff recommends that the Commission issue an order in this case that approves the following tariff sheet (Tariff Tracking No. YG-2017-0220) as filed on April 27, 2017, to go into effect on June 1, 2017, as requested by MGE:

P.S.C. MO. No. 6 Eighth Revised Sheet No. 10, Cancelling Seventh Revised Sheet No. 10

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

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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 9th day of May, 2017.

/s/ Jeffrey A. Keevil

MEMORANDUM

- TO: Missouri Public Service Commission Official Case File Case No. GO-2017-0201 - Tariff Tracking No. YG-2017-0220 Missouri Gas Energy
- **FROM:** Caroline Newkirk, Regulatory Auditor, Auditing Department Michael J. Ensrud, Rate & Tariff Examiner II, Procurement Analysis

/s/ Mark L. Oligschlaeger 05/09/17 Auditing Department / Date

<u>/s/ David M. Sommerer 05/09/17</u> Commission Staff Division / Date

/s/ Jeffrey A. Keevil 05/09/17 Staff Counsel's Office / Date

- **SUBJECT:** Staff Report on the Tariff Sheet Filed in Compliance with the Commission's Report and Order
- **DATE:** May 9, 2017

On April 26, 2017, the Missouri Public Service Commission ("Commission") issued its ORDER APPROVING UNANIMOUS STIPULATION AND AGREEMENT which authorized Missouri Gas Energy (MGE or Company) to file tariff sheets with an ISRS rate for each customer class as reflected in Appendix B of the Staff Recommendation filed on April 4, 2017, in Case No. GO-2017-0201.

On April 27th, the Company filed a tariff sheet intended to comply with the Commission's April 26th Order.

On April 28th the Commission issued an ORDER DIRECTING FILING, requiring the Staff to file a response to the proposed tariff no later than May 9, 2017, indicating if these tariffs are filed in compliance with the unanimous agreement of the parties and whether Staff recommends approval of the revised tariff sheets.

The tariff sheet has a proposed effective date of June 1, 2017.

Staff has reviewed MGE's tariff sheet and has determined that MGE's submitted ISRS tariff sheet (YG-2017-0220) complies with those prescribed rates authorized by the Commission's Order. The Staff further states the tariff is filed in compliance with the unanimous agreement of the parties and the Staff recommends approval of the revised tariff sheet.

Based upon the Commission's April 26, 2017, ORDER APPROVING UNANIMOUS STIPULATION AND AGREEMENT, Staff is recommending that MGE receive incremental

OFFICIAL CASE FILE MEMORANDUM MO PSC Case No. GO-2017-0201, Tariff No. YG-2017-0220 May 9, 2017 Page 2 of 2

ISRS revenues of \$3,000,749. Upon Commission approval, this amount will be included with the currently-in-effect ISRS. The below table shows the cumulative amount to be included in rates:

ISRS Case No.	Revenue Requirement	Cumulative
GR-2015-0025	\$1,990,296	
GO-2015-0270	\$2,814,926	\$4,805,222
GO-2015-0343	\$1,878,151	\$6,683,373
GO-2016-0197	\$3,570,050	\$10,253,423
GO-2016-0332	\$3,186,298	\$13,439,721
GO-2017-0201	\$3,000,749	\$16,440,470

Staff has verified that MGE 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, other than MGE's last two ISRS cases which are currently on appeal.

Therefore, Staff recommends that the Commission issue an order approving the following tariff sheet, as filed on April 27, 2017, to go into effect on June 1, 2017.

P.S.C. MO. No. 6 Eighth Revised Sheet No. 10, CANCELLING Seventh Revised Sheet No. 10

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

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

Case No. GO-2017-0201

AFFIDAVIT OF MICHAEL J. ENSRUD

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 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.

Michael J. Cnard

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 54 day of May, 2017.

D. SUZIE MANKIN Notary Public - Notary Seat State of Missourf **Commissioned for Cole County** Commission Expires: December 12, 2020 Commission Number: 12412070

Notary Public

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

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

Case No. GO-2017-0201

AFFIDAVIT OF CAROLINE NEWKIRK

STATE OF MISSOURI)	
)	SS.
COUNTY OF COLE)	

COMES NOW CAROLINE NEWKIRK and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing Staff Recommendation in Memorandum form; and that the same is true and correct according to her 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 5% day of May, 2017.

D. SUZIE MANKIN Notary Public - Notary Seal State of Missouri **Commissioned for Cole County** My Commission Expires: December 12, 2020 Commission Number: 12412070

Notary Public