

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

In the Matter of Summit Natural Gas of Missouri, Inc., Changes to Company's Purchased Gas Adjustment "PGA" Clause	)	<u><b>Case No. GR-2019-0125</b></u>
	)	Tariff No. YG-2019-0077
	)	

**STAFF'S AMENDED RECOMMENDATION REGARDING SUMMIT'S  
2017-2018 ACTUAL COST ADJUSTMENT FILING**

**COMES NOW** the Staff of the Missouri Public Service Commission, through counsel, and files its Actual Cost Adjustment (ACA) Recommendation in this matter.

1. Summit filed for its 2017-2018 ACA on November 2, 2018. This filing contains three proposed tariff sheets and Summit's ACA account balance calculations.

2. On November 15, 2018 the Commission approved the proposed tariff sheets on an interim and refundable basis and ordered Staff to file a recommendation regarding its ACA review by December 17, 2019.

3. The Procurement Analysis Department (Staff) reviewed Summit's filing and submitted its recommendation on December 17, 2019. Staff's analysis consisted of examining the prudence of Summit's gas purchasing decisions for this ACA period, conducting a reliability analysis, and reviewing Summit's hedging practices. Staff also compared Summit's billed revenues and its actual gas costs to determine whether there is an over-recovery or under-recovery of the ACA balances.

4. On December 18, 2019 the Commission ordered Summit to respond to Staff's recommendation within 45 days. Summit was granted two extensions to file its response. Summit's response is due April 6, 2019.

5. Based on Staff's discussions with SNGMO and additional documentation SNGMO provided, Staff amends its December 17 Memorandum with its Amended

Memorandum, attached as Appendix A. As detailed in the Amended Memorandum, the changes to Staff's recommendations affect the Billed Revenue and Actual Gas Costs section. The Amended Memorandum's other sections and Staff's concerns and comments remain the same as the original.

6. Staff proposes adjustments to the ending ACA balances in Summit's filing. Staff recommends the Commission issue an order establishing Summit's ending ACA balances as those in the "Staff Recommended Ending Balances" column of the table in the Amended Memorandum's Recommendations section.

7. Staff lists other recommendations in the Recommendations section. Staff recommends the Commission order Summit to respond to these recommendations within forty-five (45) days.

**WHEREFORE**, Staff recommends the Commission issue an order establishing Summit's ending ACA account balances as of August 31, 2018 as shown in the "Staff Recommended Ending Balances" column of the table in Staff's Amended Memorandum Recommendations section and directing Summit to respond within 45 days to Staff's other recommendations.

Respectfully submitted,

**/s/ Karen E. Bretz**

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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 2nd day of April, 2020.

**/s/ Karen E. Bretz**