

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

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| In the Matter of Laclede Gas Company's |) | |
| Purchased Gas Adjustment (PGA) Factors |) | <u>Case No. GR-2017-0299</u> |
| To be reviewed in its 2016-2017 Actual |) | Tracking No. YG-2018-0048 |
| Cost Adjustment |) | |

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission and for its recommendation in this matter hereby respectfully states:

1. On October 31, 2017, Spire Missouri Inc. d/b/a Spire¹ (herein "Spire", "Laclede" or "Company") filed a tariff sheet to reflect changes in its Purchased Gas Adjustment (PGA) factors for its Laclede Gas/Missouri Natural Areas² as a result of estimated changes in the cost of natural gas for the upcoming season and changes in the Actual Cost Adjustment (ACA) factors. The tariff sheet bears a proposed effective date of November 15, 2017.

2. Pursuant to the filing, the Residential General Winter Only Total Adjustment will decrease to \$0.26486 per therm for the first 30 therms from the current Total Adjustment of \$0.34611 per therm. For all therms in excess of the first 30 therms, this Total Adjustment will decrease to \$0.50897 per therm from the current Total Adjustment of \$0.59022 per therm. These changes represent a decrease of \$0.08125 per therm. The L.P. Gas Total Adjustment will increase from \$1.77400 per gallon to \$2.29320 per gallon. This is an increase of \$0.51920 per gallon.

3. The Company's filing also reflects adjustments to the ACA factors. Staff's Procurement Analysis Unit (PAU) will review the Company's ACA filing and may

¹ Formerly known as Laclede Gas Company.

² Formerly the Laclede Gas operating division of Laclede Gas Company.

recommend adjustments to the ACA account balance(s). Due to the limited time available to review the documentation supporting the ACA factors represented in this filing, the PAU has requested permission to submit its results and recommendations regarding the information included in this ACA filing to the Commission on or before December 17, 2018.

4. Case No. GR-2017-0299, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2016-2017 ACA filing. Case No. GR-2016-0224 was established to track the Company's PGA factors to be reviewed in its 2015-2016 ACA filing. Case No. GR-2015-0201 was established to track the Company's PGA factors to be reviewed in its 2014-2015 ACA filing. In addition, in response to Staff's filings regarding the 2013-2014 ACA filing of Missouri Gas Energy (Case No. GR-2014-0324) and the 2014-2015 ACA filing of Laclede Gas Company (Case No. GR-2015-0201), on February 22, 2017, the Commission opened a docket which has been assigned Case No. GO-2017-0223 for the purpose of investigating Laclede's compliance with the gas supply documentation requirements of its CAM and Standards of Conduct, which remains open. Any rate change implemented pursuant to this tariff filing should be implemented on an interim basis, subject to refund, pending final Commission decisions in Case Nos. GR-2017-0299, GR-2016-0224, GR-2015-0201, and GO-2017-0223.

5. As explained in Staff's *Memorandum*, attached hereto and incorporated herein by reference, Staff has reviewed the current filing and determined that it was calculated in conformance with the Company's applicable PGA clause. Therefore, Staff recommends the Commission approve the tariff sheet on an interim, subject to refund

status pending final Commission orders in Case Nos. GR-2017-0299, GR-2016-0224, GR-2015-0201, and GO-2017-0223.

6. Staff also recommends the Commission order PAU Staff to file the results of its review of the ACA factors represented in this filing no later than December 17, 2018.

7. Staff has verified that the Company has filed its annual report, and is not delinquent on its PSC assessment. Staff is not aware of any other matters before the Commission that affects or is affected by this filing, other than those mentioned herein.

8. Staff is of the opinion that good cause for approval of the tariff sheet on less than thirty (30) days' notice is demonstrated by the Company's Commission-approved PGA clause allowing for ten (10) business days' notice for PGA change filings.

WHEREFORE, Staff recommends the Commission issue an order approving the following tariff sheet on an interim basis, subject to refund pending final Commission orders in Case Nos. GR-2017-0299, GR-2016-0224, GR-2015-0201, and GO-2017-0223, and that the Commission order PAU Staff to file the results of its ACA review in this docket no later than December 17, 2018:

P.S.C. MO No. 5 Consolidated

Two Hundred and Twenty-Eighth Revised Sheet No. 29, Cancelling Two Hundred and Twenty-Seventh Revised Sheet No. 29

Respectfully submitted,

/s/ Jeffrey A. Keevil

Jeffrey A. Keevil
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Attorney for the Staff of the
Missouri Public Service
Commission
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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 7th day of November, 2017.

/s/ Jeffrey A. Keevil

MEMORANDUM

TO: Missouri Public Service Commission Official Case File.
Case No. GR-2017-0299, Tariff No. YG-2018-0048,
Spire Missouri Inc., d/b/a Spire, All Laclede Gas/Missouri Natural Areas

FROM: Henry E. Warren, PhD - Procurement Analysis Unit

/s/ David M. Sommerer 11/07/2017
Commission Staff Division/Date

/s/ Jeffrey A. Keevil 11/07/2017
Staff Counsel's Office/Date

SUBJECT: Staff Recommendation for Spire Missouri Inc. d/b/a Spire,
All Laclede Gas/Missouri Natural Areas, Scheduled Winter Season PGA
Filing Effective November 15, 2017

DATE: November 7, 2017

On October 31, 2017, Spire Missouri Inc., d/b/a Spire, (“Spire”, “Laclede”, or “Company”) of St. Louis, Missouri, filed a tariff sheet with an effective date of November 15, 2017. The tariff sheet was filed to reflect scheduled changes in Spire’s Laclede Gas/Missouri Natural Areas (formerly the Laclede Gas Company service area), Purchased Gas Adjustment (PGA) factors as the result of an estimated change in the cost of natural gas for the winter season and changes in the Actual Cost Adjustment (ACA) factors.

The Residential General Winter Only Total Adjustment filed by Laclede will decrease to \$0.26486 per therm for the first 30 therms from the current Total Adjustment of 0.34611 per therm. For all therms in excess of the first 30 therms, this Total Adjustment filed by Laclede will decrease to \$0.50897 per therm from the current Total Adjustment of \$0.59022 per therm. These changes represent a decrease of \$0.08125 per therm. The Liquid Propane Purchased Gas Adjustment (LPPGA) will increase from \$1.77400 per gallon to \$2.29320 per gallon. This is an increase of \$0.51920 per gallon.

Case No. GR-2017-0299, under which these changes were filed, was established to track the Company’s PGA factors to be reviewed in its 2016-2017 ACA filing. Case No. GR-2016-0224 was established to track the Company’s PGA factors to be reviewed in its 2015-2016 ACA filing. Case No. GR-2015-0201 was established to track the Company’s PGA factors to be reviewed in its 2014-2015 ACA filing. Any rate change implemented pursuant to this tariff filing should be on an interim basis, subject to refund status pending final Commission decisions in ACA Case Nos. GR-2017-0299, GR-2016-0224, and GR-2015-0201. In addition, in response to Staff’s filings regarding the 2013-2014 ACA filing of Missouri Gas Energy (Case No. GR-2014-0324) and the 2014-2015 ACA filing of Laclede Gas Company (Case No. GR-2015-0201), on February 22, 2017, the Commission opened a docket which has been assigned Case No. GO-2017-0223 for the purpose of investigating Laclede’s compliance with the gas supply documentation requirements of its Cost Allocation Manual (CAM) and Standards of Conduct, which remains open.

OFFICIAL CASE FILE MEMORANDUM

MO PSC Case No. GR-2017-0299, Tariff No. YG-2018-0048

November 7, 2017

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Due to the limited time available to review the documentation supporting the ACA factors represented in this filing, the Procurement Analysis Unit (PAU) has requested permission to submit its results and recommendations regarding the information included in this ACA filing to the Commission on or before December 17, 2018.

Staff has verified that Laclede has filed its annual report, and is not delinquent on its PSC assessment. Staff is not aware of any other matter before the Commission that affects or is affected by this filing, other than as mentioned above.

Staff has reviewed this filing and has determined it was calculated with conformance with Laclede's PGA Clause. Staff is of the opinion that good cause for approval of this tariff sheet on less than thirty (30) days' notice is demonstrated by Laclede's Commission-approved PGA clause allowing for ten (10) business days' notice for PGA change filings. Staff recommends the Commission issue an order approving the following tariff sheet, filed on October 31, 2017, to become effective on November 15, 2017, on an interim basis, subject to refund pending final Commission orders in Case Nos. GR-2017-0299, GR-2016-0224, GR-2015-0201, and GO-2017-0223:

PSC Mo No. 5 Consolidated

Two Hundred and Twenty-Eighth Revised Sheet No. 29, Cancelling Two Hundred and Twenty-Seventh Revised Sheet No. 29

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

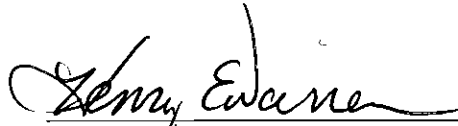
In the Matter of Laclede Gas Company's)
Purchased Gas Adjustment (PGA))
Factors to be Reviewed in its 2016-2017)
Actual Cost Adjustment) Case No. GR-2017-0299

AFFIDAVIT OF HENRY E. WARREN, PhD

STATE OF MISSOURI)
)
COUNTY OF COLE) ss.

COMES NOW HENRY E. WARREN, PhD 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.

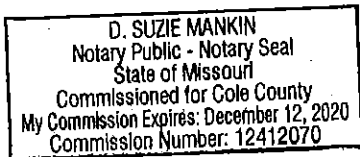
Further the Affiant sayeth not.

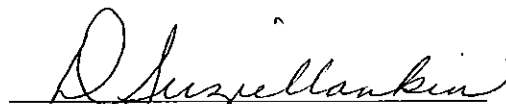


HENRY E. WARREN, PhD

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 6th day of November, 2017.





Notary Public