

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

In the Matter of Laclede Gas Company d/b/a)	
Missouri Gas Energy's Purchased Gas)	<u>Case No. GR-2017-0300</u>
Adjustment (PGA) Factors to be reviewed in)	Tracking No. YG-2017-0240
Its 2016-2017 Actual Cost Adjustment)	

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission in the above-captioned matter and files its Staff Recommendation as set forth in the accompanying Memorandum (which is incorporated herein by reference) concerning the May 17, 2017, tariff filing by Missouri Gas Energy ("MGE" or "Company"), a division of Laclede Gas Company, and further states as follows:

1. On May 17, 2017, MGE filed a tariff sheet with a requested effective date of June 1, 2017, to reflect a change in MGE's Purchased Gas Adjustment ("PGA") factor as a result of estimated changes in the cost of natural gas that have occurred since it established its existing PGA rates last November and inclusion of a PGA Filing Adjustment Factor ("FAF") adjustment. As explained in the accompanying Memorandum, this filing will increase the firm sales PGA factor to \$.56934 per one-hundred cubic feet (Ccf), from the current PGA factor of \$.49492 per Ccf. This represents an increase of \$.07442.

2. Case No. GR-2017-0300, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2016-2017 Actual Cost Adjustment ("ACA") filing. Case Nos. GR-2016-0225 and GR-2015-0203 were established to track the Company's PGA factors to be reviewed in its 2015-2016 and

2014-2015 ACA filings, respectively. This rate change should be implemented on an interim basis, subject to refund, pending final Commission decisions in Case Nos. GR-2017-0300, GR-2016-0225, and GR-2015-0203.

3. Staff has verified that the Company 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 except for the cases mentioned above.

4. As explained in the accompanying Memorandum, Staff has reviewed this filing and has determined that it was calculated in conformance with MGE'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 MGE'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 as filed on May 17, 2017, on an interim basis, subject to refund:

P.S.C. MO. No. 6

Seventh Revised Sheet No. 24.3, Cancelling Sixth Revised Sheet No. 24.3

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

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 25th day of May, 2017.

/s/ Jeffrey A. Keevil

MEMORANDUM

TO: Missouri Public Service Commission Official Case File,
Case No. GR-2017-0300, Tariff No. YG-2017-0240
Missouri Gas Energy

FROM: Anne M. Crowe, Regulatory Auditor
Procurement Analysis Unit - Operational Analysis Department

/s/ David M. Sommerer 05/25/17
Commission Staff Division / Date

/s/ Jeffrey A. Keevil 05/25/17
Staff Counsel's Office/ Date

SUBJECT: Staff Recommendation to Approve Missouri Gas Energy's Optional PGA
Filing, Effective June 1, 2017

DATE: May 25, 2017

On May 17, 2017, Missouri Gas Energy (MGE or "Company"), a division of Laclede Gas Company of St. Louis, Missouri, filed a tariff sheet requesting an effective date of June 1, 2017. This tariff sheet was filed to reflect a change in MGE's Purchased Gas Adjustment (PGA) factor as a result of estimated changes in the cost of natural gas that have occurred since it established its existing PGA rates last November. The filing also includes a "PGA Filing Adjustment Factor" (FAF) adjustment that increases the rate by \$0.05 per Ccf pursuant to Tariff Sheet No. 15.

This filing will increase the firm sales PGA factor to \$.56934 per one-hundred cubic feet ("Ccf"), from the current PGA factor of \$.49492 per Ccf. This represents an increase of \$.07442.

Case No. GR-2017-0300, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2016-2017 Actual Cost Adjustment (ACA) filing. Case Nos. GR-2016-0225 and GR-2015-0203 were established to track the Company's PGA factors to be reviewed in its 2015-2016 and 2014-2015 ACA filings, respectively. This rate change should be implemented on an interim, subject to refund status pending final Commission decisions in ACA Case Nos. GR-2017-0300, GR-2016-0225, and GR-2015-0203.

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

Staff has reviewed this filing and has determined that it was calculated in conformance with MGE's PGA Clause. Staff is of the opinion that good cause for approval of this tariff sheet

MO PSC Case No. GR-2017-0300, Tariff No. YG-2017-0240
Official Case File Memorandum
May 25, 2017
Page 2 of 2

on less than thirty (30) days' notice is demonstrated by MGE's Commission-approved PGA clause allowing for ten (10) business days' notice for PGA change filings. Therefore, Staff recommends the Commission issue an order approving the following tariff sheet as filed on May 17, 2017, on an interim basis, subject to refund:

P.S.C. MO. No. 6

Seventh Revised Sheet No. 24.3, Cancelling Sixth Revised Sheet No. 24.3

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of Laclede Gas Company)
d/b/a Missouri Gas Energy's Purchased)
Gas Adjustment (PGA) Factors to be)
Reviewed in its 2016-2017 Actual Cost)
Adjustment)
Case No. GR-2017-0300

AFFIDAVIT OF ANNE M. CROWE

STATE OF MISSOURI)
)
COUNTY OF COLE) ss.

COMES NOW ANNE M. CROWE 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.

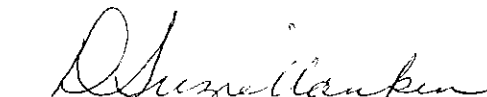


ANNE M. CROWE

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 23rd 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