

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

In the Matter of Laclede Gas Company's) **File No. GR-2014-0231**
Purchased Gas Adjustment Tariff Filing) Tariff No. JG-2015-0201

STAFF MOTION TO INCREASE PGA RATE

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

1. On October 31, 2014, Laclede Gas Company ("Laclede" or "Company") filed a revised tariff sheet with an effective date of November 18, 2014.¹ The revised sheet is designed to implement a small increase in the PGA rate its customers will pay for natural gas during the upcoming winter season.

2. Laclede's PGA rate includes two factors: (1) the Current Purchased Gas Adjustment (CPGA), which reflects the Company's best estimate of the cost of gas for the upcoming period, and (2) the Actual Cost Adjustment (ACA), which reflects the Company's calculation of any over- or under-collection based on the difference between the actual cost of gas and its PGA estimates during the previous ACA period.

3. As explained in Staff's *Memorandum*, attached here as Appendix A and incorporated by reference, the total PGA rate filed by Laclede will increase to \$0.36855 per therm² for the first 30 therms from the current PGA rate of \$0.36434 per therm. For all therms in excess of the first 30 therms, the PGA rate filed by Laclede will increase to \$.61266 per therm from the current PGA rate of \$.60845 per therm. These changes represent an increase of \$0.00421 per therm.

¹ This tariff filing was originally designated Case No. GR-2015-0110. However, because the February 2014 PGA filing that initiated this docket will be included in the Commission's review of the ACA factor filed in this case, on November 5 the Commission consolidated GR-2015-0110 into this case, GR-2014-0231.

² One Ccf equals about 1.025 therms.

4. Staff has reviewed Laclede's filing and determined that the requested PGA rate was calculated in conformity with the Company's tariff. Staff recommends the Commission order the tariff to take effect November 18, 2014, as requested by Laclede, because the Company's tariffs provide for PGA filings to take effect in ten business days.

5. Staff's Procurement Analysis Unit (PAU) will review Laclede's 2013-2014 ACA filing that is included in this October 2014 filing. Staff recommends the Commission order PAU Staff to submit its review of Laclede's 2013-2014 ACA filing no later than December 18, 2015.

6. In Case No. GR-2014-0121, Staff's review of Laclede's 2012-2013 ACA filing is due no later than December 19, 2014.

7. The rates requested in this October 31 filing should be approved on an interim basis, subject to refund pending final Commission orders in the ACA portions of this case and Case No. GR-2014-0121. Other than that case, Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

WHEREFORE, Staff recommends the Commission approve the revised tariff sheet filed by Laclede in this matter on October 31, 2014 and set out below, to go into effect on November 18 as requested by Laclede:

P.S.C. MO. No. 5
Two Hundred and Twenty-Second Revised Sheet No. 29, Cancelling Two Hundred and Twenty-First Revised Sheet No. 29

Respectfully Submitted,

/s/ John D. Borgmeyer

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CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing were served electronically to all counsel of record this 6th day of November, 2014.

/s/ John D. Borgmeyer

MEMORANDUM

TO: Missouri Public Service Commission Official Case File,
Case No. GR-2014-0231, File No. JG-2015-0201
Laclede Gas Company

FROM: Kim Cox, Energy Department – Tariffs/Rate Design

Thomas M. Imhoff/ 11/06/2014 John D. Borgmeyer/ 11/06/2014
Utility Operations Division/Date Staff Counsel's Office/Date

SUBJECT: Staff Recommendation for Laclede Gas Company Scheduled Winter Season PGA
Tariff Filing - Effective November 18, 2014

DATE: November 6, 2014

On October 31, 2014, Laclede Gas Company (Laclede or Company) of St. Louis, Missouri erroneously opened File No. GR-2015-0110. On November 5, 2014, the Commission issued an ORDER CONSILDATING FILES with Case No. GR-2014-0231, because Laclede had already opened that case for the 2013-2014 ACA period. Laclede filed a tariff sheet proposed to become effective November 18, 2014. The tariff sheet was filed to reflect scheduled changes in Laclede's Purchased Gas Adjustment (PGA) factors as the result of an estimated change in the cost of natural gas for the winter season, changes in the Actual Cost Adjustment (ACA) factor, and changes in the L. P. Gas PGA (LPPGA) and in the Capacity Reservation (CR) factor. Laclede defines its Winter Season as November through April. All other gas companies have a five-month winter season, November through March.

The total PGA rate filed by Laclede will increase to \$0.36855 per therm for the first 30 therms from the current PGA rate of \$0.36434 per therm. For all therms in excess of the first 30 therms, the PGA rate filed by Laclede will increase to \$.61266 per therm from the current PGA rate of \$.60845 per therm. These changes represent an increase of \$0.00421 per therm. The LPPGA will increase from \$2.34473 per gallon to \$4.46788 per gallon. This is an increase of \$2.12305 per gallon. The CR will increase \$.08418 per therm to \$.08727 per therm. This represents an increase of \$0.0309 per therm.

Case No. GR-2014-0231, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2013-2014 ACA filing. Case No. GR-2014-0121 was established to track the Company's PGA factors to be reviewed in its 2012-2013 ACA filing. This rate change should be on an interim, subject to refund status pending final Commission decisions in ACA Case Nos. GR-2014-0231 and GR-2014-0121.

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.

Due to the limited time available to review the documentation supporting the ACA factor

submitted in this filing, the Procurement Analysis Unit (PAU) requests permission to submit its results and recommendations regarding the information included in this ACA filing to the Commission on or before December 18, 2015.

Staff has reviewed this filing and has determined it was calculated in 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. Therefore, Staff recommends the following tariff sheet as filed on October 31, 2014, be approved on an interim basis, subject to refund:

P.S.C. MO. No. 5

Two Hundred and Twenty-Second Revised Sheet No. 29, Cancelling Two Hundred and Twenty-First 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) Tariff)
Filing) Case No. GR-2014-0231

AFFIDAVIT OF KIM COX

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Kim Cox of lawful age, on oath states: that she participated in the preparation of the foregoing Staff Recommendation in memorandum form, to be presented in the above case; that the information in the Staff Recommendation was provided to her; that she has knowledge of the matters set forth in such Staff Recommendation; and that such matters are true to the best of her knowledge and belief.



Kim Cox

Subscribed and sworn to before me this 6th day of November, 2014.

LAURA BLOCH
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: June 21, 2015
Commission Number: 11203914



Notary Public