

4. SNG is also requesting an increase to its ACA factor, which represents a true-up of its previous RPGA estimate. SNG has calculated the difference between its estimated gas costs from the previous PGA period and the actual cost of gas the Company incurred during that period. SNG has determined that it under-collected its gas cost during the prior PGA period, and therefore, with this filing, the Company is requesting an ACA of \$0.0651, which is designed to recoup the under-collection. Staff's Procurement Analysis Unit (PAU) will review the documentation that SNG submitted to support this ACA factor and submit the results of its investigation no later than December 18, 2015. If the Commission orders any adjustments to SNG's ACA factor, that adjustment will be implemented in a future PGA filing.

5. Staff has reviewed the PGA factors in this matter and determined that the rates on the proposed tariff sheets were calculated in conformance with SNG's PGA clause. Therefore, Staff recommends the Commission approve the tariff sheet on an interim basis, subject to refund.

6. Also, Staff recommends the Commission order Staff to file the results of its review of the ACA factor filed in this matter no later than December 18, 2015. During this time, PAU Staff will conduct a review SNG's actual gas costs and purchasing practices during the 2013-14 ACA period. Staff will file the results of its review of this ACA factor in this docket next year.

7. Case No. GR-2014-0097 was established to track SNG's PGA factors and Staff's review of SNG's 2012-13 ACA filing. Staff recently completed its review of this previous ACA, and Staff filed the results of its review on October 10, 2014.

8. Staff has verified that SNG has filed its annual report and is not delinquent on any assessment. Staff is not aware of any issue currently pending before the Commission that affects or is affected by this filing, other than the cases mentioned above.

9. Finally, Staff is of the opinion that good cause for approval of this tariff sheet on less than 30 days' notice is demonstrated by SNG's Commission-approved PGA clause allowing for 10 business days' notice for PGA change filings.

WHEREFORE, Staff recommends Commission approve the following tariff sheet on an interim basis, subject to refund, and that the Commission order PAU Staff to file the results of its ACA review in this docket no later than December 18, 2015:

P.S.C. MO. No.2

1st Revised Sheet No.27, Cancelling Original Sheet No. 27

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 23rd day of October, 2014.

/s/ John D. Borgmeyer

MEMORANDUM

TO: Missouri Public Service Commission Official Case File,
Case No. GR-2015-0102, File No. YG-2015-0166
Summit Natural Gas

FROM: Michelle Bocklage, Energy Unit – Tariffs/Rate Design

/s/ Thomas M. Imhoff 10/23/2014
Regulatory Review Division/Date

/s/ John Borgmeyer 10/23/2014
Staff Counsel's Office/Date

SUBJECT: Staff Recommendation for the Summit Natural Gas Scheduled Winter Season
PGA Filing for the territory previously known as Southern Missouri Natural Gas,
L.P. – Proposed Effective Date November 1, 2014

DATE: October 23, 2014

On October 17, 2014, Summit Natural Gas (SNG or Company) of Littleton, Colorado, filed a tariff sheet bearing a proposed effective date of November 1, 2014. The tariff sheets were filed to reflect changes in SNG's Purchased Gas Adjustment (PGA) factors as the result of estimated changes in the cost of natural gas for the upcoming winter season and changes in the Actual Cost Adjustment (ACA) factor. The winter season includes the months of November 2014 through March 2015.

The net effect of this change will increase the Total PGA factor to \$0.6652 per hundred cubic feet (Ccf) from the Total PGA factor of \$0.5754 per Ccf currently in effect. This represents an increase of \$0.0898 per Ccf.

Case No. GR-2015-0102, under which this change was filed, was established to track SNG's PGA factors to be reviewed in its 2013-2014 ACA filing. Case No. GR-2014-0097 was established to track the Company's PGA factors to be reviewed in its 2012-2013 ACA filing. These rate changes should be made on an interim, subject to refund status pending final Commission decisions in ACA Case Nos. GR-2015-0102 and GR-2014-0097.

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.

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OFFICIAL CASE FILE MEMORANDUM
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The Staff has verified that the Company has filed its annual report and is not delinquent on any assessment. Staff has reviewed this filing and is not aware of any issue currently pending before the Commission that affects or is affected by this filing, other than those mentioned above.

Staff has reviewed this filing and determined that the rates on the proposed tariff sheet were calculated in conformance with SNG'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 SNG's Commission-approved PGA clause allowing for ten (10) business days' notice for PGA change filings. Therefore, Staff recommends that the following tariff sheet be approved on an interim basis, subject to refund:

P.S.C. MO. No.2

1st Revised Sheet No.27, Cancelling Original Sheet No. 27

