

Spire Missouri, Inc. 700 Market Street St. Louis, Mo. 63101

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June 1, 2023

<u>VIA EFIS</u> Secretary Missouri Public Service Commission Governor Office Building 200 Madison Street Jefferson City, MO 65101

> Re: Proposed Rates for the City of Oronogo customers in <u>Case No. GA-</u> 2023-0038

Dear Secretary:

On August 5, 2022, Spire Missouri submitted its Application for a Certificate of Convenience and Necessity and Request for Waiver ("Application"). Spire Missouri's Application requested a certificate of convenience and necessity ("CCN") to construct, install, own, operate, maintain, and otherwise control and manage the City of Oronogo, Missouri's ("Oronogo") natural gas distribution system.

On December 20, 2022, the Staff of the Missouri Public Service Commission recommended approval of Spire Missouri's Application. On January 24, 2023, the Commission approved Spire Missouri's Application. Tariff sheets which incorporated the legal description became effective March 6, 2023.

On June 22, 2023, the sale of the Oronogo natural gas distribution from the City of Oronogo to Spire Missouri closed.

In the town hall meeting that Spire Missouri held with the City of Oronogo customers in May 2021, a rate comparison was presented showing comparable rates between Spire Missouri and Oronogo customers. Since that presentation, Spire Missouri's rates have increased, primarily due to Winter Storm URI recovery.

The City of Oronogo's prior rate design included a monthly customer charge and a single volumetric and gas cost charge, which changed monthly, based on the City's actual gas payments each month. The increased monthly gas cost related to Winter Storm URI was recovered from the Oronogo customers during the impacted month.

Spire Missouri's customers are currently paying for the cost of Winter Storm URI through the Actual Cost Adjustment (ACA) portion of the Purchased Gas Cost Adjustment (PGA) that had been deferred. However, Spire Missouri does not believe it is fair to seek recovery from Oronogo customers for the Company's Winter Storm Uri gas costs, as it would cause them to pay for the increased monthly gas costs during Uri twice. Currently, Spire Missouri's ACA rate is approximately \$0.34 per Ccf and is requesting for this to be excluded from Oronogo customers' rates.

Spire Missouri proposes to exclude the West ACA charge, which is currently at \$0.33881, for Oronogo customers until November 2024. This will minimize the bill impact this upcoming winter, due to the timing of

the Winter Storm URI recovery, for the Oronogo customers. This proposal was given to Staff for review to allow questions to be asked and responses given.

Please bring this filing to the attention of the appropriate Commission personnel.

Sincerely,

<u>/s/ Scott Weitzel</u> Scott Weitzel

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