

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

In the Matter of Summit Natural Gas of)	<u>Case No. GR-2020-0123</u>
Missouri, Inc., Changes to Company's)	Tariff No. YG-2020-0073
Purchased Gas Adjustment "PGA" Clause)	

**STAFF RECOMMENDATION REGARDING SUMMIT NATURAL GAS OF
MISSOURI, INC'S 2018-2019 ACTUAL COST ADJUSTMENT FILING**

COMES NOW the Staff of the Missouri Public Service Commission, through counsel, and files its Actual Cost Adjustment (ACA) Recommendation in this matter.

1. Summit filed for its 2018-2019 ACA on October 31, 2019. This filing contains three proposed tariff sheets and Summit's ACA account balance calculations.

2. On November 12, 2019 the Commission approved the proposed tariff sheets on an interim and refundable basis and ordered Staff to file a recommendation regarding its ACA review by December 15, 2020.

3. The Procurement Analysis Department (Staff) reviewed Summit's filing and submits its recommendation in the accompanying Memorandum, marked Appendix A and incorporated herein by reference. Staff's analysis consisted of examining the prudence of Summit's gas purchasing decisions for this ACA period, conducting a reliability analysis, and reviewing Summit's hedging practices. Staff also compared Summit's billed revenues and its actual gas costs to determine whether there is an over-recovery or under-recovery of the ACA balances.

4. Staff proposes adjustments to the ending ACA balances in Summit's filing. Staff recommends the Commission issue an order establishing Summit's ending ACA balances as those in the "Staff Recommended Ending Balances" column of the table in the Memorandum's Recommendations section.

5. Staff recommends the Commission order Summit to respond to these adjustments within forty-five (45) days.

WHEREFORE, Staff recommends the Commission issue an order establishing Summit's ending ACA account balances as of August 31, 2019 as shown in the "Staff Recommended Ending Balances" column of the table in the Recommendations section of Staff's Memorandum and directing Summit to respond within 45 days to Staff's proposed adjustments and to the recommendations and concerns discussed in the Reliability Analysis and Gas Supply Planning section and the Hedging section.

Respectfully submitted,

/s/ Karen E. Bretz

Karen E. Bretz
Senior Counsel
Missouri Bar No. 70632
Attorney for the Staff of the
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102
573-751-5472 (Voice)
573-751-9285 (Fax)
Karen.Bretz@psc.mo.gov

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been emailed to all parties and/or counsel of record on this 15th day of December, 2020.

/s/ Karen E. Bretz