# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Laclede ) <u>Case No. GR-2016-0224</u>
Gas Company's PGA Filing ) Tracking No. YG-2017-0064

## STAFF RECOMMENDATION

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

- 1. On October 28, 2016, Laclede Gas Company ("Laclede" or "Company") filed a tariff sheet to reflect changes in its Purchased Gas Adjustment (PGA) factors as a result of estimated changes in the cost of natural gas for the upcoming season and changes in the Company's Actual Cost Adjustment (ACA) factors. The tariff sheet bears a proposed effective date of November 14, 2016.
- 2. Pursuant to the filing, the Residential General Winter Only Total Adjustment will increase to \$0.27670 per therm for the first 30 therms from the current Total Adjustment of \$0.18666 per therm. For all therms in excess of the first 30 therms, this Total Adjustment will increase to \$0.52081 per therm from the current Total Adjustment of \$0.43077 per therm. These changes represent an increase of \$0.09004 per therm. The L.P. Gas Total Adjustment will increase from \$0.81771 per gallon to \$1.77400 per gallon. This is an increase of \$0.95629 per gallon.
- 3. The Company's filing also reflects adjustments to the Company's ACA factors. Staff's Procurement Analysis Unit (PAU) will review the Company's ACA filing and may recommend adjustments to the ACA account balance(s). Due to the limited time available to review the documentation supporting the ACA factors represented in

this filing, the PAU has requested permission to submit its results and recommendations regarding the information included in this ACA filing to the Commission on or before December 18, 2017.

- 4. Case No. GR-2016-0224, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2015-2016 ACA filing. Case No. GR-2015-0201 was established to track the Company's PGA factors to be reviewed in its 2014-2015 ACA filing. Any rate change implemented pursuant to this tariff filing should be implemented on an interim basis, subject to refund, pending final Commission decisions in Case Nos. GR-2016-0224 and GR-2015-0201.
- 5. As explained in Staff's *Memorandum*, attached hereto and incorporated herein by reference, Staff has reviewed the current filing and determined that it was calculated in conformance with the Company's PGA clause. Therefore, Staff recommends the Commission approve the tariff sheet on an interim, subject to refund status pending final Commission decisions in ACA Case Nos. GR-2016-0224 and GR-2015-0201.
- Staff also recommends the Commission order PAU Staff to file the results
  of its review of the ACA factors represented in this filing no later than
  December 18, 2017.
- 7. Staff has verified that the Company has filed its annual report, and is not delinquent on its PSC assessment. Staff is not aware of any other matters before the Commission that affects or is affected by this filing, other than those mentioned herein.

8. Staff is of the opinion that good cause for approval of the 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.

WHEREFORE, Staff recommends the Commission issue an order approving the following tariff sheet on an interim basis, subject to refund pending final Commission decisions in Case Nos. GR-2016-0224 and GR-2015-0201, and that the Commission order PAU Staff to file the results of its ACA review in this docket no later than December 18, 2017:

### P.S.C. MO No. 5 Consolidated

Two Hundred and Twenty-Sixth Revised Sheet No. 29, Cancelling Two Hundred and Twenty-Fifth Revised Sheet No. 29

Respectfully submitted,

### /s/ Jeffrey A. Keevil

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## **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 7th day of November, 2016.

## /s/ Jeffrey A. Keevil

### **MEMORANDUM**

TO: Missouri Public Service Commission Official Case File.

Case No. GR-2016-0224, Tariff No. YG-2017-0064,

Laclede Gas Company

FROM: Michael J. Ensrud, Procurement Analysis Unit

/s/ David M. Sommerer 11/7/16 /s/ Jeffrey A. Keevil 11/7/16
Commission Staff Division/Date Staff Counsel's Office/Date

SUBJECT: Staff Recommendation for Laclede Gas Company's Scheduled Winter Season

PGA Filing Effective November 14, 2016

DATE: November 7, 2016

On October 28, 2016, Laclede Gas Company (Laclede or Company) of St. Louis, Missouri, filed a tariff sheet with an effective date of November 14, 2016. The tariff sheet was filed to reflect scheduled charges 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 and changes in the Actual Cost Adjustment (ACA) factors.

The Residential General Winter Only Total Adjustment filed by Laclede will increase to \$0.27670 per therm for the first 30 therms from the current Total Adjustment of 0.18666 per therm. For all therms in excess of the first 30 therms, this Total Adjustment filed by Laclede will increase to \$0.52081 per therm from the current Total Adjustment of \$0.43077 per therm. These changes represent an increase of \$0.09004 per therm. The Liquid Propane Purchased Gas Adjustment (LPPGA) will increase from \$0.81771 per gallon to \$1.77400 per gallon. This is an increase of \$0.95629 per gallon.

Case No. GR-2016-0224, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its GR-2015-2016 ACA filing. Case No. GR-2015-0201 was established to track the Company's PGA factors to be reviewed in its 2014-2015 ACA filing. Any rate change implemented pursuant to this tariff filing should be on an interim basis, subject to refund status pending final Commission decisions in ACA Case Nos. GR-2016-0224 and GR-2015-0201.

Due to the limited time available to review the documentation supporting the ACA factors represented in this filing, the Procurement Analysis Unit (PAU) has requested permission to submit its results and recommendations regarding the information included in this ACA filing to the Commission on or before December 18, 2017.

OFFICIAL CASE FILE MEMORANDUM MO PSC Case No. GR-2016-0224, Tariff No. YG-2017-0064 November 7, 2016 Page 2 of 2

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, other than as mentioned above.

Staff has reviewed this filing and has determined it was calculated with 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. Staff recommends the Commission issue an order approving the following tariff sheet, filed on October 28, 2016, to become effective on November 14, 2016, on an interim basis, subject to refund pending final Commission decisions in Case Nos. GR-2016-0224 and GR-2015-0201:

## PSC Mo No. 5 Consolidated

Two Hundred and Twenty–Sixth Revised Sheet No. 29, Cancelling Two Hundred and Twenty – Fifth Revised Sheet No. 29

## BEFORE THE PUBLIC SERVICE COMMISSION

## **OF THE STATE OF MISSOURI**

In the Matter of Laclede Gas Company's PGA Filing	) Case No. GR-2016-0224
AFFIDAVIT OF	MICHAEL J. ENSRUD
STATE OF MISSOURI )	
COUNTY OF COLE ) ss.	
mind and lawful age; that he contribute	AUD and on his oath declares that he is of sound ed to the foregoing Staff Recommendation in true and correct according to his best knowledge
Further the Affiant sayeth not.	Michael & Enough MICHAEL J. ENSRUD
J	URAT
	aly constituted and authorized Notary Public, in assouri, at my office in Jefferson City, on this
D. SUZIE MANKIN Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: December 12, 2016 Commission Number: 12412070	Augullankin Notary Public