BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of Spire Missouri, Inc., d/b/a Spire Purchased Gas Adjustment Tariff Filing

Case No. GR-2023-0217 Tariff No. JG-2024-0055

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission and for its Recommendation, states as follows:

1. On November 1, 2023, Spire Missouri, Inc., d/b/a Spire filed revised tariff sheets bearing an effective date of November 16, 2023, Tariff File No. JG-2024-0055, and an accompanying cover letter with supporting worksheets. The tariff sheets were filed to reflect changes in Spire's Current Purchased Gas Adjustment ("CPGA") factors as a result of estimated changes in the cost of natural gas in its eastern Missouri and western Missouri operating divisions. Also included in this filing is the annual change to the Actual Cost Adjustment ("ACA").

2. The Commission issued an order on November 3, 2023, directing Staff to file a recommendation regarding Spire's request and corresponding tariff sheets, Tariff File No. JG-2024-0055, no later than November 9, 2023.

3. Staff has reviewed Spire's filings and determined that the rates in the proposed tariff sheets, Tariff No. JG-2024-0055, were calculated in conformance with Spire's PGA Clause and notes that optional PGA changes are authorized in Spire's tariff. Staff does not oppose the approval of these tariff sheets on less than thirty (30) days' notice. Such action is supported by Spire's Commission-approved PGA Clause allowing for ten (10) business days' notice for PGA change filings.

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4. Staff recommends the Commission approve the tariff sheets in Tariff File No. JG-2024-0055, on an interim basis, subject to refund, for service on and after November 16, 2023.

5. Due to the limited time available to review the documentation supporting the ACA factors Spire submitted in this filing, Staff requests the Commission order Staff to submit its results and recommendations regarding the information in this ACA filing to the Commission on or before December 16, 2024.

WHEREFORE, for the foregoing reasons and those stated in Staff's Memorandum attached hereto, Staff recommends that the Commission issue an order approving Spire's tariff sheets filed in Tariff No. JG-2024-0055, on an interim, subject to refund status; and further order Staff to file its recommendation Spire's ACA filing no later than December 16, 2024.

Respectfully submitted,

/s/ J. Scott Stacey

J. Scott Stacey Deputy Counsel Missouri Bar No. 59027 Missouri Public Service Commission P.O. Box 360 Jefferson City, MO 65102 573-522-6279 573-751-9285 (Fax) <u>scott.stacey@psc.mo.gov</u> ATTORNEY FOR STAFF OF THE PUBLIC SERVICE COMMISSION

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been transmitted by electronic mail to counsel of record this 8th day of November, 2023.

/s/ J. Scott Stacey

MEMORANDUM

- TO: Missouri Public Service Commission Official Case File Case No. GR-2023-0217, Tariff No. JG-2024-0055 Spire Missouri Inc., d/b/a Spire (East & West)
- FROM: Anne M. Crowe, Lead Senior Utility Regulatory Auditor, Procurement Analysis

<u>/s/ David M. Sommerer</u> 11/08/2023 Financial and Business Analysis Div./Date

- **SUBJECT:** Staff Recommendation for Spire Missouri Inc., d/b/a Spire Scheduled Winter Season PGA/ACA Filing Effective November 16, 2023
- **DATE:** November 8, 2023

On November 1, 2023, Spire Missouri Inc., d/b/a Spire ("Company"), filed two tariff sheets with an effective date of November 16, 2023 for Spire Missouri's East operating division and for its West operating division. The two tariff sheets were filed to reflect scheduled changes in Spire's Purchased Gas Adjustment ("PGA") factors as the result of estimated changes in the cost of natural gas for the winter season and changes in the Actual Cost Adjustment ("ACA") factors.

On November 2, 2023, the Missouri Public Service Commission ("Commission" or "PSC") issued an *ORDER DIRECTING FILING*, which directs Staff to file its recommendation no later than November 9, 2023.

Spire estimates the impact of this PGA rate change its cover letter:

Spire East's charges for gas will have no change from \$0.77588 per ccf; and Spire West's charges for gas will change from \$1.07545 to \$1.01988 per ccf.

The slight decrease in Spire West is due to lower gas prices. Spire East's charges will remain the same due to the balance of unrecovered gas costs.

Compared to existing rates, and assuming normal usage, the PGA rate for Spire West will decrease the average monthly bill of the typical residential customer by \$3.48 (3.06%). Such bill impacts may be less or more depending on a customer's actual usage, which is primarily affected by weather.

These are the rate classes subject to the above PGA: Residential, Small General Service, Large General Service, Unmetered Gas Light, and Large Volume Sales.

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The Filing Adjustment Factor ("FAF") is designed to refund or recover from customers any over- or under-recoveries of gas costs that have accumulated since the Company's last ACA filing.¹ In this filing, Spire is using a FAF to increase its PGA rates for both its Missouri eastern and western operating divisions. In its November 2021 and 2022 PGA/ACA filings, Spire used the FAF to decrease its PGA rate to defer recovery of Winter Storm Uri gas costs.

Case No. GR-2023-0217, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2022-2023 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-2023-0217, GR-2023-0157, and GR-2022-0136.

Due to the limited time available to review the documentation supporting the ACA factors submitted in this filing, the Procurement Analysis Department ("PAD") requests permission to submit its results and recommendations regarding the information included in this ACA filing to the Commission on or before December 16, 2024.

Staff has verified that Spire Missouri, Inc. 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 in conformance with Spire's PGA Clause. Staff is of the opinion that good cause for approval of these tariff sheets on less than thirty (30) days' notice is demonstrated by Spire'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 sheets, filed on November 1, 2023, to become effective on November 16, 2023, on an interim basis, subject to refund:

PSC Mo No. 9

Third Revised Sheet 11.7, Cancelling Second Revised Sheet 11.7 (Spire East) Third Revised Sheet 11.8, Cancelling Second Revised Sheet 11.8 (Spire West)

¹ Tariff Sheet No. 11.1.A.1.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of Spire Missouri, Inc. d/b/a Case No. GR-2023-0217) Tariff Tracking No. JG-2024-0055 Spire Purchased Gas Adjustment)

AFFIDAVIT OF ANNE M. CROWE

STATE OF MISSOURI)	
)	SS.
COUNTY OF COLE)	

COMES NOW ANNE M. CROWE and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing Staff Recommendation; in Memorandum form; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.

Une of Crowle ANNE M. CROWE

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this $\neg \neg + \varkappa$ day of November 2023.

DIANNA L. VAUGHT Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: July 18, 2027 Commission Number: 15207377

Diania L. Vauge Notary Public