

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

In the Matter of Summit Natural Gas of)	
Missouri, Inc.'s Purchased Gas)	<u>Case No. GR-2024-0157</u>
Adjustment Tariff Filing)	<u>Tariff No. JG-2024-0057</u>

STAFF RECOMMENDATION

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

1. On November 3, 2023, Summit Natural Gas of Missouri, Inc. (“SNGMO”) filed three tariff sheets bearing an effective date of November 13, 2022, Tariff File No. JG-2024-0057, and an accompanying cover letter with supporting worksheets. The tariff sheets were filed to reflect changes in SNGMO’s Regular Purchased Gas Adjustment (“RPGA”) factors as a result of estimated changes in the cost of natural gas. 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 SNGMO’s request and corresponding tariff sheets, Tariff File No. JG-2024-0057, no later than November 9, 2023.

3. On November 6, 2023, SNGMO filed two additional sets of substitute tariff sheets with effective dates of November 14, 2023, and November 21, 2023, respectively. SNGMO also filed a cover letter with each filing.

4. Staff has reviewed SNGMO’s filings, including the November 6, 2023 filing with an effective date of November 21, 2023, and determined that the rates in the proposed tariff sheets, Tariff No. JG-2024-0057, were calculated in conformance with

SNGMO's PGA Clause. Staff does not oppose the approval of these tariff sheets on less than thirty (30) days' notice. Such action is supported by SNGMO's Commission-approved PGA Clause allowing for ten (10) business days' notice for PGA change filings.

5. Staff recommends the Commission approve the tariff sheets in Tariff File No. JG-2024-0057, on an interim basis, subject to refund, for service on and after November 21, 2023.

6. Due to the limited time available to review the documentation supporting the ACA factors SNGMO 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 SNGMO's tariff sheets filed in Tariff No. JG-2024-0057 on November 6, 2023, on an interim, subject to refund status; and further order Staff to file its recommendation SNGMO's ACA filing no later than December 16, 2024.

Respectfully submitted,

/s/ J. Scott Stacey

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**ATTORNEY FOR STAFF OF THE
PUBLIC SERVICE COMMISSION**

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-2024-0157, Tariff No. JG-2024-0057
Summit Natural Gas of Missouri, Inc.

FROM: Kimberly K. Tones, CPA, CIA, Lead Senior Utility Regulatory Auditor
- Procurement Analysis Dept.

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

SUBJECT: Staff Recommendation for Summit Natural Gas of Missouri, Inc. Scheduled Winter
PGA Filing Effective Date November 21, 2023

DATE: November 08, 2023

On November 3, 2023, Summit Natural Gas of Missouri, Inc. (“SNGMO” or “Company”), filed three tariff sheets bearing a proposed incorrect effective date of November 13, 2022, Tariff No. JG-2024-0057. In addition, SNGMO filed a single cover letter and supporting worksheets. On November 6, 2023, SNGMO filed revised substitute sheets (3) bearing a proposed effective date of November 14, 2023, and a single cover letter. On November 6, 2023, SNGMO filed a second revised substitute filing containing revised tariff sheets (3) bearing a proposed effective date of November 21, 2023, and a single cover letter. The revised substitute tariff sheets were filed to correct the effective date (allowing for 10 business days and correcting the year) and to reflect changes in SNGMO’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) factors.

On November 3, 2022, the Commission issued its “**Order Directing Expedited Staff Recommendation and Setting Time for Responses**”. The order directs Staff to file its recommendation no later than November 9, 2023.

The filing revises the following existing tariff pages:

P.S.C. MO No. 3, 10th Revised Sheet No. 56
P.S.C. MO No. 3, 10th Revised Sheet No. 57
P.S.C. MO No. 3, 10th Revised Sheet No. 58

This filing proposes decreases in Regular Purchased Gas Adjustment (RPGA) rates per Ccf for all customer classes by division as noted below:

Division	Current RPGA	ACA	Current Total PGA
Gallatin	\$ 1.0689	\$ 0.0894	\$ 1.1583
Warsaw/Lake of the Ozarks	\$ 0.8917	\$ 0.5492	\$ 1.4409
Rogersville/Branson	\$ 0.8869	\$ 0.5178	\$ 1.4047

Division	Proposed RPGA	ACA	Proposed Total PGA
Gallatin	\$ 0.5046	\$ 0.0155	\$ 0.5201
Warsaw/Lake of the Ozarks	\$ 0.6400	\$ 0.5007	\$ 1.1407
Rogersville/Branson	\$ 0.6746	\$ 0.4487	\$ 1.1233

Division	RPGA Current	RPGA Proposed	Increase/ (Decrease)
Gallatin	\$ 1.0689	\$ 0.5046	\$ (0.5643)
Warsaw/Lake of the Ozarks	\$ 0.8917	\$ 0.6400	\$ (0.2517)
Rogersville/Branson	\$ 0.8869	\$ 0.6746	\$ (0.2123)

SNGMO’s revised cover letter makes the following representations:

These revised sheets include changes made pursuant to Company’s Purchased Gas Adjustment (PGA) Clause as approved by the Commission. These revisions reflect adjustments to the RPGA¹ and Actual Cost Adjustment (ACA) factors. Due to a significant over recovery of non-Winter Storm Uri costs in the Gallatin area during the 2022/2023 gas year, the Company offset the over recovery with the Winter Storm Uri schedule as of the end of August 2023.

The changes in the PGA factors applicable to the Company’s Gallatin Division will decrease the firm sales customers’ Total PGA from \$1.1583/Ccf to \$0.5201/Ccf. The proposed decrease will cause an average winter month residential gas bill to decrease by approximately \$77.49. This represents a 55.10% decrease for the average month in the heating season.

The changes in the PGA factors applicable to the Company’s Warsaw and Lake of the Ozarks Divisions will decrease the sales customers’ Total PGA from \$1.4409/Ccf to \$1.1407/Ccf. The proposed decrease will cause an average winter month residential gas bill to decrease by approximately \$16.52. This represents a 20.84% decrease for the average month in the heating season.

¹ (RPGA +ACA = Total PGA).

The changes in the PGA factors applicable to the Company's Rogersville and Branson Divisions will decrease the firm sales customers' Total PGA from \$1.4047/Ccf to \$1.1233/Ccf. The proposed decrease will cause an average winter month residential gas bill to decrease by approximately \$24.83. This represents a 20.03% decrease for the average month in the heating season.

Case No. GR-2024-0157, under which these changes were filed, was established to track SNGMO's PGA factors to be reviewed in its 2022-2023 ACA filing. Case No. GR-2022-0191 was established to track the Company's PGA factors to be reviewed in its 2021-2022 ACA filing. These rate changes should be made on an interim basis, subject to refund pending final Commission decisions in ACA Case No. GR-2022-0191 (2021-2022 ACA filing) and ACA Case No. GR-2024-0157 (2022-2023 ACA filing).

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.

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, including the offset of the Gallatin over recovery from 2022-2023 operations against the deferred Winter Storm Uri balance, to the Commission on or before December 16, 2024.

Staff has reviewed this filing and determined that the rates on the proposed tariff sheets were calculated in conformance with SNGMO's PGA Clause. Staff asks the Commission to take notice of SNGMO's tariff language that allows for approval of these tariff sheets on less than thirty (30) days' notice is demonstrated by SNGMO's Commission-approved PGA clause allowing for ten (10) business days' for PGA change filings. Therefore, Staff recommends that the following revised substitute tariff sheets filed on November 6, 2023, and effective on November 21, 2023, be approved on an interim basis, subject to refund:

P.S.C. MO No. 3

11th Revised Sheet No. 56, Cancelling 10th Revised Sheet No. 56

11th Revised Sheet No. 57, Cancelling 10th Revised Sheet No. 57

11th Revised Sheet No. 58, Cancelling 10th Revised Sheet No. 58

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of Summit Natural Gas of) Case No. GR-2024-0157
Missouri, Inc. Changes to the Company's) Tariff No. JG-2024-0057
Purchased Gas Adjustment "PGA" Clause)

AFFIDAVIT OF KIMBERLY TONES, CIA, CPA

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW KIMBERLY K. TONES, CIA, CPA, 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.

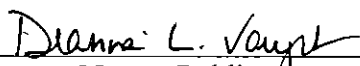
Further the Affiant sayeth not.


KIMBERLY TONES, CIA, CPA

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 8th 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


Notary Public