

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

In the Matter of the Spire Missouri Inc. d/b/a)
Spire’s Purchased Gas Adjustment)

Case No. GR-2023-0157

**STAFF RECOMMENDATION REGARDING SPIRE MISSOURI INC.,
D/B/A SPIRE’S 2021-2022 ACTUAL COST ADJUSTMENT FILING**

COMES NOW the Staff of the Missouri Public Service Commission, by and through undersigned counsel, in the above-captioned matter and files its *Actual Cost Adjustment (“ACA”) Recommendation* in this case concerning Spire Missouri Inc., d/b/a Spire’s (“Spire”) 2021-2022 ACA filing, and states as follows:

1. Spire filed its ACA for the 2021-2022 period in this case on November 11, 2022. This filing revised the ACA rates based upon Spire’s calculations of its ACA account balances.

2. On November 17, 2022, Staff filed its Recommendation to approve the tariff sheets on an interim basis, and on December 14, 2023, Staff filed its Recommendation Regarding Spire’s ACA and asked the Commission to hold the ACA case open pending resolution of the matter in GR-2022-0136.

3. On January 19, 2024, Spire filed its response to Staff’s Recommendation; and subsequently, on February 15, 2024, the Commission stayed the proceedings in this matter until a full resolution of the 2020-2021 Spire’s ACA in Case No. GR-2022-0136.

4. On May 1, 2024, the parties filed a Stipulation and Agreement in Case No. GR-2022-0136 and on May 15, 2024, the Commission issued an Order Approving the Stipulation and Agreement, and such order was effective as of June 14, 2024.

5. On June 18, 2024, the Commission issued an *Order Directing an Updated Staff Recommendation* on Spire's 2021-2022 ACA filing, as the Commission had approved the *Stipulation and Agreement and Establishing Ending ACA Balance* in GR-2022-0136.

6. The Commission's Procurement Analysis Department Staff ("Staff") has reviewed Spire's filings, including the agreement set forth in Paragraph 5 and Final ACA Balances in this matter, and submits its recommendation. Staff's recommendation is fully explained in Staff's Recommendation Memorandum, attached as Appendix 1. Staff's review included a review of Spire's billed revenues compared with its actual gas costs to determine whether there exists an over-recovery or under-recovery of the ACA balance. An over-recovery is shown as a negative ACA balance that must be returned to customers; an under-recovery is shown as a positive ACA balance that must be collected from customers.

7. Based on its review, Staff recommends the Commission establish the 9-30-2022 ACA account balances as recommended in Staff's Recommendation Memorandum, Appendix 1.

8. There are no remaining issues that may require a procedural schedule and such matter can be closed upon an Order approving Spire's 2021-2022 final ACA balances.

WHEREFORE, for the reasons stated above and in Staff's Recommendation Memorandum, attached hereto as Appendix 1, Staff recommends the Commission issue an order establishing the 9-30-2022 ACA account balances as set forth in Staff's Recommendation Memorandum, and for such other relief the Commission finds just and reasonable under the circumstances.

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 28th day of June, 2024.

/s/ J. Scott Stacey

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
Case No. GR-2023-0157, Tariff Tracking No. JG-2023-0090
Spire Missouri Inc., d/b/a Spire

FROM: Anne Crowe, Lead Senior Regulatory Auditor - Procurement Analysis Dept.

/s/ David M. Sommerer 6/28/2024
Financial and Business Analysis Div./Date

SUBJECT: Staff Recommendation Regarding Case No. GR-2023-0157 Spire Missouri Inc.,
d/b/a Spire 2021-2022 Actual Cost Adjustment Filing

DATE: June 28, 2024

Case Background

On November 11, 2022, Spire Missouri Inc., d/b/a Spire (“Spire” or “Company”), filed its Actual Cost Adjustment (“ACA”) for the 2021-2022 ACA period. This filing revised tariff sheets to reflect changes in its Purchased Gas Adjustment (“PGA”) and ACA factors.

On November 17, 2022 Staff recommended approval of the tariff sheets to become effective on November 29, 2022, on an interim basis, subject to refund. The Commission approved the tariff sheets on an interim basis subject to refund on November 22, 2022 and Ordered Staff to file its ACA recommendation no later than December 15, 2023.

Staff filed its ACA recommendation on December 14, 2023. Because the ACA balance is cumulative¹, as part of its recommendation, Staff requested the Commission hold this ACA case open pending resolution of the Off-System Sales issue in the prior Spire West ACA Case No. GR-2022-0136².

On February 15, 2024, the Commission stayed this case until a final decision in Case No. GR-2022-0136. Staff and Spire filed a *Full and Unanimous Stipulation and Agreement* (“Agreement”) on May 1, 2024 in Case No. GR-2022-0136 which the Commission approved on May 15, 2024. The Commission’s order also established the Spire West’s 2020-2021 ending ACA account balance. Spire filed a revised tariff sheet to comply with the Agreement and the Commission’s order. The Commission approved the revised tariff sheet effective June 22, 2024, fully resolving the issues in Case No. GR-2022-0136. Now that the ending ACA account balance for the prior case has been established, the Commission may order the 9-30-2022 ending ACA balances for this 2021-2022 ACA case.

Staff proposed no financial adjustments for the 2021-2022 ACA period for either the Spire East or the Spire West operating divisions. The Spire East ACA account balance shows a \$(600,000)

¹ The ending ACA balance from the prior period becomes the beginning ACA balance for the current period.

² Case GR-2022-0136 is Spire West’s prior 2020-2021 ACA case.

reduction to reflect the *Partial Stipulation and Agreement* from the 2019-2020 ACA Case No GR-2021-0127. Spire filed this ACA case prior to the Commission approving the *Partial Stipulation and Agreement* on January 25, 2023. Therefore, the Company did not have the ability to include the \$(600,000) reduction to gas costs in its filed ACA balance. Spire states the adjustment was made in January 2023. Staff will verify this as part of its 2022-2023 ACA review.

Staff Recommendation

Now that the prior ACA cases have been resolved and there are no issues remaining in this case that require a procedural schedule, this case may be closed. Therefore, Staff recommends the Commission establish the following 9-30-2022 ACA account balances and close this case.

Spire East		
	Firm Sales	LP Sales
ACA Balance per Filing	\$ 114,600,511.20	\$ 638.84
2019/20 ACA Period Stipulated Adjustment	\$ (600,000.00)	\$ 0
Current Period Staff Adjustments	\$ 0	\$ 0
Staff Recommended ACA Balance 9-30-22	\$ 114,000,511.20	\$ 638.84

Spire West	
	Firm Sales ACA
ACA Balance per Filing 9-30-22	\$ 163,554,244.66
Current Period Staff Adjustments	\$ 0
Staff Recommended ACA Balance 9-30-22	\$ 163,554,244.66

An (over)-recovery is the amount owed to the customers by the Company and is shown in the table as a negative number. An under-recovery is an amount owed to the Company by the customers and is shown in the table as a positive number.

Both Spire East and Spire West have under-recovery ACA account balances.

