

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Empire District Gas)	<u>File No. GR-2009-0397</u>
Company's Purchased Gas Adjustment)	Tariff No. JG-2009-0768
Tariff Filing)	

ORDER APPROVING INTERIM RATES

Issue Date: May 13, 2009

Effective Date: May 15, 2009

On May 1, 2009, The Empire District Gas Company (Empire or Company) filed tariff sheets proposed to become effective May 15, 2009. The tariff sheets were filed to reflect an adjustment in Empire's Purchased Gas Adjustment (PGA) factor as a result of estimated changes in the cost of natural gas for the upcoming summer season of May through October. This file was established to track the company's PGA factors to be reviewed in its 2008-2009 ACA (Actual Cost Adjustment) filing.

For the Empire area served by Southern Star Central Gas Pipeline, including the cities of Clinton, Lexington, Marshall and Sedalia, the effect of this change is to reduce the firm PGA rate filed by empire from \$0.97858 per hundred cubic feet (Ccf) to \$0.76489 per Ccf. This is a decrease of \$0.21369 per Ccf, or 22%.

For the Empire area served by Panhandle Eastern Pipeline, including the cities of Chillicothe, Marceline and Trenton, the effect of this change is to reduce the firm PGA rate filed by Empire from \$0.93216 per Ccf to \$0.79004 per Ccf. This is a decrease of \$0.14212 per Ccf, or 15%.

For the Empire area served by the ANR pipeline, including the communities of Rockport, Maryville and Tarkio, the effect of this change is to reduce the firm PGA rate

filed by Empire from \$0.86641 per Ccf to \$0.73323 per Ccf. This is a decrease of \$0.13318, or 15%.

The Commission's Staff filed its Memorandum and Recommendation on May 7, 2009. On May 12, 2009, Staff filed a corrected memorandum. In its Corrected Memorandum and Recommendation, Staff supports the change in the costs, in that any rate change at this time is subject to true-up in the ACA process. Staff notes that, because Empire's PGA clause allows for PGA change filings to take effect on ten days' notice, good cause has been shown pursuant to Section 393.140(11), RSMo 2000, to permit the tariffs to become effective on less than 30 days' notice. Staff recommends that the rates be approved on an interim basis, subject to refund pending final Commission decisions in File Nos. GR-2008-0368 and GR-2009-0397. Staff also recommended the tariff become effective on an expedited basis, to become effective on May 15, 2009.

The Commission has reviewed the proposed tariff sheets and Staff's Memorandum and Recommendation. The Commission finds that the proposed tariff sheets conform to the Company's Commission-approved PGA Clause. After considering Staff's recommendation, and for good cause shown pursuant to Section 393.140(11), RSMo 2000, the Commission concludes that the proposed tariff sheets should be approved to become effective on May 15, 2009, on an interim basis, subject to refund, subject to refund pending final Commission decisions in File Nos. GR-2008-0368 and GR-2009-0397.

THE COMMISSION ORDERS THAT:

1. The proposed tariff sheets filed on May 1, 2009, by The Empire District Gas Company are approved on an interim basis, subject to refund, subject to refund pending


final Commission decisions in File Nos. GR-2008-0368 and GR-2009-0397, for service rendered on and after May 15, 2009. The specific tariff sheets approved are:

P.S.C. MO. No. 2

4th Revised Sheet No. 62, Canceling 3rd Revised Sheet No. 62
4th Revised Sheet No. 63, Canceling 3rd Revised Sheet No. 63
4th Revised Sheet No. 65, Canceling 3rd Revised Sheet No. 65

2. This order shall become effective on May 15, 2009.
3. This file may be closed on May 25, 2009.

BY THE COMMISSION



Colleen M. Dale
Secretary

(S E A L)

Nancy Dippell, Deputy Chief Regulatory
Law Judge, by delegation of authority pursuant
to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 13th day of May, 2009.