

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

In the Matter of The Empire District Gas)
Company of Joplin, Missouri for)
Authority to File Tariffs Increasing Rates)
for Gas Service Provided to Customers in)
the Missouri Service Area of the)
Company.)

Case No. GR-2009-0434

**PUBLIC COUNSEL’S AMENDED
RESPONSE TO PROPOSED CUSTOMER NOTICE**

COMES NOW the Missouri Office of the Public Counsel (OPC) and for its amended response to the customer notice proposal submitted by Empire, states:

1. On July 30, 2009, OPC filed Public Counsel’s Response to Proposed Customer Notice. OPC’s filing contained a typographical error and mistakenly requested approval of Empire’s notice without making reference to the change requested by OPC. This amended response corrects those errors as authorized by 4 CSR 240-2.080(20).

2. OPC initiated and participated in the development of the customer notice filed by Empire on July 30, 2009. The parties were able to agree to the form and content of the notice with one exception. OPC and Empire disagree on including the sentence that states: “The impact of the rate change varies by customer class, but the overall result is an increase in total revenue of 4.9%.”

3. OPC believes this sentence is misleading because it creates the false implication that Empire is seeking only a 4.9% increase for its distribution services, when in fact the percentage increase to revenues for the services Empire provides would be much greater. Advising customer of this number only serves the purpose of advising

customers of the impact that the proposed rate changes would have on the company's total revenues. Including gas revenues in this number, which Empire simply passes through to the customer, does not give customers an accurate understanding of the impact of the proposal on Empire's distribution revenues.

4. The table included in the notice serves the purpose of allowing a customer to calculate the impact on their bill. The 4.9% number, if mistakenly relied on by customers in determining the impact on their bill, would not allow customers to accurately determine how the proposed rate changes would affect their bill. Under the straight-fixed-variable (SFV) rate design the rate impact would not apply evenly to all customers as a result of eliminating a volumetric rate component, with many customers experiencing a much greater increase, while others would see a rate decrease. Customers might be misled into believing they will see only a 4.9% bill increase, and choose not to comment, when the actual increase for that customer could be much greater.

5. Under the circumstances of this case, OPC believes including the reference to the 4.9% number would mislead ratepayers and do more harm than good. OPC opposes including the above referenced sentence in the customer notice. If the notice were to eliminate that sentence, or if it were to also explain the percentage increase for distribution or margin revenues, OPC would be supportive of the customer notice.

WHEREFORE, the Office of the Public Counsel respectfully offers this response regarding the customer notice and requests that the Commission delete the above referenced sentence and approve the notice filed by Empire.

Respectfully submitted,
OFFICE OF THE PUBLIC COUNSEL

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to the following this 31st day of July 2009:

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