

**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)	Case No. GR-2009-0434
the Missouri Service Area of the)	
Company.)	

**PUBLIC COUNSEL’S REPLY TO
EDG’S REPLY TO PUBLIC COUNSEL’S RESPONSE
CONCERNING PROPOSED CUSTOMER NOTICE**

COMES NOW the Office of the Public Counsel and for its reply to EDG’s Reply to Public Counsel’s Response Concerning Proposed Customer Notice states:

1. OPC stated in its response to the customer notice proposed by Empire District Gas (EDG) that it would be misleading to ratepayers to include the statement that EDG is seeking “an increase in revenue of 4.9%.” First, it could be mistakenly used by consumers to calculate the impact the proposed rate changes would have on their annual bill. If a customer simply adds 4.9% to their annual natural gas bill, the result will not accurately estimate the increase/decrease they would experience under EDG’s proposal to move all residential customers to a controversial straight fixed-variable (SFV) rate design. Moving to a SFV rate design would redistribute cost responsibility within a class by placing more costs onto the small users, which is not reflected in the 4.9% revenue number. Second, the 4.9% number could be misleading to customers that want to understand or offer comments on the percentage increase EDG is seeking for the services it provides to its customers. EDG provides a gas distribution service only, but the 4.9% figure includes gas revenues and therefore gives the false implication that EDG is seeking a much smaller revenue increase proportionate to the distribution services EDG provides.

2. In EDG's August 3, 2009 response, EDG states "[i]t is unclear and the Public Counsel fails to explain why the same accurate information sought by the Commission in its minimum filing requirements and provided to the public in the Commission's own press release is now controversial and "misleading" in the context of the customer notice." EDG overlooks the explanation provided in OPC's response and repeated above, choosing instead to ignore and not respond to those explanations.

3. The only argument not explained in this debate is how the 4.9% number would be *helpful* to ratepayers. EDG's response simply says the total revenue impact was included in the initial rate case filing and in the Commission's standard press release, so it should be included in the notice to ratepayers. EDG offers no substantive reason for including the 4.9% figure. EDG also fails to offer any response to OPC's alternative recommendation, which is to provide ratepayers with both the 4.9% total revenue increase and the revenue increase percentage attributed to EDG's distribution services.

WHEREFORE, the Office of the Public Counsel respectfully offers this reply and urges the Commission not to include the 4.9% revenue increase reference in the customer notice, or in the alternative, to include both the 4.9% revenue increase reference and a reference to the revenue increase percentage attributed to EDG's distribution services.

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 3rd day of August 2009:

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