

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

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| In the matter of the Empire District Gas |) | Case No. GR-2006-0297 |
| Company's Purchased Gas Adjustment |) | Tariff No. YG-2007-0311 |
| Tariff Filing |) | |

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and for its recommendation in the PGA filing of Empire District Gas Co., states:

1. On November 3, 2006, Empire District Gas Company (EDG or Company) filed a tariff sheet proposed to become effective November 20, 2006.
2. Attached is Staff's Recommendation on The Empire District Gas Company's Northern, Southern, and Northwest (L&P) Scheduled Winter Season PGA Filing Effective November 20, 2006.
3. The tariff sheet was filed to reflect scheduled changes in the Company's PGA factors as the result of an estimated change in the cost of natural gas for the upcoming winter season.
4. This filing increases the PGA factors for all of the Company's areas.
5. Due to the limited time available to review the documentation supporting the ACA factor represented in this filing, the Procurement Analysis Department (PAD) has requested permission to submit its results and recommendations regarding the information included in this ACA filing to the Commission on or before December 31, 2007.
6. Good cause for approval of this tariff sheet, with less than thirty days notice, is demonstrated by the Company's Commission-approved PGA clause allowing for ten (10) business days notice for PGA change filings.

7. Therefore Staff recommends that the tariff sheet filed November 3, 2006 be approved, interim subject to refund only, with an effective date of November 20, 2006.

WHEREFORE the Staff recommends that the Commission approve EDG's tariff sheet, interim subject to refund only, to become effective November 20, 2006.

Respectfully submitted,

/s/ Lera L. Shemwell

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, electronically mailed, sent by facsimile or hand-delivered to all counsel of record this 7th day of November 2006.

/s/ Lera L. Shemwell
