

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of The Empire District Gas Company's) **Case No. GR-2008-0368**
Purchased Gas Adjustment (PGA) Tariff Filing) Tariff No. YG-2008-0700

ORDER APPROVING INTERIM RATES

Issue Date: June 3, 2008

Effective Date: June 6, 2008

On May 22, 2008, The Empire District Gas Company – Northern, Southern, and Northwest (NW) (Empire or Company) filed tariff sheets proposed to become effective June 6, 2008. The tariff sheets were filed to reflect required changes in Empire's Purchased Gas Adjustment (PGA) factors for all of its territories as the result of an estimated change in the cost of natural gas for the upcoming summer season.

Implementation of the tariff rates results in changes in gas costs in the following Empire PGA areas:

1. For the area served by the Southern System (serving communities such as Sedalia and Clinton), the net effect of this filing will increase the firm PGA factors for the 2008 summer season to \$1.09333 per Ccf (100 cubic feet) from the current firm PGA factor of \$0.79333 per Ccf. This represents a \$0.3000 per Ccf increase.

2. For the area served by the Northern System (serving communities such as Chillicothe and Trenton), the net effect of this filing will increase the firm PGA factors for the 2008 summer season to \$1.09930 per Ccf (100 cubic feet) from the current firm PGA factor of \$0.79930 per Ccf. This represents a \$0.3000 per Ccf increase.

3. For the area served by the Northwest System (serving communities such as Maryville and Mound City), the net effect of this filing will increase the firm PGA factors for the 2008 summer season to \$0.98407 per Ccf from the current firm PGA factor of \$0.68407 per Ccf. This represents a \$0.3000 per Ccf increase.

The Commission's Staff filed its Memorandum and Recommendation on May 30, 2008. In its 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 immediately approved on an interim basis, subject to refund pending final Commission decisions in Case Nos. GR-2008-0123 and GR-2008-0368.

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 June 6, 2008, on an interim basis, subject to refund, subject to refund pending final Commission decisions in Case Nos. GR-2008-0123 and GR-2008-0368.

IT IS ORDERED THAT:

1. The proposed tariff sheets filed on May 22, 2008, by The Empire District Gas

Company are approved on an interim basis, subject to refund, subject to refund pending final Commission decisions in Case Nos. GR-2008-0123 and GR-2008-0368, for service rendered on and after June 6, 2008. The specific tariff sheets approved are:

P.S.C. MO. No. 2

2nd Revised Sheet No. 62, Canceling 1st Sheet No. 62

2nd Revised Sheet No. 63, Canceling 1st Sheet No. 63

2nd Revised Sheet No. 65, Canceling 1st Sheet No. 65

2. This order shall become effective on June 6, 2008.

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 3rd day of June, 2008