

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
Case No. GR-2008-0368, File No. YG-2008-0700,
The Empire District Gas Company – Northern, Southern, and Northwest

FROM: Anne Ross, Energy Department – Tariffs/Rate Design

<u>/s/Thomas M. Imhoff 5/30/08</u> Energy Department/Date	<u>/s/ Lera L. Shemwell 5/30/08</u> General Counsel's Office/Date
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SUBJECT: Staff Recommendation on the Empire District Gas Company – Northern, Southern,
and Northwest Optional PGA Filing Effective June 6, 2008

DATE: May 30, 2008

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

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

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

For the NW System (serving communities such as Maryville and Mound City), the net effect of this filing is to increase the firm PGA factor 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.

Case No. GR-2008-0368, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2007-2008 ACA filing. Case No. GR-2008-0123 was established to track the Company's PGA factors to be reviewed in its 2006-2007 ACA filing. Interim subject to refund status should be maintained pending final Commission decisions in ACA Case Nos. GR-2008-0123 and GR-2008-0368.

Staff has verified that this company has filed its annual report and is not delinquent on any

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assessment. Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

Staff is of the opinion that good cause for approval of these tariff sheets on less than thirty days notice is demonstrated by Empire's Commission approved PGA clause allowing for ten (10) business days notice for PGA change filings. Therefore, Staff recommends that the following tariff sheets, filed on May 22, 2008, be approved, interim subject to refund:

P.S.C. MO. No.2

2nd Revised Sheet No. 62 Canceling 1st Revised Sheet No. 62
2nd Revised Sheet No. 63 Canceling 1st Revised Sheet No. 63
2nd Revised Sheet No. 65 Canceling 1st Revised Sheet No. 65

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

In the Matter of The Empire District Gas)
Company's Purchased Gas Adjustment)
(PGA) Tariff Filing.)

Case No. GR-2008-0368

AFFIDAVIT OF ANNE ROSS

STATE OF MISSOURI)
) ss:
COUNTY OF COLE)

Anne Ross, employee of the Missouri Public Service Commission, being of lawful age and after being duly sworn, states that she has participated in preparing the accompanying Staff Memorandum, and that the facts therein are true and correct to the best of her knowledge and belief.

Anne Ross

Anne Ross

Subscribed and affirmed before me this 30th day of May.



Carla K. Schnieders
NOTARY PUBLIC

