

# **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-2009-0298

### **ORDER APPROVING INTERIM RATES**

Issue Date: November 6, 2008

Effective Date: November 12, 2008

On October 28, 2008, The Empire District Gas Company (Empire or Company) filed tariff sheets proposed to become effective November 12, 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 winter 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 Star Central Gas Pipeline (serving communities such as Sedalia, Lexington, Marshall, and Clinton), the net effect of this filing will decrease the firm PGA factors for the 2008 winter season to \$0.978581 per Ccf (100 cubic feet) from the current firm PGA factor of \$1.09333 per Ccf. This represents a \$0.114749 per Ccf decrease. The PGA rate for the 2007-2008 winter season was \$0.79333 Ccf. Based on average winter usage, a residential customer's bill is expected to be approximately \$106 higher than last year, or an approximate 16% increase.

2. For the area served by the Panhandle Eastern Pipeline Company (serving communities such as Chillicothe, Marceline, and Trenton), the net effect of this filing will decrease the firm PGA factors for the 2008 winter season to \$0.932159 per Ccf (100 cubic feet) from the current firm PGA factor of \$1.09930 per Ccf. This represents a \$0.167141 per Ccf decrease. The PGA for the 2007-2008 winter season was \$0.79930 per Ccf. Based on average winter usage, a residential customer's bill is expected to be approximately \$83 higher than last year, or an approximate 12% increase.

3. For the area served by ANR (serving communities such as Maryville, Rockport, and Tarkio), the net effect of this filing will decrease the firm PGA factors for the 2008 winter season to \$0.86641 per Ccf from the current firm PGA factor of \$0.98407 per Ccf. This represents a \$0.11766 per Ccf decrease. The PGA rate for the 2007-2008 winter season was \$0.68407 per Ccf. Based on average winter usage, a residential customer's bill is expected to be approximately \$122 higher than last year, or an approximate 18% increase.

The Commission's Staff filed its Memorandum and Recommendation on November 4, 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.

Staff also recommends the Commission grant all other relief requested by the Procurement Analysis Department in Staff's Recommendation Memorandum of the November 4, 2008 Staff Recommendation, to wit: permit Staff to submit its results and recommendation regarding the information included in this ACA filing to the Commission on or before December 31, 2009.

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 November 12, 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 October 28, 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 November 12, 2008. The specific tariff sheets approved are:

**P.S.C. MO. No. 2**

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**3rd Revised Sheet No. 62, Canceling 2nd Sheet No. 62**  
**3rd Revised Sheet No. 63, Canceling 2nd Sheet No. 63**  
**3rd Revised Sheet No. 65, Canceling 2nd Sheet No. 65**

2. This order shall become effective on November 12, 2008.

**BY THE COMMISSION**

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', written over a horizontal line.

Colleen M. Dale  
Secretary

( S E A L )

Colleen M. Dale, Chief Regulatory  
Law Judge, by delegation of authority  
Pursuant to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri  
on this 6<sup>th</sup> day of November, 2008.