



5. Empire also agreed to continue its efforts to increase vendor participation. Staff agrees with Empire's response to Staff's Reliability and Gas Supply Planning recommendations.

6. Empire committed to continue its evaluation of its natural gas hedging strategy, including consideration of current market conditions. Empire agreed to continue to document the effectiveness of its hedging strategy in future ACA period and develop the summary recommended by Staff. Staff agrees with Empire's response to Staff's hedging recommendations.

7. Finally, Empire agrees with Staff's recommended balance adjustments designed to reflect the (over)/under recovery balances for the ACA, TOP, TC and Refund accounts as reflected in Table 1 from Staff's December 18 recommendation in this case.

8. Based on Empire's response, Staff and the Company agree on the ACA balances to be set for the accounts in Empire's three systems. Staff finds no issues that remain to be determined by the Commission.

**WHEREFORE**, Staff respectfully submits this *Reply* and recommends the Commission issue an order (1) establishing Empire's ending ACA balances for 2012-2013 as shown on Table 1 in Section V., on page 7 of Staff's *Recommendation to Adjust ACA Balances* filed in this matter on December 18, 2014, and (2) closing this case.

Respectfully Submitted,

**STAFF OF THE MISSOURI  
PUBLIC SERVICE COMMISSION**

*/s/ John D. Borgmeyer*

John D. Borgmeyer  
Deputy Staff Counsel  
Missouri Bar No. 61992

Attorney for the Staff of the  
Missouri Public Service Commission  
P.O. Box 360  
Jefferson City, Missouri 65102  
Telephone: (573) 751-5472  
Fax: (573) 751-9285  
Email: john.borgmeyer@psc.mo.gov

**CERTIFICATE OF SERVICE**

I hereby certify that true and correct copies of the foregoing were served electronically to all counsel of record this 11<sup>th</sup> day of February, 2015.

*/s/ John D. Borgmeyer*