

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 16th day of February, 2017.

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

File No. GR-2016-0099

ORDER ESTABLISHING ACA BALANCE

Issue Date: February 16, 2017

Effective Date: February 26, 2017

The Commission's Staff filed a recommendation on The Empire District Gas Company's ("Empire") 2014-2015 Actual Cost Adjustment ("ACA"). Empire originally filed its ACA for this period on October 30, 2015. Staff reviewed Empire's gas purchasing practices in order to evaluate the prudence of purchasing decisions during the ACA period. Based on its review, Staff recommended certain adjustments to Empire's ACA balances. Staff also submitted recommendations concerning Empire's billed revenue and actual gas costs, hedging strategy, and reliability analysis and gas supply planning.

Empire filed a response to Staff's recommendation stating that the company agrees with Staff's recommended balance adjustments. Empire also responded to Staff's nonmonetary recommendations. On February 8, Staff submitted a reply stating that after reviewing Empire's response, the only action on which it requests the Commission issue an order is the adjustment to the ACA account balances.

After reviewing Staff's recommendations and reply and Empire's response, the Commission concludes that Staff's recommended ending ACA balances should be accepted as a resolution of Empire's 2014-2015 ACA audit. Because Staff's recommended balances are unopposed, the Commission will allow this order to go into effect in less than thirty days.

THE COMMISSION ORDERS THAT:

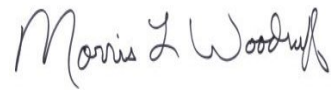
1. The Empire District Gas Company shall adjust its ACA balances in its next ACA filing to reflect the following Staff recommended (over)/under recovery balances for 2014-2015:

Description + Under-recovery (-) Over-recovery	8-31-15 Ending Balances Per Filing	Commission Approved Adjustments prior to 2014-2015 ACA	Staff Adjustments For 2014-2015 ACA	8-31-15 Staff Recommended Ending Balances
South System: Firm ACA	(\$471,476)	\$35,486	\$12,001	(\$423,989)
Interruptible ACA	\$0	\$0	\$0	\$0
Take-or-Pay (TOP)	\$0	\$0	\$0	\$0
Transition Cost (TC)	\$0	\$0	\$0	\$0
Refund	\$0	\$0	\$0	\$0
North System: Firm ACA	\$323,977	(\$48,970)	(\$13,082)	\$261,925
Interruptible ACA	\$0	\$0	\$0	\$0
Take-or-Pay (TOP)	\$0	\$0	\$0	\$0
Transition Cost (TC)	\$0	\$0	\$0	\$0
Refund	\$0	\$0	\$0	\$0
Northwest System: Firm ACA	(\$51,256)	(\$789)	(\$8,397)	(\$60,442)
Interruptible ACA	\$0	\$0	\$0	\$0
Take-or-Pay (TOP)	\$0	\$0	\$0	\$0
Transition Cost (TC)	\$0	\$0	\$0	\$0
Refund	\$0	\$0	\$0	\$0

2. This order shall become effective on February 26, 2017.

3. This file shall close on February 27, 2017.

BY THE COMMISSION



Morris L. Woodruff
Secretary



Hall, Chm., Stoll, W. Kenney, Rupp, and
Coleman, CC., concur.

Burton, Senior Regulatory Law Judge.

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 16th day of February 2017.




Morris L. Woodruff
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

February 16, 2017

File/Case No. GR-2016-0099

**Missouri Public Service
Commission**

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Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,



**Morris L. Woodruff
Secretary**

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.