

("Ccf"), from the current firm PGA factor of \$0.66601 per Ccf. This represents a decrease of \$0.04358 per Ccf.

4. For the North System, which includes the cities of Chillicothe, Marceline and Trenton, this filing will decrease the firm PGA factor for RS, SCF, SVF and LVF customers for the upcoming heating season to \$0.66366 per Ccf, from the current firm PGA factor of \$0.71439 per Ccf. This represents a decrease of \$0.05103 per Ccf.

5. For the Northwest (NW) system, which includes the communities of Rockport, Maryville and Tarkio, this filing will decrease the firm PGA factor for RS, SCF, SVF and LVF customers for the upcoming heating season to \$0.52701 per Ccf, from the current firm PGA factor of \$0.57109 per Ccf. This represents a decrease of \$0.04408 per Ccf.

6. As explained in Staff's *Memorandum*, attached here as Appendix A and incorporated by reference, Staff reviewed Empire's filing and determined that the Company calculated its requested Total PGA rate in conformity with its tariff. Staff recommends the Commission approve the tariff sheets to take effect November 17, 2014, as filed by Empire, because the Company's tariff provides that each PGA filing shall become effective ten business days after the date of filing.

7. The ACA factor filed in this case reflects Empire's calculation of its actual cost of gas during the 2013-2014 period, as compared to the revenue collected through its PGA rate in effect during that period. Empire's ACA filing in this case reflects the Company's over-recovery of gas costs in the Northwest and South systems, and an under-recovery of gas costs in the North system, for a total over-recovery of \$266,904 for its 2013-2014 ACA period. Staff's Procurement Analysis Unit (PAU) will review

Empire's calculation of its actual cost of gas in this filing, and requests the Commission order PAU Staff to submit its recommendations regarding Empire's ACA account balances in this docket no later than December 18, 2015.

8. Case No. GR-2014-0108 was established to track the Company's PGA factors to be reviewed in its 2012-2013 ACA filing. Staff will file its recommendation in that matter no later than December 19, 2014. Other than GR-2014-0108, Staff is not aware of any other case that affects or is affected by this filing.

9. These rate changes in this filing should be on an interim basis, subject to refund status pending a final Commission decisions in ACA Case Nos. GR-2014-0108 and GR-2015-0109.

WHEREFORE, Staff recommends the Commission approve the revised tariff sheets filed by Empire in this matter and set out below, to become effective on November 17, 2014:

P.S.C. MO. No. 2

10th Revised SHEET No. 62	Canceling 9th Revised SHEET No. 62
10th Revised SHEET No. 63	Canceling 9th Revised SHEET No. 63
10th Revised SHEET No. 65	Canceling 9th Revised SHEET No. 65

Respectfully Submitted,

/s/ John D. Borgmeyer

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CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing were served electronically to all counsel of record this 6th day of November, 2014.

/s/ John D. Borgmeyer

MEMORANDUM

TO: Missouri Public Service Commission Official Case
File, Case No. GR-2015-0109,
File No. YG-2015-0198
The Empire District Gas Company

FROM: Henry E. Warren, Energy Department – Tariffs/Rate Design

Thomas M. Imhoff/ 11/06/2014
Utility Operations Division/Date

John D. Borgmeyer/ 11/06/2014
Staff Counsel's Office/Date

SUBJECT: Staff Recommendation regarding Empire District Gas Company's Scheduled Winter Season PGA Filing

DATE: November 6, 2014

On October 31, 2014, The Empire District Gas Company (“Empire” or “Company”) of Joplin, Missouri, filed three (3) tariff sheets having an effective date of November 17, 2014. These tariff sheets were filed to reflect changes in Empire’s Purchased Gas Adjustment (PGA) factors as a result of estimated changes in the cost of natural gas (Regular PGA or RPGA) and changes in the Actual Cost Adjustment (ACA) factor for the upcoming heating season for November 2014 through March 2015.

On October 31, 2013, the Commission issued its ORDER DIRECTING STAFF TO FILE EXPEDITED RECOMMENDATION AND ESTABLISHING TIME FOR RESPONSE which states “Staff shall file its recommendation regarding EDG’s tariff no later than November 6, 2014.”

For the South System served by Southern Star Central Gas Pipeline, which includes the cities of Clinton, Lexington, Marshall and Sedalia, this filing will decrease the firm PGA factor for Residential (RS), Small Commercial Firm (SCF), Small Volume Firm (SVF) and Large Volume Firm (LVF) customers for the upcoming heating season to \$0.62243 per one-hundred cubic feet (“Ccf”), from the current firm PGA factor of \$0.66601 per Ccf. This represents a decrease of \$0.04358 per Ccf. The Large Volume Interruptible (LVI) PGA factor decreases to \$0.64516 from the current LVI PGA factor of \$0.67015 per Ccf. This represents a decrease of \$0.02499. Transportation classes are exempt from this increase.

For the North System served by Panhandle Eastern Pipeline, which includes the cities of Chillicothe, Marceline and Trenton, this filing will decrease the firm PGA factor for RS, SCF, SVF and LVF customers for the upcoming heating season to \$0.66366 per Ccf, from the current firm PGA factor of \$0.71439 per Ccf. This represents a decrease of \$0.05103 per Ccf. For the LVI this filing will increase the LVI PGA factor to \$0.61633 per Ccf from the current LVI PGA

factor of \$0.58437 per Ccf. This represents an increase of \$0.03196 per Ccf. Transportation classes are exempt from this increase.

For the Northwest (NW) System served by the ANR pipeline, which includes the communities of Rockport, Maryville and Tarkio, this filing will decrease the firm PGA factor for RS, SCF, SVF and LVF customers for the upcoming heating season to \$0.52701 per Ccf, from the current firm PGA factor of \$0.57109 per Ccf. This represents a decrease of \$0.04408 per Ccf. For the LVI this filing will increase the LVI PGA factor to \$0.54196 per Ccf from the current LVI PGA factor of \$0.50973 per Ccf. This represents an increase of \$0.03223 per Ccf. Transportation classes are exempt from this increase.

Case No. GR-2015-0109, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2013-2014 ACA filing. Case No. GR-2014-0108 was established to track the Company's PGA factors to be reviewed in its 2012-2013 ACA filing. These rate changes should be on an interim basis, subject to refund status pending a final Commission decisions in ACA Case Nos. GR-2014-0108 and GR-2015-0109.

Due to the limited time available to review the documentation supporting the ACA factor represented in this filing, the Procurement Analysis Unit (PAU) has requested permission to submit its results and recommendations regarding the information included in this ACA filing to the Commission on or before December 18, 2015.

Staff has verified that this company has filed its 2013 annual report and is current on its 2014 assessment. Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

Staff has reviewed this filing and has determined that it was calculated in conformance with Empire's PGA Clause. Staff is of the opinion that good cause for approval of these tariff sheets on less than thirty (30) 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 be approved on an interim basis, subject to refund:

P.S.C. MO. No. 2

10th Revised SHEET No. 62	Canceling 9th Revised SHEET No. 62
10th Revised SHEET No. 63	Canceling 9th Revised SHEET No. 63
10th Revised SHEET No. 65	Canceling 9th Revised SHEET No. 65

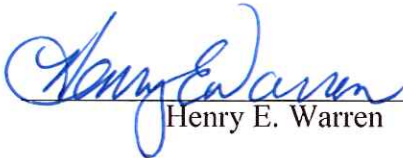
**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of The Empire District Gas)
Company's Purchased Gas Adjustment) Case No. GR-2015-0109
Tariff Filing)

AFFIDAVIT OF HENRY E. WARREN

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Henry E. Warren, of lawful age, on oath states: that he participated in the preparation of the foregoing Staff Recommendation in memorandum form, to be presented in the above case; that the information in the Staff Recommendation was provided to him; that he has knowledge of the matters set forth in such Staff Recommendation; and that such matters are true to the best of his knowledge and belief.


Henry E. Warren

Subscribed and sworn to before me this 6th day of November, 2014.

LAURA BLOCH
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: June 21, 2015
Commission Number: 11203914


Notary Public