

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

In the Matter of the Empire District Gas) **File No. GT-2013-0466**
Company's Tariff to Extend DSM Programs) Tariff No. JG-2013-0479

**STAFF RECOMMENDATION
TO GRANT MOTION FOR EXPEDITED TREATMENT
AND TO APPROVE TARIFF SHEET**

COMES NOW the Staff ("Staff") of the Missouri Public Service Commission ("Commission"), by and through counsel, and for its recommendation in this matter respectfully states:

1. On April 24, 2013, The Empire District Gas Company ("Empire Gas" or "Company") filed Revised Tariff Sheet No. 51i¹ to extend the Company's Home Performance with Energy Star demand-side management program. The sheet bears an effective date of May 24. However, Empire Gas also filed a motion for expedited treatment, requesting the Commission approve Sheet No. 51i on less than 30 days' notice, allowing Sheet No. 51i to become effective on May 12, 2013.

2. On April 25, the Commission ordered Staff to file a recommendation regarding Empire Gas' tariff and motion no later than May 3.

3. Section 393.140 RSMo. provides:

Unless the commission otherwise orders, no change shall be made in any rate or charge... which shall have been filed and published by a gas corporation... except after thirty days' notice to the commission and publication for thirty days as required by order of the commission... The commission for good cause shown may allow changes without requiring the thirty days' notice under such conditions as it may prescribe.

¹ P.S.C. No. 2, 1st Revised Sheet No. R-51i, cancelling P.S.C. Mo. No 2, Original Sheet No. R-51i.

4. On April 12, Empire Gas filed nine proposed tariff sheets, bearing effective dates of May 12, to extend six demand-side energy efficiency programs.² The Company inadvertently omitted Revised Sheet No. R-51i from that April 12 filing. Therefore, in this case, the Company filed the omitted sheet along with a motion for expedited treatment to request the Commission approve Revised Sheet No. R51i to go into effect on May 12, along with the other demand-side program sheets filed on April 12.³

5. Staff has reviewed the tariff sheet in this case and found it is consistent with the Commission-approved agreements in Case No. GR-2009-0434. Good cause exists to approve this sheet on less than thirty days' notice because it was inadvertently omitted from the April 12 filing, and because this sheet was filed as soon as possible after the error was discovered. Further, granting the Company's motion will allow its customers to participate in the Home Performance with Energy Star program in a more timely manner.

6. Staff has verified that Empire Gas has filed its annual report and is not delinquent on any assessment. Other than the April 12 tariff filing discussed above, Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

² Empire Gas implemented these programs after the Commission approved the *Partial Stipulation and Agreement* in Case No. GR-2009-0434.

³ The nine sheets filed April 12 were filed with 30 days' notice, so no Commission order is necessary for them to go into effect. Staff's review of those sheets is addressed in a separate recommendation.

WHEREFORE, Staff respectfully submits this recommendation to grant Empire Gas' motion for expedited treatment and to approve the following tariff sheet, as filed on April 24, 2013, to go into effect for service on and after May 12, 2013, as requested by Empire Gas:

P.S.C. Mo. No. 2

1st Revised No. R-51i, Cancelling P.S.C. No. 2 Original Sheet R-51i

Respectfully Submitted,

/s/ John D. Borgmeyer

John D. Borgmeyer

Legal 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

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 3rd day of May, 2013.

/s/ John D. Borgmeyer

MEMORANDUM

TO: Missouri Public Service Commission
Official Case File No. GT-2013-0466, Tariff File No. JG-2013-0479
The Empire District Gas Company

FROM: Henry E. Warren, Tariff, Safety, Economic and Engineering Analysis
Department, Energy Unit – Tariffs/Rate Design

/s/ Thomas M. Imhoff 5/1/2013 /s/ John Borgmeyer 5/1/2013
Regulatory Review Division/Date Staff Counsel Division/Date

SUBJECT: Staff Recommendation to Approve The Empire District Gas Company's Energy
Efficiency Tariff Filed April 24, 2013

DATE: May 1, 2013

On April 24, 2013, The Empire District Gas Company (“EDG” or “Company”) filed with the Commission one (1) tariff sheet with a proposed effective date of May 24, 2013. The purpose of this filing is to extend for three more years the Energy Efficiency program: *Home Performance with Energy Star Program*. The EDG Energy Efficiency Advisory Group (“EEAG”) reviewed the evaluation of this pilot program performed by EDG’s contractor, *Cadmus Group, “Missouri EDG 2010-2012 Smart Energy Solutions Programs Evaluation”, March 1, 2013*, (“Evaluation”). The EEAG approved the continuation of the EDG Energy Efficiency programs modified according to the recommendations included in the Evaluation. The proposed tariff sheet was reviewed and approved by the EEAG and is consistent with the Commission’s Order in File No. GR-2009-0434, EDG’s most recent rate case: “The Empire District Gas Company is directed to budget energy efficiency programs previously approved in the *Partial Stipulation and Agreement* at levels that will begin at \$213,200 in 2010; and to take all reasonable actions toward the goal of increasing expenditures to .5 percent of annual operating revenues, including gas costs, for 2011 and 2012.” Although the participation in the *Home Performance with ENERGY STAR® Program* was lower than the budgeted amount, the EEAG, including Staff, believes that extending the program with increased marketing and other modifications recommended by Cadmus in the Evaluation and by the EEAG will meet the goal.

Tariff Sheet No. 51i was inadvertently omitted from the EDG filing of April 12, 2013, Tariff File No. JG-2013-0445, which included Tariff Sheet 51j: *Home Performance with ENERGY STAR® Program (Continued)*.

Tariff Sheet No. 51i was inadvertently omitted from the EDG filing of April 12, 2013, Tariff File No. JG-2013-0445, which included Tariff Sheet 51j: *Home Performance with ENERGY STAR[®] Program (Continued)*.

Staff is of the opinion that there is good cause for approval of this tariff sheet on less than thirty (30) days' notice, and it is appropriate so the EDG *Home Performance with ENERGY STAR[®] Program* can be extended concurrently with the other EDG energy efficiency programs filed on April 12, 2013.

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

Although EDG filed its tariff sheet bearing an effective date of May 24, 2013, the Commission may approve the change and order an earlier effective date. Staff recommends that the following tariff sheet be approved to become effective on May 12, 2013, as requested by EDG:

P.S.C. MO. No.2

1st Revised Sheet No. R-51i, canceling Original Sheet No. R-51i

