

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 31<sup>st</sup> day of October, 2018.

In the Matter of the Propriety of the )  
Rate Schedules for Gas Service of )  
Empire District Gas Company )

**File No. GR-2018-0229**

**ORDER SCHEDULING A CONFERENCE REGARDING PROCEDURES  
FOR CONSIDERATION OF AN ACCOUNTING AUTHORITY ORDER**

Issue Date: October 31, 2018

Effective Date: October 31, 2018

The Commission opened this case on February 21, 2018, at Staff's request, to consider the propriety of the rates charged by The Empire District Gas Company for natural gas service in light of the Tax Cuts and Jobs Act of 2017, which reduced the federal corporate income tax rate from 35 percent to 21 percent. In its order opening the case, the Commission ordered Empire to quantify and track all impacts of the Tax Cuts and Jobs Act of 2017 potentially affecting natural gas service rates from January 1, 2018, going forward.<sup>1</sup> In addition, the Commission ordered Empire to quantify and track its excess protected and unprotected ADIT for possible future flow back to ratepayers, and to advise the Commission how best such flow-back may be accomplished.<sup>2</sup>

On September 24, Empire filed a tariff to reduce its base rate revenue requirement on a going-forward basis to reflect the effect of the tax reduction. That tariff took effect on October 24. However, that tariff does not address the issue of the flow-back of Accumulated Deferred Income Tax (ADIT), which the Commission has addressed in cases

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<sup>1</sup> Ordered Paragraph No. 2.

involving the tax cuts and other utilities. Neither does it address the question of Empire's earnings between the effective date of the tax cuts and the rate reduction resulting from the new tariff.

To address those issues, the Commission will schedule a procedural conference and will direct Empire to report its quantification of impacts of the Tax Cuts and Jobs Act of 2017, as well as its quantification of its excess protected and unprotected ADIT (accumulated deferred income tax), to the most current date available.

**THE COMMISSION ORDERS THAT:**

1. No later than November 14, 2018, Empire shall file a report quantifying all impacts of the Tax Cuts and Jobs Act of 2017 potentially affecting natural gas service rates from January 1, 2018, until its revised rate tariff took effect on October 24, 2018.

2. No later than November 14, 2018, Empire shall file a report quantifying the financial impact of the amortization of its excess protected and unprotected ADIT from January 1, 2018, going forward to the most current date for which such financial information is available.

3. A procedural conference is scheduled for November 15, 2018, at 2:00 p.m., at the Commission's office at the Governor Office Building, 200 Madison Street, Jefferson City, Missouri, Room 305. This building meets accessibility standards required by the Americans with Disabilities Act. If you need additional accommodations to participate in this conference, please call the Public Service Commission's Hotline at 1-800-392-4211 (voice) or Relay Missouri at 711 before the conference.

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<sup>2</sup> Ordered Paragraph No. 3.

4. This order shall be effective when issued.



**BY THE COMMISSION**

A handwritten signature in black ink that reads "Morris L. Woodruff".

Morris L. Woodruff  
Secretary

Silvey, Chm., Kenney, Hall, Rupp, and  
Coleman, CC., concur.

Woodruff, Chief 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 31<sup>st</sup> day of October 2018.



  
Morris L. Woodruff  
Secretary

**MISSOURI PUBLIC SERVICE COMMISSION**

**October 31, 2018**

**File/Case No. GR-2018-0229**

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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**

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