## STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 2<sup>nd</sup> day of November, 2011.

In The Matter Of The Empire District Electric Company's )
Purchased Gas Adjustment Tariff Filing )

File No. GR-2012-0124 Tariff No. YG-2012-0172

## ORDER APPROVING INTERIM RATES

Issue Date: November 2, 2011 Effective Date: November 4, 2011

On October 21, 2011, The Empire District Electric Company ("Empire") filed tariff sheets proposed to become effective November 4, 2011. The tariff sheets reflect a change in Empire's Purchased Gas Adjustment ("PGA") factors as a result of estimated changes in the cost of natural gas and changes in the Actual Cost Adjustment ("ACA") factor for the upcoming heating season (November 2011 through March 2012). These changes apply to Empire's three local distribution systems; the South System, the North System and the Northwest System.<sup>1</sup>

For the South System served by Southern Star Central Gas Pipeline, which includes the cities of Clinton, Lexington, Marshall and Sedalia, this filing will increase the firm PGA factor for Residential, Small Commercial, and Small Volume customers for the upcoming heating season to \$0.59773 per one-hundred cubic feet (Ccf), from the current firm PGA factor of \$0.59664 per Ccf. This represents an increase of \$0.00109 per Ccf for all customer classes except Large Volume Interruptible (LVI) and Transportation.

<sup>&</sup>lt;sup>1</sup> Empire represents that after these changes are implemented a residential customer consuming 600 Ccf of natural gas over the upcoming winter season should see an increase in natural gas costs of less than \$1 on the South System and increases of \$17.50 and \$24.72 on the North and Northwest systems, respectively.

For the North System served by Panhandle Eastern Pipeline, which includes the cities of Chillicothe, Marceline and Trenton, this filing will increase the firm PGA factor for Residential, Small Commercial, and Small Volume customers for the upcoming heating season to \$0.60567 per Ccf, from the current firm PGA factor of \$0.57650 per Ccf. This represents an increase of \$0.02917 per Ccf for all customer classes except LVI and Transportation.

For the NW System served by the ANR pipeline, which includes the communities of Rockport, Maryville and Tarkio, this filing will increase the firm PGA factor for Residential, Small Commercial, and Small Volume customers for the upcoming heating season to \$0.52112 per Ccf, from the current firm PGA factor of \$0.47992 per Ccf. This represents an increase of \$0.04120 per Ccf for all customer classes except LVI and Transportation.

The Commission's Staff filed its recommendation on October 28, 2011. Staff states that the proposed tariff sheets have been calculated in conformance with Empire's tariffed PGA clause. Staff recommends the rates be approved on an interim basis, subject to refund pending final Commission decision in this case. Staff further requests that it be allowed to continue reviewing Empire's documentation supporting the ACA factor in Empire's filing and submit its results and recommendation on the ACA filing no later than December 14, 2012.

The Commission has reviewed the proposed tariff sheets and Staff's recommendation. The Commission finds that the proposed tariff sheets conform to Empire's Commission-approved PGA Clause. In addition, because Empire's PGA clause allows for PGA change filings to take effect on 10-days' notice, good cause has been shown pursuant to Section 393.140(11), RSMo 2000, to permit the tariff to become effective on less than 30-days

notice. The Commission concludes that the proposed tariff sheets should be approved to become effective on November 4, 2011, on an interim basis, subject to refund, pending final Commission decision in this case. The Commission will also grant Staff's request to submit its results and recommendation on Empire's ACA filing by December 14, 2012.

## THE COMMISSION ORDERS THAT:

1. The proposed tariff sheets filed on October 21, 2011, by The Empire District Electric Company, assigned Tracking Number YG-2012-0172, and bearing an effective date of November 4, 2011, are approved on an interim basis, subject to refund, pending final Commission decision in this case. The tariff sheets approved are:

P.S.C. MO No. 2

7<sup>th</sup> Revised Sheet No. 62, Canceling 6<sup>th</sup> Revised Sheet No. 62

7<sup>th</sup> Revised Sheet No. 63, Canceling 6<sup>th</sup> Revised Sheet No. 63 7<sup>th</sup> Revised Sheet No. 65, Canceling 6<sup>th</sup> Revised Sheet No. 65

2. No later than December 14, 2012, the Staff of the Missouri Public Service Commission shall submit its results and recommendations regarding the information included in The Empire District Electric Company's ACA filing.

3. This order shall become effective on November 4, 2011.

BY THE COMMISSION

(SEAL)

Steven C. Reed

Secretary

Gunn, Chm., Davis, Jarrett, and Kenney, CC., concur.

Stearley, Deputy Chief Regulatory Law Judge