

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

**In the Matter of The Empire District
Gas Company's PGA Filing.**

File No. GR-2013-0250
Tariff No. YG-2013-0210

**STAFF RECOMMENDATION REGARDING
THE EMPIRE DISTRICT GAS COMPANY'S WINTER SEASON PGA FILING**

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and files its Recommendation in this case that the Commission approve The Empire District Gas Company's (Empire) tariff filing. In support Staff states:

1. On October 31, 2012, Empire filed three tariff sheets, one tariff sheet for each service area, bearing an effective date of November 14, 2012. 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 for the upcoming 2012-2013 winter season.

2. Approval of this tariff filing will:

- * decrease the PGA factor for Empire's South System by \$0.000130/ Ccf,
- * increase the PGA factor for the North System by \$0.04439/ Ccf, and
- * decrease the PGA factor for the Northwest System by \$0.000150/ Ccf.

See Staff's Memorandum attached as Appendix A.

3. File No. GR-2013-0250, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2011-2012 ACA filing. File No. GR-2012-0124 was established to track the Company's PGA factors to be reviewed in its 2010-2011 ACA filing.

4. These rate changes should be on an interim basis, subject to refund status pending a final Commission decision in ACA File Nos. GR-2013-0250 and GR-2012-0124.

WHEREFORE, the Staff recommends the Commission approve The Empire District Gas Company's tariff filing YG-2013-0210 interim subject to refund.

Respectfully submitted,

/s/Robert S. Berlin

Robert S. Berlin
Senior Counsel
Missouri Bar No. 51709

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to all counsel of record this 5th day of November 2012.

/s/ Robert S. Berlin

MEMORANDUM

TO: Missouri Public Service Commission Official Case
File, Case No. GR-2013-0250 (2011-2012 ACA),
File No. YG-2013-0210
The Empire District Gas Company

FROM: Michael Ensrud, Energy Department – Tariffs/Rate Design

<u>/s/ Thomas M. Imhoff 11/05/12</u> Energy Unit/Date	<u>/s/ Robert S. Berlin 11/05/12</u> Staff Counsel's Office/Date
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SUBJECT: Staff Recommendation regarding The Empire District Gas Company's
Scheduled Winter Season PGA Filing

DATE: November 5, 2012

On October 31, 2012, The Empire District Gas Company (Empire or Company) of Joplin, Missouri, filed three (3) tariff sheets, one tariff sheet for each of three service areas, having an effective date of November 14, 2012. 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 2012 – March 2013.

On October 31, 2012, the Commission issued its ORDER DIRECTING STAFF TO FILE RECOMMENDATION which states "No later than November 5, 2012, Staff shall file its recommendation regarding the proposed tariff sheets."

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, Small Commercial, and Small Volume customers for the upcoming heating season to \$0.59760 per one-hundred cubic feet (Ccf), from the current firm PGA factor of \$0.59773 per Ccf. This represents a decrease of \$0.000130 per Ccf for all customer classes except Large Volume Interruptible (LVI) and Transportation classes.

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 0.65006 per Ccf, from the current firm PGA factor of \$0.60567 per Ccf. This represents an increase of \$0.04439 per Ccfs for all customer classes except LVI and Transportation.

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 Residential, Small Commercial, and Small Volume customers for the upcoming heating season to \$0.52097 per Ccf, from the current firm PGA factor of \$0.52112 per Ccf. This represents a decrease of \$0.000150 per Ccf for all customer classes except LVI and Transportation.

Case No. GR-2013-0250, under which these changes were filed, is established to track the Company's PGA factors to be reviewed in its 2011-2012 ACA filing. Case No. GR-2012-0124 was established to track the Company's PGA factors to be reviewed in its 2010-2011 ACA filing. These rate changes should be on an interim basis, subject to refund status pending a final Commission decision in ACA Case Nos. GR-2012-0124 and GR-2013-0250.

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 20, 2013.

Staff has verified that this company has filed its 2011 annual report and is current on its 2012 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

8th Revised SHEET No. 62	Cancelling 7th Revised SHEET No. 62
8th Revised SHEET No. 63	Cancelling 7th Revised SHEET No. 63
8th Revised SHEET No. 65	Cancelling 7th Revised SHEET No. 65

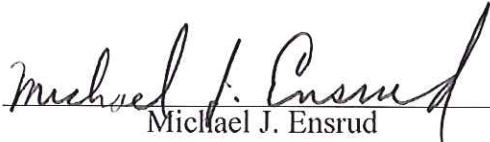
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Empire District Gas)
Company's Purchased Gas Adjustment) Case No. GR-2013-0250
Tariff Filing)

AFFIDAVIT OF MICHAEL J. ENSRUD

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Michael J. Ensrud, 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.



Michael J. Ensrud

Subscribed and sworn to before me this 5th day of November, 2012.





Notary Public