

THE EMPIRE DISTRICT GAS COMPANY
RESPONSE TO STAFF RECOMMENDATIONS
CASE NO. GR-2005-0271
DECEMBER 6, 2006

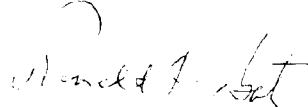
1. EDG agrees to record all of the Staff recommended Purchased Gas Adjustment ("PGA") adjusting entries displayed in Staff recommendation of December 6, 2006 in Case No. GR-2005-0271, for the prior Aquila-MPS/L&P ACA periods that have not previously been reflected on the Aquila Networks-MPS & L&P books and records subject to the approval of the Staff recommended entries by the Missouri Public Service Commission in Case No. GR-2005-0271. It is EDG's understanding that all of the entries recommended by the Staff on December 6, 2006 for the ACA periods prior to the 2004-2005 ACA period were recorded by Aquila prior to June 1, 2006.
2. EDG agrees to analyze the daily balancing provisions in the Southern System tariff sheet 51 as part of its next general rate case.
3. EDG agrees to research the adequacy and availability of natural gas supply on the Southern system in the event of extremely cold weather and submit its findings to the Staff of the Commission as part of the annual gas supply planning meeting with the Staff in May 2007.
4. The Staff has recommended that EDG file a revised tariff sheet No. 57 IV. The Staff has not indicated what specific tariff sheet changes are needed as part of its recommendation. Thus, EDG is unable to respond to this general Staff recommendation without specific revised tariff language from the Staff. EDG requests that the Staff provide the specific tariff language changes it is recommending be made to tariff sheet No. 57 IV. After the Staff's specific tariff language recommendations are provided, EDG will respond to the Staff's proposed tariff changes. EDG also requests that any specific tariff language changes agreed to on Sheet No. 57 IV be filed in conjunction with an EDG tariff filing that eliminates all references to the system's prior owner, Aquila, and inserts the appropriate references to the current owner, The Empire District Gas Company.
5. EDG filed an Ad valorem refund plan with the Commission on December 1, 2006. EDG does not oppose a delay in the closing of the Aquila 2004-2005 ACA case until the EDG Ad valorem refund plan is approved by the Commission.

APPENDIX
A - 1

AFFIDAVIT

STATE OF MISSOURI)
) ss
COUNTY OF JASPER)

On the 26th day of December, 2006, before me appeared Ronald F. Gatz, to me personally known, who, being by me first duly sworn, states that he is the Vice President of The Empire District Gas Company and acknowledged that he has read the above and foregoing document and believes that the statements therein are true and correct to the best of his information, knowledge and belief.



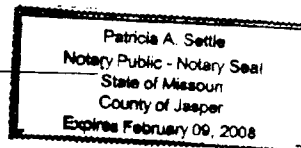
Ronald F. Gatz

Subscribed and sworn to before me this 26th day of December, 2006.



Pat Settle
Notary Public

My commission expires: _____



APPENDIX
A - Z