

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

In the matter of the Empire District Gas	)	
Company's Purchased Gas Adjustment	)	Case No. GR-2008-0123
Tariff Filing.	)	

**STAFF RESPONSE TO**

**EMPIRE DISTRICT GAS COMPANY'S RESPONSE TO STAFF**

COMES NOW the Staff and for its Response to Empire District Gas Co., (Empire)

Response to the Staff's Recommendation States:

1. Empire responded to Staff's recommendation concerning regression analyses and system load estimates, stating:

EDG agrees to use the last two years of winter data to perform the annual analysis of its gas system(s) load. The design day calculation, just as in the past, will be based upon the extreme weather conditions that occurred on the system in the late 1980's. EDG has in past gas supply presentations included estimates of monthly gas usage based upon normal weather conditions. This monthly analysis will be expanded to include estimates of monthly usage under weather conditions that are twenty percent (20%) warmer or colder than normal.

2. In a conference call, Staff discussed with Empire that over a 30-year period using NOAA weather data, monthly-weather-extreme evaluations show variations as much as 52% colder than normal and 42% warmer than normal, depending on the month and the service area being analyzed.

3. Because of this variability, Empire's suggested twenty-percent (20%)-warmer-or-colder-than-normal monthly-load calculation may not be adequate for the company to prepare for the possibility of the most extreme weather conditions.

4. In a February 5, 2009 conference call with Empire and Staff, the Empire gas purchasing personnel indicated they will consider these extremes for gas supply planning purposes.

5. Staff is satisfied Empire will consider these extremes as it represented in the February 5 conference call.

6. Empire agreed with Staff's other recommendations and with Staff's adjustments to its ACA balances as shown on page 7 of Staff's December 31, 2008 Memorandum.

**WHEREFORE** Staff recommends the Commission issue its Order directing Empire to comply with Staff's recommendations to adjust its ACA balances in accord with Staff's table on page 7 of Staff's December 31, 2008 Memorandum.

Respectfully submitted,

**/s/ Lera L. Shemwell**

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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 9th day of February 2009.

**/s/ Lera L. Shemwell**

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