

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

In the Matter of the Joint Application of )  
Aquila, Inc., d/b/a Aquila Networks - )  
MPS and Aquila Networks - L&P )  
("Aquila"), The Empire District Gas )  
Company ("EDG"), and The Empire )  
District Electric Company ("EDE") for an )  
order authorizing the sale, transfer, and )  
assignment of certain assets and liabilities )  
from Aquila to EDG and in connection )  
therewith, certain other related )  
transactions. )

**Case No. GO-2006-0205  
File No. YG-2006-0896**

**STAFF RECOMMENDATION TO APPROVE TARIFF ADOPTION**

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and for its Staff Recommendation To Approve Tariff Adoption, states the following:

1. On April 18, 2006, the Commission issued an Order Approving Unanimous Stipulation and Agreement and Granting a Certificate of Public Convenience and Necessity (Order) in the above-captioned case. The sale closed on June 1, 2006, and, on the same day, The Empire District Gas Company (EDG) filed a tariff sheet containing an adoption notice proposed to become effective July 1, 2006. On June 9, 2006, EDG filed a substitute tariff sheet at the request of the Commission's Energy Department – Tariffs/Rate Design Staff in order to correct a minor error.

2. The Staff has reviewed the proposed tariff sheet, as substituted, and believes it complies with the Commission's Order. Therefore, in accordance with Staff's Memorandum, attached hereto as Appendix A and incorporated by reference herein, the Staff recommends the Commission issue an order approving the Company's June 9th tariff filing to be become

effective as soon as possible, given that the Order authorizes EDG to provide service under the Aquila tariffs as of the effective date of the closing of the transaction, but in any event, not later than the requested July 1, 2006 effective date.

WHEREFORE, the Staff respectfully requests the Commission approve The Empire District Gas Company's tariff adoption compliance filing as indicated above.

Respectfully submitted,

**/s/ Robert S. Berlin**

Robert S. Berlin  
Associate General Counsel  
Missouri Bar No. 51709

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Missouri Public Service Commission  
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### **Certificate of Service**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or e-mailed to all counsel of record 14th day of June 2006.

**/s/ Robert S. Berlin**

## MEMORANDUM

TO: Missouri Public Service Commission Official Case File,  
Case No. GO-2006-0205, File No. YG-2006-0896  
The Empire District Gas Company

FROM: Tom Solt, Energy Department - Tariffs/Rate Design

/s/ Thomas Imhoff 06/12/06  
Energy Department/Date

/s/ Robert S. Berlin 06/12/06  
General Counsel's Office/Date

SUBJECT: Staff Recommendation to Approve The Empire District Gas Company's Tariff  
Adoption Compliance Filing Ordered in Commission Case No. GO-2006-0205

DATE: June 12, 2006

On November 8, 2005, Aquila, Inc., d/b/a Aquila Networks – MPS and Aquila Networks – L&P (Aquila), and both The Empire District Gas Company (EDG) and The Empire District Electric Company (EDE) filed a joint application seeking authorization to sell, transfer and assign certain assets and liabilities from Aquila to EDG. On February 28, 2006, a Unanimous Stipulation and Agreement (S&A) was filed in the case, and on April 18, 2006, the Commission issued an Order Approving Unanimous Stipulation and Agreement and Granting a Certificate of Public Convenience and Necessity (Order). The sale closed on June 1, 2006. Also on June 1, 2006, EDG filed a tariff sheet containing an adoption notice proposed to become effective July 1, 2006. On June 9, 2006, EDG filed a substitute tariff sheet at the request of the Commission's Energy Department - Tariffs/Rate Design Staff (Staff), correcting a minor error.

In Paragraph 7 in the “ordered” section of its Order, the Commission authorized EDG:

to provide natural gas service in the areas currently served by Aquila, Inc.'s gas utility operations in accordance with the rules regulations, rates and tariffs of Aquila, Inc., as are on file with and approved by the Commission on the effective date of the closing of the transaction, including the tariff sheets reflecting the existing base rates and purchase gas adjustment of Aquila, Inc.

The Commission went on to say, in ordered paragraph 8, that EDG “. . . is authorized to adopt the tariff sheets discussed in ordered paragraph 7 and to operate under the same as they may be changed from time to time as provided by law.”

The Staff has verified that Aquila Networks—MPS and L&P and the Empire District Electric Company have filed their respective annual reports and are not delinquent on any assessment. The Empire District Gas Company would not yet have been required to file an annual report or pay an assessment. Staff is not aware of any other matter before the Commission that affects, or is affected by, this filing.

The Staff has reviewed the proposed tariff sheet, as substituted, and believes it complies with the Commission's order. Staff therefore recommends the Commission approve the Company's filing to become effective as soon as possible, given that the order authorizes EDG to provide service under the Aquila tariffs as of the effective date of the closing of the transaction, but in any event, not later than the requested July 1, 2006 effective date.

P.S.C. MO. No. 1

Sec. A Original Sheet No. 1

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 Aquila, Inc. d/b/a Aquila Networks - MPS )  
 and Aquila Networks - L&P ("Aquila"), The )  
 Empire District Gas Company ("EDG") and )  
 The Empire District Electric Company )  
 ("EDE") for an order authorizing the sale, )  
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 connection therewith, certain other related )  
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Case No. GO-2006-0205

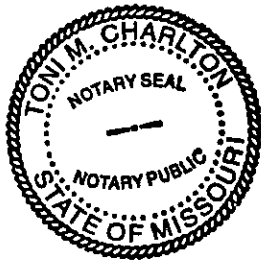
**AFFIDAVIT OF THOMAS A. SOLT**

STATE OF MISSOURI )  
 ) ss  
 COUNTY OF COLE )

Thomas A. Solt, of lawful age, on oath states: that he has participated in the preparation of the foregoing written report, consisting of two pages to be presented in the above case; that the information in the attached written report was given by The Empire District Gas Company; that he has knowledge of the matters set forth in such report; and that such matters are true to the best of his knowledge and belief.

Thomas A. Solt

Subscribed and sworn to before me this 12th day of June 2006.



Toni M. Charlton

Notary Public  
 TONI M. CHARLTON  
 Notary Public - State of Missouri  
 My Commission Expires December 28, 2008  
 Cole County  
 Commission #04474301